



# **Senvion S.A., Luxembourg Group results of operation**

**For the first nine months of  
the financial year 2016**

Consolidated income statement for the first nine months of the financial year 2016 of Senvion S.A. compared with the first nine months of the calendar year 2015 of Senvion GmbH

	2016/01/01- 2016/09/30 <sup>1</sup>	2015/01/01- 2015/09/30 <sup>2</sup>	Change 2015/2016
	k EUR (unaudited)	k EUR (unaudited)	%
Revenues	1,453,845	1,535,320	-5.3
Changes in work in progress	58,402	45,444	28.5
Work performed by the entity and capitalized	35,730	34,477	3.6
<b>Total performance</b>	<b>1,547,977</b>	<b>1,615,241</b>	<b>-4.2</b>
Other operating income	45,077	36,240	24.4
Cost of materials/cost of purchased services	-1,122,648	-1,214,633	-7.6
Personnel expenses	-191,573	-167,722	14.2
Depreciation of property, plant and equipment and amortization of intangible assets	-123,541	-41,237	199.6
Other operating expenses	-156,250	-161,713	-3.4
<b>Result from operating activities</b>	<b>-958</b>	<b>66,176</b>	<b>-101</b>
Share of result from associates and joint-ventures	-65	0	n.m.
Interest and similar financial income	386	4,399	-91.2
Interest and similar financial expenses	-50,633	-21,903	131.2
<b>Result before income taxes</b>	<b>-51,270</b>	<b>48,672</b>	<b>n.m.</b>
Income taxes	6,408	-28,663	n.m.
<b>Profit / loss for the period from continuing operations</b>	<b>-44,862</b>	<b>20,009</b>	<b>n.m.</b>
Profit / loss for the period from discontinued operations	0	-415	-100.0
<b>Net result for the period</b>	<b>-44,862</b>	<b>19,594</b>	<b>n.m.</b>

1 The figures represent the consolidated income statement of Senvion S.A. Group, Luxembourg.

2 The figures represent the consolidated income statement of Senvion GmbH Group, Hamburg.

Revenues by business line and geography for the nine months of financial year 2016 of Senvion S.A. compared with the first nine months of the calendar year 2015 of Senvion GmbH

	2016/01/01- 2016/09/30 <sup>1</sup>	2015/01/01- 2015/09/30 <sup>2</sup>	Change 2015/2016
	k EUR (unaudited)	k EUR (unaudited)	%
<b>Onshore</b>	<b>1,085,376</b>	<b>1,283,606</b>	<b>-15.4</b>
Canada	244,875	222,880	9.9
France	101,566	77,519	31.0
Germany	215,023	543,465	-60.4
United Kingdom	258,479	177,105	45.9
Portugal	154,161	15,701	881.9
Rest of the world	111,272	246,936	-54.9
<b>Offshore</b>	<b>163,351</b>	<b>79,517</b>	<b>105.4</b>
<b>Services</b>	<b>203,475</b>	<b>167,081</b>	<b>21.8</b>
<b>Other</b>	<b>1,643</b>	<b>5,116</b>	<b>-67.9</b>
<b>Revenues</b>	<b>1,453,845</b>	<b>1,535,320</b>	<b>-5.3</b>

1 The figures represent the consolidated income statement of Senvion S.A. Group, Luxembourg.

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The revenues decreased by 81,475 k EUR, or 5.3%, from 1,535,320 K EUR in the first nine months of the calendar year 2015 to 1,453,845 k EUR in the first nine months of the financial year 2016.

The offshore revenues increased from 79,517 k EUR in the first nine months of the calendar year 2015 to 163,351 k EUR in the first nine months of financial year 2016.

The revenues from services increased from 167,081 k EUR in the first nine months of the calendar year 2015 to 203,475 k EUR in the first nine month of the financial year 2016, mainly due to increasing MW covered under O&M contracts (from 9,790 MW as of 30 September, 2015 to 11,937 MW as of 30 September, 2016).

## Other operating income

Other operating income increased by 8,837 k EUR to 45,077 k EUR in the first nine months of the financial year 2016 compared to the first nine months of the calendar year 2015. This development was mainly due to an increase of insurance compensations (from 4,859 k EUR in the first nine months of the calendar year 2015 to 12,951 k EUR in the first nine months of the financial year 2016).

## Cost of materials/cost of purchased services

The cost of materials/cost of purchased services decreased by 91,985 k EUR to 1,122,648 k EUR in the first nine months of the financial year 2016 compared to the first nine months of the calendar year 2015 in accordance with the decline in revenues. The costs of materials ratio (costs of materials/cost of purchased services in relation to total performance) decreased from 75.2% in the first nine month of the calendar year 2015 to 72.5% in the first nine month of the financial year 2016.

## Personnel expenses

The personnel expenses increased by 23,851 k EUR to 191,573 k EUR in the first nine months of the financial year 2016 compared to the first nine months of the calendar year 2015, due to an increase in average number of employees in the respective period, bonus payments, as well as salary increases.

## Depreciation of property, plant and equipment and amortization of intangible assets

The depreciation of property, plant and equipment and amortization of intangible assets increased by 82,304 k EUR to 123,541 k EUR in the first nine months of the financial year 2016 compared to the to the first nine months of the calendar year 2015, primarily relating to the non-cash relevant items of the amortization of the intangible asset step-up resulting from the Purchase Price Allocation (PPA).

## Other operating expenses

Other operating expenses decreased by 5,464 k EUR to 156,250 k EUR in the first nine months of the financial year 2016 compared to the first nine months of the calendar year 2015. The change was mainly due to an decrease in currency translation losses (from 21,047 k EUR in the first nine months of calendar year 2015 to 12,135 k EUR in the first nine months of the financial year 2016).

## Result from operating activities

The result from operating activities decreased from 66,176 k EUR in the first nine months of the calendar year 2015 to -958 k EUR in the first nine months of the financial year 2016. The main contributor to this development is the amortization of the intangible asset step-up resulting from the PPA which amounts to 77,357 k EUR in the first nine month of the financial year 2016. The result from operating activities as a percentage of revenues (EBIT margin) was reduced from 4.3% in the first nine months of the calendar year 2015 to -0.1% in the first nine months of the financial year 2016.

## Interest and similar financial income and expenses

	2016/01/01- 2016/09/30 <sup>1</sup>	2015/01/01- 2015/09/30 <sup>2</sup>	Change 2015/2016
	k EUR (unaudited)	k EUR (unaudited)	%
<b>Share of result from associates and joint-ventures</b>	<b>-65</b>	<b>0</b>	<b>n.m.</b>
<b>Interest and similar financial income</b>			
Other interests and similar income	386	4,399	-91,2
<b>Interest and similar financial expenses</b>			
Preferred Equity Certificates	-7,743	0	n.m.
High Yield Bond	-21,000	0	n.m.
Deferred financing fees for guarantees	-3,850	-8,238	-53.3
Guarantee commission	-8,419	-5,244	60.5
Other	-9,621	-8,421	14.3
	<b>-50,633</b>	<b>-21,903</b>	<b>131,2</b>
<b>Finance result</b>	<b>-50,312</b>	<b>-17,504</b>	<b>187.4</b>

1 The figures represent the consolidated income statement of Servion S.A. Group, Luxembourg.

2 The figures represent the consolidated income statement of Servion GmbH Group, Hamburg.

The interest and similar financial expenses increased from 21,903 k EUR in the first nine months of the calendar year 2015 to 50,633 k EUR in the first nine months of financial year 2016. The increase is mainly related to the refinancing of the acquisition of the shares of Servion GmbH and the issuance of shareholder loans in type of Preferred Equity Certificates (PEC's).

## Preferred Equity Certificates (PECs)

Since the acquisition, the shareholders have held their investment in the Group through a combination of ordinary shares, preference shares and PECs which were disclosed as shareholder loans as of 31 December 2015. On 3 March, 2015, in connection with the change in the Company's corporate form, the preference shares were converted into ordinary shares, and on 15 March, 2016, the PECs were contributed to the Company in exchange for ordinary shares, granting the same kind of voting rights to all shareholders of the Company. Total interest of 7,743 k EUR was recorded for the PECs for the first nine months of the financial year 2016.

## High Yield Bond

The High Yield Bond has a nominal value of 400 m EUR with a term ending 15 November 2020. Transaction cost of 9,549 k EUR directly attributable to that transaction were recognized as part of the effective interest method. This bond bears interest at a (nominal) fixed rate of 6.625% p.a. (effective rate 7.14% p.a.). The book value as of 30 September 2016 amounts to 392,530 k EUR. The related interest expense amounted to 21,000 k EUR in the first nine months of the financial year 2016.

## Income tax result

The income tax result increased by 35,071 k EUR from an expense of 28,663 k EUR in the first nine months of the calendar year 2015 to an income tax income of 6,408 k EUR in the first nine months of calendar year 2016. The increase in income taxes in the first nine months of the year 2016 was mainly the result of a decrease in current income tax expenses by 52,486 k EUR and a decrease of deferred tax income of 17,533 k EUR.

## Net result for the period

As a result of the developments discussed above, the net result for the period decreased by 64,456 k EUR from 19,594 k EUR in the first nine months of the calendar year 2015 to -44,862 k EUR in the first nine months of the financial year 2016.