Senvion GmbH
(formerly Senvion SE and REpower Systems SE), Hamburg

Consolidated Financial Statements as of and for the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013

Senvion GmbH (formerly Senvion SE and REpower Systems SE), Hamburg

Consolidated statements of financial position

Assets	Notes	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Current assets				
Liquid funds	4.1.1	301,375	269,924	236,879
Gross amount due from customers for contract work as an asset	4.1.2	58,753	92,767	144,337
Trade accounts receivable	4.1.3	178,008	155,491	144,053
Receivables from related parties	4.1.4	32,009	23,575	15,255
Inventories	4.1.5	582,710	569,166	529,909
Receivables from income taxes		1,986	1,902	11,143
Other financial assets	4.1.6	2,234	9,419	2,089
Other miscellaneous assets	4.1.6	96,160	99,317	113,422
		1,253,235	**1,221,561**	**1,197,087**
Assets of disposal group classified as held for sale	**4.3**	**16,461**	**13,293**	**28,929**
Total current assets		**1,269,696**	**1,234,854**	**1,226,016**
Non-current assets				
Other intangible assets	4.2.1	126,361	102,446	88,929
Goodwill		15,632	15,632	15,632
Property, plant and equipment	4.2.2	205,188	201,222	191,859
Other financial investment		66	66	66
Loans granted		2,752	13,231	16,255
Deferred taxes	4.2.3	6,062	8,033	7,195
Total other non-current assets		3,662	7	1
Total non-current assets		**359,723**	**340,637**	**319,937**
Total assets		**1,629,419**	**1,575,491**	**1,545,953**

Shareholders` equity and liabilities	Notes	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Current liabilities				
Short-term loans and current portion of long-term loans	7.2.	7,568	8,305	9,838
Trade accounts payable	7.2	337,189	331,136	312,334
Liabilities to related parties	7.2	10,851	3,508	2,920
Advance payments received	4.4.1	264,139	270,561	302,076
Gross amounts due to customers for contract work as a liability	4.1.2	78,907	53,184	74,332
Provisions	4.4.2	236,593	236,627	197,916
Deferred income	4.4.3	33,454	29,222	20,439
Income tax liabilities	4.4.4	27,070	4,908	2,141
Other financial liabilities	4.4.5	22,511	29,835	21,441
Other miscellaneous liabilities	4.4.5	18,118	15,970	13,589
		1,036,400	**983,256**	**957,026**
Liabilities of disposal group classified as held for sale	4.3	**2,396**	**3,243**	**9,672**
Total current liabilities		**1,038,796**	**986,499**	**966,698**
Non-current liabilities				
Long-term loans	4.5	14,346	21,889	30,061
Deferred taxes	4.2.3	36,274	45,759	36,336
Other non-current financial liabilities		1,000	11,102	10,854
Total non-current liabilities		**51,620**	**78,750**	**77,251**
Equity				
Subscribed capital	4.6.1	9,220	9,220	9,220
Additional paid-in capital	4.6.2	299,220	303,676	303,676
Other reserves		3,097	3,425	-336
Revaluation reserve		776	776	776
Currency translation		3,164	1,002	-877
Cash flow hedging reserve		-843	1,647	-235
Retained earnings		220,426	188,844	180,533
Equity attributable to shareholders of the parent company		**531,963**	**505,165**	**493,093**
Non-controlling interests	4.6.3	7,040	5,077	8,911
Total equity		**539,003**	**510,242**	**502,004**
Total equity and liabilities		**1,629,419**	**1,575,491**	**1,545,953**

Senvion GmbH (formerly Senvion SE and REpower Systems SE), Hamburg

Consolidated income statements

	Notes	2014/04/01-2015/03/31	2013/04/01-2014/03/31	2012/04/01-2013/03/31
		k EUR	k EUR	k EUR
Revenues	5.1	1,921,819	1,758,869	2,294,415
Changes in work in progress		4,394	12,263	-93,776
Work performed by the entity and capital-ized		38,767	23,439	20,454
Total performance		**1,964,980**	**1,794,571**	**2,221,093**
Other operating income	5.2	33,738	43,714	69,908
Cost of materials/cost of purchased ser-vices		-1,476,859	-1,365,994	-1,836,254
Personnel expenses	5.3	-208,929	-196,235	-198,294
Depreciation of property, plant and equip-ment and amortization of intangible assets		-53,898	-44,819	-41,007
Other operating expenses	5.4	-188,917	-151,989	-221,859
Result from operating activities before reorganization expenses		**70,115**	**79,248**	**-6,413**
Reorganization expenses	5.5	0	-38,041	0
Result from operating activities		**70,115**	**41,207**	**-6,413**
Interest and similar financial income	5.6	1,976	1,128	2,808
Interest and similar financial expenses	5.6	-19,968	-16,194	-16,310
Share of result from joint ventures		0	0	234
Result before income taxes		**52,123**	**26,141**	**-19,681**
Income tax expense/income	4.2.3	-21,194	-13,771	7,771
Profit/loss for the period from continu-ing operations		**30,929**	**12,370**	**-11,910**
Profit / loss for the period from discontinued operations	4.3	1,211	-7,535	-443
Net result for the period		**32,140**	**4,835**	**-12,353**
Share of net result for the period attributa-ble to non-controlling interests		559	-3,476	-204
Continuing operations		0	0	0
Discontinued operations		559	-3,476	-204
Share of net result for the period attributa-ble to shareholders of the parent		31,581	8,311	-12,149
Continuing operations		30,929	12,370	-11,910
Discontinued operations		652	-4,059	-239

Senvion GmbH (formerly Senvion SE and REpower Systems SE), Hamburg

Consolidated statements of comprehensive income

	2014/04/01-2015/03/31 k EUR	2013/04/01-2014/03/31 k EUR	2012/04/01-2013/03/31 k EUR
Net result for the period	**32,140**	**4,835**	**-12,353**
Other comprehensive income to be reclassified to profit of loss in subsequent periods (net of tax)			
Other expenses/income from cash flow hedges	-3,517	2,655	-207
Deferred taxes on other expenses/income from cash flow hedges	1,027	-773	60
Expenses/income of cash flow hedges after tax	**-2,490**	**1,882**	**-147**
Currency translation	3,565	1,521	376
Other comprehensive income	**1,075**	**3,403**	**229**
Total comprehensive income	**33,215**	**8,238**	**-12,124**
Share of total comprehensive income for the period attributable to non-controlling interests from discontin-ued operations	1,962	-3,834	258
Share of total comprehensive income for the period attributable to shareholders of the parent company	31,253	12,072	-12,382

Senvion GmbH (formerly Senvion SE and REpower Systems SE), Hamburg

Consolidated statements of cash flows

	Notes	2014/04/01-2015/03/31	2013/04/01-2014/03/31	2012/04/01-2013/03/31
		k EUR	k EUR	k EUR
Cash flow from operating activities				
Result before income taxes		53,334	18,606	-20,124
Adjustments for:				
Depreciation on property, plant and equipment, amortization of intangible assets		53,898	44,819	41,007
Result from joint ventures		0	0	-234
Interest income		-1,976	-1,128	-2,808
Interest expenses		19,968	16,194	16,310
Increase/decrease in provisions		-33	38,711	102,650
Profit/loss from sales of property, plant and equipment, intangible and other long-term assets		71	820	307
Change in working capital		30,055	-4,337	-101,897
Interest received	5.6	1,976	1,128	2,808
Interest paid	5.6	-25,406	-10,247	-10,152
Income tax paid/received		-11,884	6,252	-1,016
Other non-cash income and expenses		0	0	79
Cash flow from operating activities*	**9**	**120,003**	**110,818**	**26,930**
Cash flow from investing activities				
Cash receipts from the sale of property, plant and equipment, intangible and other long-term assets	4.2.2	1,812	3,671	4,244
Cash payments for the purchase of intangible assets	4.2.1	-43,555	-25,589	-22,970
Cash payments for purchase of property, plant and equipment and other long-term assets	4.2.2	-39,290	-43,584	-32,269
Acquisition of subsidiary: Net of cash acquired		102	0	151
Cash flow from investing activities**	**9**	**-80,931**	**-65,502**	**-50,844**
Cash flow from financing activities				
Cash repayments of amounts borrowed		-7,544	-8,171	-8,957
Cash flow from financing activities	**9**	**-7,544**	**-8,171**	**-8,957**
Increase/decrease in cash and cash equiva-lents		**31,528**	**37,145**	**-32,871**
Cash and cash equivalents at the beginning of the period		268,521	231,376	264,247
Cash and cash equivalents at the end of the period		**300,049**	**268,521**	**231,376**
Liquid funds	4.1.1	301,375	269,924	236,879
Cash displayed in „Assets of disposal Group classified as held for sale“	4.3	6,242	6,902	4,335
Short-term bank liabilities	7.2	-7,568	-8,305	-9,838
Cash and cash equivalents at the end of the period		**300,049**	**268,521**	**231,376**
* thereof from discontinued operations	4.3	-663	2,575	3,270
** thereof from discontinued operations	4.3	4	-8	-31

Senvion GmbH (formerly Senvion SE and REpower Systems SE), Hamburg

Consolidated statements of changes in shareholders' equity

k EUR	Subscribed capital	Additional paid-in capital	Currency translation *	Cash flow hedge re-serve	Revaluation reserve	Retained earnings	Equity at-tributable to shareholders of the parent company	Non-controlling interests	Total equity
Balance at 2014/04/01	**9.220**	**303.676**	**1.002**	**1.647**	**776**	**188.844**	**505.165**	**5.077**	**510.242**
Net result for the period						31.581	31.581	559	32.140
Other income/expense from cash flow hedges				-3.517			-3.517		-3.517
Deferred taxes on other income/expense from cash flow hedges				1.027			1.027		1.027
Currency translation			2.162				2.162	1.403	3.565
Comprehensive Income			2.162	-2.490		31.581	31.253	1.962	33.215
Common control transactions		-4.455					-4.455		-4.455
Balance at 2015/03/31	**9.220**	**299.220**	**3.164**	**-843**	**776**	**220.426**	**531.963**	**7.040**	**539.003**

* Thereof from discontinued operations as of 31 March 2015: 2,333 k EUR

k EUR	Subscribed capital	Additional paid-in capital	Currency translation *	Cash flow hedge re-serve	Revaluation reserve	Retained earnings*	Equity at-tributable to shareholders of the parent company	Non-controlling interests	Total equity
Balance at 2013/04/01	**9.220**	**303.676**	**-877**	**-235**	**776**	**180.533**	**493.093**	**8.911**	**502.004**
Net result for the period						8.311	8.311	-3.476	4.835
Other income/expense from cash flow hedges				2.655			2.655		2.655
Deferred taxes on other income/expense from cash flow hedges				-773			-773		-773
Currency translation			1.879				1.879	-358	1.521
Comprehensive Income			1.879	1.882		8.311	12.072	-3.834	8.238
Balance at 2014/03/31	**9.220**	**303.676**	**1.002**	**1.647**	**776**	**188.844**	**505.165**	**5.077**	**510.242**

* Thereof from discontinued operations as of 31 March 2014: 683 k EUR

k EUR	Subscribed capital	Additional paid-in capital	Currency translation *	Cash flow hedge reserve	Revaluation reserve	Retained earnings	Equity attributable to shareholders of the parent company	Non-controlling interests	Total equity
Balance at 2012/04/01**	**9.220**	**303.671**	**-791**	**-88**	**776**	**239.113**	**551.902**	**8.657**	**560.559**
Impact of change in accounting policy	**0**	**0**	**0**	**0**	**0**	**-46.430**	**-46.430**	**0**	**-46.430**
Balance after accounting policy change	**9.220**	**303.671**	**-791**	**-88**	**776**	**192.683**	**505.471**	**8.657**	**514.128**
Net result for the period						-12.149	-12.149	-204	-12.353
Other income/expense from cash flow hedges				-207			-207		-207
Deferred taxes on other income/expense from cash flow hedges				60			60		60
Currency translation			-86				-86	462	376
Comprehensive Income			-86	-147		-12.149	-12.382	258	-12.124
Stock option plans		140					140		140
Common control transactions		-135					-135		-135
Deconsolidation of subsidiary								-4	-4
Balance at 2013/03/31	**9.220**	**303.676**	**-877**	**-235**	**776**	**180.533**	**493.093**	**8.911**	**502.004**

* Thereof from discontinued operations as of 31 March 2013: 1,094 k EUR
** The opening balance of the retained earnings as of 1 April 2012 has been adjusted to reflect the change in accounting policy. Reference is made to Note 3.1 Change in accounting policies and events after the end of the reporting period.

Senvion GmbH (formerly Senvion SE and REpower Systems SE), Hamburg

Notes to the consolidated financial statements as of and for the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013

1 Introduction

The Senvion Group ("Senvion" or the Group) with Senvion GmbH (formerly until 25 June 2015 Senvion SE and until 20 January 2014 REpower Systems SE, "Senvion GmbH"), Überseering 10, 22297 Hamburg, Federal Republic of Germany, as its parent company, operates in the area of manufacturing and selling wind energy turbines as well as developing and providing turnkey wind farms.

Senvion GmbH had prepared statutory consolidated financial statements each as of and for the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013 in accordance with section 315a (1) of the German Commercial Code (HGB) complying with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

The statutory consolidated financial statements each as of and for the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013 together with the respective Group management reports for the respective periods were published separately in the electronic Federal Gazette (Bundesanzeiger).

These additional consolidated financial statements as of and for the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013 (the "financial year 2014/2015", "financial year 2013/2014" and "financial year 2012/2013" or the "financial years 2014/2015, 2013/2014 and 2012/2013", respectively) are prepared on a voluntary basis covering the three financial periods that were included in the statutory consolidated financial statements each as of and for the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013 published separately as described above. The voluntary consolidated financial statements as of and for the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013 reflect the change in accounting policy for revenue recognition from the sale of onshore wind turbines described in Note 3.1 retrospectively for all periods presented herein.

According to IAS 10 *Events after the Reporting Period* the amounts recognized in these voluntary consolidated financial statements have been adjusted to reflect adjusting events after the reporting period and until the date when these voluntary consolidated financial statements are authorized for issue. These adjustments are limited to those that provide evidence of conditions that existed at the end of the respective reporting period, but exclude those that are indicative of conditions that arose after the respective reporting period. Therefore, the financial information presented in these voluntary consolidated financial statements as of and for the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013 differ from the financial information presented in the statutory consolidated financial statements each as of and for the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013 separately published before. The effects of changes from adjusting for these events are also disclosed in Note 3.1.

These voluntary consolidated financial statements were approved by the Executive Board on 18 December 2015.

The consolidated financial statements are prepared with the Euro as the presentation currency. The income statements are presented using the nature of expense method. Unless otherwise stated, all figures in the notes are accurate to the nearest thousand euro (k EUR) using commercial rounding. This may cause sums and subtotals to deviate from its arithmetical result by k EUR 1.

The consolidated financial statements are prepared on a historical cost basis, except for derivative financial instruments, which are measured at fair value as of the reporting date.

2 Consolidation

2.1 Principles of consolidation

These consolidated financial statements include all significant directly or indirectly controlled German and foreign subsidiaries.

Subsidiaries are consolidated from the date of acquisition, being the date on which Senvion obtained control, and continue to be consolidated until the date when such control ceases. Control is achieved when Senvion is exposed, or has rights, to variable returns from its involvement with investee and has the ability to affect those returns through its power over the investee. Specifically, Senvion controls an investee if and only if Senvion has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and

- The ability to use its power over the investee to affect its returns

When Senvion has less than a majority of the voting or similar rights of an investee, Senvion considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

Senvion re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-Group balances, transactions, unrealized gains and losses resulting from intra-Group transactions and dividends are eliminated in full. Profit or loss and each component of other comprehensive income (OCI) are attributed to the shareholders of the parent company of the Group and to the non-controlling interests.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If Senvion loses control over a subsidiary it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interest
- Derecognizes the cumulative translation differences, recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate

2.2 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognized either in either profit or loss or as a change to other comprehensive income.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Business combinations under common control are not in the scope of IFRS 3. A business combination under common control is a transaction whereby the Group acquires a business which is ultimately controlled by the same party before and after the transaction. Senvion is applying the pooling of interest method to account for business combinations under common control. Assets and liabilities of the transferred business are recorded on the basis of their carrying amounts in the most recent consolidated financial statements of the transferring party. Comparative financial information for periods before the transaction took place is not adjusted.

2.3 Scope of consolidation

2.3.1 Fully consolidated companies

The consolidated Group includes Senvion GmbH as well as the following German and foreign companies which are fully consolidated in the consolidated financial statements:

	2015/03/31	2014/03/31	2013/03/31
	Share in %	Share in %	Share in %
Project companies			
Senvion Betriebs- und Beteiligungsgesellschaft mbH, Rendsburg , Germany	100.00	100.00	100.00
Senvion Windpark Betriebs GmbH, Hamburg, Germany	100.00	100.00	100.00
Senvion Investitions- und Projektierungs GmbH & Co.KG, Rendsburg, Rendsburg, Germany	100.00	100.00	100.00
Windpark Blockland GmbH & Co. KG, Hamburg, Germany	100.00	100.00	100.00
Yorke Peninsula Wind Farm Project Pty Ltd, Melbourne, Australia	80.00	-	-
Production and services companies			
PowerBlades GmbH, Bremerhaven, Germany	100.00	100.00	100.00
Senvion Deutschland GmbH, Hamburg, Germany	100.00	100.00	100.00
REpower North (China) Ltd., Baotou, PR China	53.87	53.87	53.87
PowerBlades S.A., Vagos, Portugal	100.00	100.00	100.00
Ventipower S.A., Oliveira de Frades, Portugal	100.00	3.00	3.00
RiaBlades S.A., Vagos, Portugal	100.00	3.00	3.00
Ventinveste Indústria, SGPS, S.A., Oliveira de Frades, Portugal	100.00	-	-
RETC Renewable Energy Technology Center GmbH, Hamburg, Germany	100.00	100.00	100.00
Senvion India Ltd, Pune, India	100.00	100.00	100.00
PowerBlades Industries Inc., Québec, Canada	100.00	100.00	100.00
Sales companies			
REpower España S.L., Madrid, Spain	-	-	100.00
Senvion France S.A.S. , Courbevoie, France	100.00	100.00	100.00
Senvion Italia S.r.l., Milan, Italy	100.00	100.00	100.00
Senvion Holdings Pty Ltd, Melbourne, Australia	100.00	100.00	100.00
Senvion Australia Pty Ltd., Melbourne, Australia	100.00	100.00	100.00
Senvion (Beijing) Trading Co. Ltd., Beijing, PR China	100.00	100.00	100.00

	2015/03/31	2014/03/31	2013/03/31
	Share in %	Share in %	Share in %
Sales companies			
Senvion USA Corp., Denver, U.S.A.	100.00	100.00	100.00
Senvion Canada Inc., Montreal, Canada	100.00	100.00	100.00
Senvion Benelux b.v.b.a., Ostend, Belgium	100.00	100.00	100.00
Senvion UK Ltd., Edinburgh, UK	100.00	100.00	100.00
Senvion Polska, Sp.z o.o., Warsaw, Poland	100.00	100.00	100.00
Senvion Portugal S.A., Porto, Portugal	100.00	100.00	100.00
Senvion Scandinavia AB, Västerås, Sweden	100.00	100.00	100.00
REpower Systems Northern Europe A/S, Aarhus, Denmark	-	-	100.00
Senvion Romania SRL, Bucharest, Romania	100.00	100.00	100.00
Senvion Austria GmbH, Ernstbrunn, Austria	100.00	100.00	-
Senvion Netherlands B.V., Nijkerk, Netherlands	100.00	-	-
Senvion Turkey Rüzgar Türbinleri Limited Şirketi, Istanbul, Turkey	100.00	-	-
Senvion (Shanghai) Trading Co. Ltd (still in phase of establishment), Shanghai, PR China	100.00	-	-
Shelf or shell companies			
WEL Windenergie Logistik GmbH, Schloß Holte-Stukenbrock, Germany	100.00	100.00	100.00

Changes in the scope of consolidation

2.3.1.1 Changes in the scope of consolidation in the financial year 2014/2015

In the financial year 2014/2015, the Group adopted IFRS 10 *Consolidated financial statements*. The change from IAS 27 to IFRS 10 had no impact on the scope of consolidation of the Group.

As part of the expansion of its service and marketing activities, Senvion GmbH established Senvion Netherlands B.V., headquartered in Nijkerk, Netherlands, in April 2014 as well as Senvion Turkey Rüzgar Türbinleri Limited Şirketi, headquartered in Istanbul, Turkey, in June 2014. In addition, Senvion GmbH has started to established Senvion (Shanghai) Trading Co. Ltd, headquartered in Shanghai, PR China since March 2015.

Senvion acquired 80% of Yorke Peninsula Wind Farm Project Pty. Ltd, Melbourne, Australia in June 2014.

As Yorke Peninsula Wind Farm Project Pty Ltd, Melbourne, Australia, was previously controlled by Valum Holding B.V., Amsterdam, Netherlands, a 100% subsidiary of Suzlon Energy Ltd, Pune, India, which also owned at the date of transaction 100% of the shares in Senvion GmbH indirectly through its subsidiaries, the transfer was considered to be a business combination under common control.

Therefore, the assets and liabilities of Yorke Peninsula Wind Farm Project Pty Ltd were recognized at their carrying value recognized prior to the transaction in the IFRS financial statements of the then ultimate parent entity of Senvion GmbH. The difference between the consideration transferred and the net assets recognized as of transfer date were recognized directly in equity. Comparative financial information for periods before the transaction was not adjusted.

The following table shows the carrying amounts of assets and liabilities recorded as of transaction date:

	1 June 2014 Carrying amounts k EUR
Other current assets	3
Intangible assets	333
Trade accounts payable	528
Net assets acquired	-192
Cost of acquisition	4,263
Amounts recorded directly in Equity	4,455

The cost of acquisition was offset against an outstanding receivable of Suzlon Energy Ltd, Pune, India. The net profit of the Group for the financial year 2014/2015 includes a net loss of 1 k EUR and no revenues from York Peninsula Wind Farm Project Pty Ltd.

The entity Repower Northern Europe A/S, Aarhus was liquidated with effect from 30 September 2014 and is no longer part of the scope of consolidation. The deconsolidation took place at the same date.

2.3.1.2 Changes in the scope of consolidation in the financial year 2013/2014

In the financial year 2013/2014 REpower España S.L., Madrid, Spain was liquidated with effect from 19 December 2013. Furthermore, as part of the expansion of its service and marketing activities, Senvion GmbH established Senvion Austria GmbH, headquartered in Ernstbrunn, Austria, in March 2014.

2.3.1.3 Changes in the scope of consolidation in the financial year 2012/2013

In the financial year 2012/2013 Senvion GmbH established Senvion Romania SRL, headquartered in Bucharest, Romania.

REpower Diekat S.A., headquartered in Athens, Greece, was wound up with effect from January 28, 2013.

Senvion GmbH acquired the remaining 50% of the shares in RETC Renewable Energy Technology Center GmbH (RETC), headquartered in Hamburg. With effect from March 1, 2013, the existing joint venture relationship between Senvion GmbH and Suzlon Energy Ltd., India, was terminated. The transfer is considered to be a business combination under common control as the entity is still controlled by the same ultimate parent.

Therefore, the assets and liabilities of RETC were recognized at their carrying value recognized prior to the transaction in the IFRS consolidated financial statements of the then ultimate parent entity of Senvion GmbH. The difference between the consideration transferred and the net assets recognized as of transfer date were recognized directly in equity.

The following table shows the carrying amounts of assets and liabilities recorded as of transaction date:

	1 March 2013 Carrying amounts k EUR
Property, plant and equipment	472
Receivables and other assets	2,139
Liquid funds	151
Payables	-358
Net assets acquired	2,404
Investment in joint venture	1,202
Consideration transferred	1,337
Amounts recorded directly in Equity	-135

The carrying amounts of acquired receivables correspond to its fair value and gross contractual amounts. The Group does not expect default on such receivables.

In February 2013 PowerBlades Inc., based in Québec, Canada was founded as production company for the blade production in Ontario.

2.3.2 Jointly controlled entities

For the period from April 1, 2012 to February 28, 2013, RETC Renewable Energy Technology Centre GmbH, headquartered in Hamburg, was recognised at equity as a jointly controlled entity.

The company was fully consolidated for the first time as of 1 March 2013 following the acquisition of the remaining 50% of the shares.

3 Accounting policies

The accounting policies applied in the consolidated financial statements as of and for the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013 were adjusted to reflect the new standards, as stated in Note 3.22 “New accounting standards and their application”.

3.1 Change in accounting policies and events after the end of the reporting period

Senvion changed its accounting policy for revenue recognition from the sale of onshore wind turbines in the short financial year ended 31 December 2015 and already applied this change retrospectively in these voluntarily prepared consolidated financial statements. Senvion applies IAS 11 “Construction contracts” to its wind turbine generator supply arrangements. Under IAS 11 revenues and contract costs associated with the construction contract are recognized as revenues and expenses by reference to the stage of completion of the contract activity, referred to as the percentage of completion method. Under the previous method applied by Senvion the stage of completion of a contract was measured by reference to the proportion of total costs incurred to date to the estimated total contract costs, referred to as the cost-to-cost method.

Under the new method the stage of completion is measured by completion of a physical proportion of the contract work. In doing so, Senvion reflects the shift in value creation of the production and installation process from the production towards on-site work and physical completion. This method acknowledges that customer specific contracts involve risks and uncertainties, which are not distributed straight line over the process of the production, construction and erection. Therefore, instead of measuring the percentage of completion by reference to the cost-to cost model, Senvion identified individual milestones which are significant to the overall completion of the contract and most appropriate to estimate and measure the stage of completion of projects. Senvion believes that the new method to determine the stage of completion for revenue recognition from the sale of onshore wind turbines better reflects the extent of contract activities and performance during the respective period and, therefore, provides reliable and more relevant information.

The financial information as of and for the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013 in the consolidated statements of financial position, consolidated income statements, consolidated statements of comprehensive income, consolidated statements of cash flows, consolidated statements of changes in shareholders` equity and the notes to the consolidated financial statements have been adjusted.

The change in accounting policy was applied retrospectively and resulted in a decrease of retained earnings at an amount of 46.430 k EUR as of 1 April 2012 compared to the statutory consolidated financial statements as of and for the financial year ended 31 March 2013 published separately.

In addition, due to the fact that the preparation period of these voluntary consolidated financial statements ended for each reporting period on 18 December 2015 changes resulting from events after the end of the reporting period which require adjustments as per IAS 10.8 were recognized. Under IAS 10.8 events that provide evidence of conditions that existed at the end of the reporting period require adjustment when financial statements are prepared. Events after the end of the reporting period adjusted for mainly relate to provisions for warranty risks accounted for under current liabilities and related profit & loss accounts. Evidence of conditions that existed as of the respective reporting date includes adjustments in estimates and assumptions in relation to the amount of affected units subject to warranty as well as repair and replacement cost per unit. The adjustments for conditions that existed at the end of the respective reporting period were made on the basis of information present at the date of issuance of these consolidated financial statements.

Events after the end of the reporting period which were adjusted for in these consolidated financial statements reflect evidence of conditions that existed at the end of the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013. Such evidence mainly relates to warranty provisions for technical defaults. The adjustments comprise additions to existing warranty provisions which had already been accounted for in the statutory consolidated financial statements each as of and for the financial years ended 31 March 2015, 31 March 2014 and/or 31 March 2013. The total increase of these provisions was 28,152 k EUR and reflects evidence which has been obtained after 31 March 2015.

Furthermore, cost of 82,455 k EUR for a technical default which had been identified subsequent to 31 March 2015 and which had not been accounted for in the statutory consolidated financial statements each as of and for the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013 was accrued and adjusted for in these consolidated financial statements. A design error in certain of the company’s blades was identified as the root cause for cracks in such blades which will potentially result in failures. Although such cracks had individually been observed in the past, these cases were dismissed as individual failures due to deviation from design in the manufacturing process. In November 2015, following a recent blade incident, a profound analysis showed that the design of such blades was the root cause of cracks. The defect is largely quarantined to a small population of projects - A total of 32 blade sets on the field and 18 manufactured sets not yet installed are affected by this design error.

Projects in which this blade type was installed were mainly realized in the financial years ended 31 March 2015, 31 March 2014 and 31 March 2013. The costs of 82,455 k EUR of this provision was accrued and distributed over the periods in which these projects were manufactured and when revenues were recorded. The provision reflects management's best estimate of cost for the future remediation plan, which has already been started as of the date of issuance of these consolidated financial statements.

The below table shows a summary of how the financial years 2014/2015, 2013/2014 and 2012/2013 in these consolidated financial statements compared to the statutory consolidated financial statements separately published before were adjusted for:

	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR	Total kEUR
Accounting for provisions which had not been accounted for in the consolidated financial statements as originally reported	-17,743	-4,228	-60.484	-82,455
Additions to provisions which had been accounted for in the consolidated financial statements as originally reported	-6,927	-2,290	-18,935	-28,152
Total	**-24,670**	**-6,518**	**-79,419**	**-110,607**

The effects of the change in the accounting policy choice and of the change from adjusting events after the end of the reporting period on the reporting periods presented in these consolidated financial statements compared to the statutory consolidated financial statements separately published before are disclosed in the following tables:

Changes to the consolidated statements of financial position:

2013/03/31	As originally reported	Events after the end of the reporting period	Change in accounting policy	After accounting change
	k EUR	k EUR	k EUR	k EUR
Gross amounts due from customers for contract work as an asset	363,607	0	-219,270	144,337
Inventories	229,880	0	300,029	529,909
Other current assets	551,770	0	0	551,770
Total current assets	**1,145,258**	**0**	**80,758**	**1,226,016**
Total non-current assets	**321,376**	**-1,438**	**0**	**319,937**
Total assets	**1,466,634**	**-1,438**	**80,758**	**1,545,953**
Advance payments received	203,979	0	98,096	302,076
Gross amounts due to customers for contract work as a liability	20,765	0	53,567	74,332
Other current liabilities	510,872	79,419	0	590,290
Total current liabilities	**735,617**	**79,419**	**151,663**	**966,698**
Deferred taxes	81,234	-24,256	-20,641	36,336
Other non-current liabilities	40,915	0	0	40,915
Total non-current liabilities	**122,148**	**-24,256**	**-20,641**	**77,251**
Equity	**608,869**	**-56,600**	**-50,264**	**502,004**
Total equity and liabilities	**1,466,634**	**-1,438**	**80,758**	**1,545,953**

2014/03/31	As originally reported k EUR	Events after the end of the reporting period k EUR	Change in accounting policy k EUR	After accounting change k EUR
Gross amounts due from customers for contract work as an asset	362,133	0	-269,366	92,767
Inventories	236,365	0	332,801	569,166
Other current assets	572,921	0	0	572,921
Total current assets	**1,171,419**	**0**	**63,434**	**1,234,854**
Total non-current assets	**342,267**	**-1,629**	**0**	**340,637**
Total assets	**1,513,687**	**-1,629**	**63,434**	**1,575,491**
Advance payments received	153,418	0	117,143	270,561
Gross amounts due to customers for contract work as a liability	20,747	0	32,437	53,184
Other current liabilities	576,817	85,937	0	662,754
Total current liabilities	**750,983**	**85,937**	**149,580**	**986,499**
Deferred taxes	97,106	-26,271	-25,076	45,759
Other non-current liabilities	32,991	0	0	32,991
Total non-current liabilities	**130,098**	-26,271	**-25,076**	**78,750**
Equity	**632,607**	**-61,296**	**-61,069**	**510,242**
Total equity and liabilities	**1,513,687**	**-1,629**	**63,434**	**1,575,491**

2015/03/31	As originally reported k EUR	Events after the end of the reporting period k EUR	Change in accounting policy k EUR	After accounting change k EUR
Gross amounts due from customers for contract work as an asset	311,161	0	-252,408	58,753
Inventories	241,057	0	341,653	582,710
Other current assets	628,233	0	0	628,233
Total current assets	**1,180,451**	**0**	**89,246**	**1,269,696**
Total non-current assets	**359,128**	**594**	**0**	**359,723**
Total assets	**1,539,579**	**594**	**89,246**	**1,629,419**
Advance payments received	151,214	0	112,925	264,139
Gross amounts due to customers for contract work as a liability	16,532	0	62,375	78,907
Other current liabilities	585,143	110,607	0	695,750
Total current liabilities	**752,889**	**110,607**	**175,300**	**1,038,796**
Deferred taxes	94,573	-33,005	-25,295	36,274
Other non-current liabilities	15,346	0	0	15,346
Total non-current liabilities	**109,919**	**-33,004**	**-25,295**	**51,620**
Equity	**676,771**	**-77,008**	**-60,759**	**539,003**
Total equity and liabilities	**1,539,579**	**594**	**89,246**	**1,629,419**

Changes to the consolidated income statements:

2012/04/01-2013/03/31	As originally reported k EUR	Events after the end of the reporting period k EUR	Change in accounting policy k EUR	After accounting change k EUR
Revenues	2,221,406	0	73,009	2,294,415
Changes in work in progress	-23,776	0	-70,000	-93,776
Work performed by the entity and capitalized	20,454	0	0	20,454
Total performance	**2,218,084**	**0**	**3,009**	**2,221,093**
Cost of materials/cost of purchased services	-1,738,121	-74,790	-23,343	-1,836,254
Other operating income and expenses	-399,812	-6,066	14,626	-391,252
Result from operating activities	**80,151**	**-80,856**	**-5,708**	**-6,413**
Financial result	**-13,268**	0	**0**	**-13,268**
Result before income taxes	**66,883**	**-80,856**	**-5,708**	**-19,681**
Income tax expenses	-18,359	24,256	1,874	7,771
Profit / loss for the period from continuing operations	**48,524**	**-56,600**	**-3,834**	**-11,910**
Profit / loss for the period from discontinued operations	-443	0	0	-443
Net result for the period	**48,081**	**-56,600**	**-3,834**	**-12,353**

2013/04/01-2014/03/31	As originally reported k EUR	Events after the end of the reporting period k EUR	Change in accounting policy k EUR	After accounting change k EUR
Revenues	1,806,019	0	-47,150	1,758,869
Changes in work in progress	15,843	0	-3,580	12,263
Work performed by the entity and capitalized	23,439	0	0	23,439
Total performance	**1,845,301**	**0**	**-50,730**	**1,794,571**
Cost of materials/cost of purchased services	-1,401,634	-6,519	42,159	-1,365,994
Other operating income and expenses	-342,469	-192	-6,668	-349,329
Result from operating activities before reorganization expenses	**101,197**	**-6,711**	**-15,238**	**79,248**
Reorganization expenses	-38,041	0	0	-38,041
Result from operating activities	**63,156**	**-6,711**	**-15,238**	**41,207**
Financial result	**-15,066**	**0**	**0**	**-15,066**
Result before income taxes	**48,090**	**-6,711**	**-15,238**	**26,141**
Income tax expenses	-20,221	2,015	4,435	-13,771
Profit / loss for the period from continuing operations	**27,869**	**-4,696**	**-10,804**	**12,370**
Profit / loss for the period from discontinued operations	-7,535	**0**	**0**	-7,535
Net result for the period	**20,334**	**-4,696**	**-10,804**	**4,835**

2014/04/01-2015/03/31	As originally reported k EUR	Events after the end of the report-ing period k EUR	Change in accounting policy k EUR	After ac-counting change k EUR
Revenues	1,926,245	0	-4,426	1,921,819
Changes in work in progress	34,068	0	-29,674	4,394
Work performed by the entity and capitalized	38,767	0	0	38,767
Total performance	**1,999,080**	**0**	**-34,100**	**1,964,980**
Cost of materials/cost of purchased services	-1,490,580	-24,671	38,392	-1,476,859
Other operating income and expense	-416,028	2,225	-4,202	-418,006
Result from operating activities	**92,472**	**-22,446**	**90**	**70,115**
Financial result	**-17,992**	**0**	**0**	**-17,992**
Result before income taxes	**74,480**	**-22,446**	**90**	**52,123**
Income tax expense	-28,147	6,734	219	-21,194
Profit / loss for the period from con-tinuing operations	**46,333**	**-15,712**	**309**	**30,929**
Profit / loss for the period from discon-tinued operations	1,211	0	0	1,211
Net result for the period	**47,544**	**-15,712**	**309**	**32,140**

Changes to the consolidated statements of cash flows

The changes from the change in accounting policy and from adjusting events after the end of the respective reporting periods had no impact on the overall cash flows from operating, investing and financing activities.

3.2 Liquid funds

Cash and Cash equivalents include cash at bank and in hand and short-term deposits with an original maturity of three months or less. The cash equivalents are subject to an insignificant risk of changes in value.

3.3 Receivables and other financial assets

Trade receivables, receivables from related parties and other primary financial assets designated to the loans and receivables category are carried at fair value plus transaction costs on initial recognition. Subsequent measurement is at amortized cost using the effective interest rate method. Valuation allowances for impairment are determined on the basis of empirical values and individual risk assessments. Valuation allowances on trade receivables are reported in an allowance account for impairments are recognized via an allowance account or in the form of a direct write-down of the carrying amount of the receivable depending on the reliability of the assessment of the risk of impairment. An impairment loss is recognized when the carrying amount of a financial asset is higher than the present value of the expected future cash flows.

An impairment test is performed at each reporting date and on an ongoing basis throughout the year. The following triggers, amongst other things, may provide objective evidence of impairment:

- Significant financial difficulty of the obligor;
- The lender granting a concession to the borrower for economic or legal reasons relating to the borrower's financial difficulty;
- Likely insolvency or need for restructuring on the part of the borrower;
- Loss of an active market for the financial asset due to financial difficulties.

3.4 Inventories

Inventories comprise raw materials and supplies and work in progress. Raw materials and supplies are carried at the lower of cost or net realizable value. Work in progress is measured at the lower of cost or net realizable value. Net realizable value is the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories is calculated using the weighted average cost basis and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. In addition to material and production overheads, manufacturing costs comprise overheads attributable within the meaning of IAS 2, but not financing costs.

3.5 Property, plant and equipment

Property, plant and equipment is stated at cost and depreciated on a straight-line basis over their useful life. Cost includes all expenses for purchasing the assets, insofar as these can be reliably calculated or estimated. The manufacturing costs of internally generated equipment comprise direct costs as well as attributable overheads.

The assessment of depreciation is based on the following estimated useful lives:

	Useful life
	in years
Buildings	25-50
Technical equipment, plant and machinery	5-12
Office and operating equipment	3-14

3.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Capitalized development costs comprise all direct costs and overheads attributable to the development process. Development costs that account for customer specific production orders are recorded in capitalized orders. Financing costs are not capitalized.

Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Acquired intangible assets are amortized on a straight line basis. Amortization of capitalized development cost is recognized on the basis of volume or on a straight line basis. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. If the volume of wind turbines benefiting from the respective development cost can be estimated with reasonable assurance, amortization is recognized on the basis of quantity of produced wind turbines. For all other development costs, amortization is recognized on a straight-line basis from the start of production for the expected product lifetime of the developed models or technologies.

	Useful life
	in years
Capitalized development costs	5*
Licenses, software	3

* in years or according to quantity

3.7 Impairment of property, plant and equipment and intangible assets

Senvion GmbH performs impairment testing for items of property, plant and equipment and intangible assets.

In accordance with IAS 36, annual goodwill impairment testing is performed at the level of the cash generating units (or Group of cash-generating units) on which goodwill is monitored for internal management purposes (impairment-only approach).

These cash generating units generally correspond to the individual Group companies. This does not include Group companies whose cash inflows are not independent from other Group entities. In such cases, the Group companies in question form a Group of cash-generating units for impairment testing purposes.

The recoverable amount is calculated on the basis of the value in use. The annual impairment test for the financial year 2014/2015 was performed as of 31 December 2014 (financial years 2013/2014 and 2012/2013: as of 31 March 2014 and 31 March 2013, respectively). Value in use is calculated on the basis of the budget for the next three financial years and for the financial years 2014/2015, 2013/2014 and 2012/2013 (and in financial year 2014/2015 additionally under consideration of the last quarter of the respective period). The discount rates for the financial year 2014/2015 of 6.5%, financial year 2013/2014 of 6.5% and financial year 2012/2013 of 8.2% are calculated using the WACC (weighted average cost of capital) approach. The beta factor applied in the calculation and the ratio of the fair value of equity to debt were determined by reference to a corresponding peer Group. The significant assumption underlying the budget is the projected number of turbines installed and sold in the respective period. This assumption is based both on the existing order backlog including work in progress as of 31 December 2014, 31 March 2014 and 31 March 2013 as well as forecasted sales. The growth rate used to extrapolate cashflow projections beyond the three year period were in financial year 2014/2015 1.0%, in financial year 2013/2014 1.0% and in financial year 2012/2013: 1.0%).

Impairment is recognized for other intangible assets and property, plant and equipment if certain events or developments result in the carrying amount of the asset no longer being covered by the expected proceeds of disposal or the discounted net cash flows from continued use. If the recoverable amount of individual assets cannot be calculated, the cash flow is calculated for the next highest Group of assets for which such a cash flow can be calculated. Impairment losses are reversed if the reasons for their recognition no longer apply in subsequent periods.

Impairment cannot be reversed in excess of the carrying amount that would have applied if no impairment had been recognized. Goodwill impairment will not be reversed.

3.8 Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. The criteria for held for sale classification is regarded as met when the sale is highly probable and the asset or disposal Group is available for immediate sale in its present condition and the sale is expected to qualify for recognition as a completed sale within one year from the date of classification.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated income statements. Property and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

The activities of REpower North (China) Ltd. are displayed as a discontinued operation in this financial information (refer to Note 4.3).

3.9 Loans granted

Loans granted which are allocated to the loans and receivables category are carried at fair value on initial recognition. Subsequent measurement is at amortized cost using the effective interest rate method.

3.10 Provisions

Provisions are recognized in accordance with IAS 37. These relate to legal or constructive obligations for which settlement is probable to result in an outflow of financial resources and whose amount can be reliably estimated.

Warranty provisions are recognized both for known individual risks and for general risks. Specific technical warranty risks can be individually quantified by comprehensive documentation and are taken into consideration in the form of individual provisions. The economic risk and the level of provisioning are evaluated on an ongoing basis in coordination with the technical departments, taking existing risks into account.

Provisions are recognized for general risks on the basis of experience. The system for recognizing general warranty provisions is as follows: for turbines erected, provisions are recognized for the anticipated future costs per year of the warranty for the entire contractual warranty period. The anticipated costs are determined on the basis of past experience and reviewed on an ongoing basis. Due to the uncertainty involved the estimated costs, and hence the amount of the provisions, may differ from actual costs.

3.11 Pensions and similar obligations

Plans for pensions and similar obligations are measured in accordance with IAS 19 "Employee Benefits". Pension provisions are measured using the projected unit credit method.

Senvion GmbH has granted a pension commitment in the form of a defined contribution plan. If the benefits payable under the insurance policy are the same as the benefits payable under the obligation, the fair value of the asset is deemed to be the same as that of the obligation in accordance with IAS 19.104.

3.12 Liabilities

Trade accounts payable are measured at amortised cost using the effective interest rate method.

3.13 Revenue recognition

Revenues include all revenues from the sale of wind energy turbines, license revenues, electricity revenues and revenues from service and maintenance contracts.

Wind Turbines

Revenue from the sale of wind turbines includes the production, delivery and installation of wind turbines. To a limited degree Senvion sells single components and spare parts of wind turbines.

The production, delivery and installation of wind turbines consist principally of fixed price contracts. If the outcome of such a contract can be reliably measured, in accordance with IAS 11, revenues associated with the construction contract is recognized by reference to the stage of completion of the contract activity at year end (the percentage of completion method). The outcome of a construction contract can be estimated reliably when:

- The total contract revenues can be measured reliably
- It is probable that the economic benefits associated with the contract will flow to the entity
- The costs to complete the contract and the stage of completion can be measured reliably

- The contract costs attributable to the contract can be clearly identified and measured reliably so that actual contract costs incurred can be compared with prior estimates

When the outcome of a construction cannot be estimated reliably (generally during early stages of a contract), contract revenues are recognized only to the extent of costs incurred that are expected to be recoverable.

Contract revenues correspond to the initial amount of revenues agreed in the contract and any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenues, and they can be reliably measured.

In the course of the change in accounting policy for the recognition of revenues Senvion has changed the method to determine the stage of completion of the contract for the sale of onshore wind turbines (refer also to Note 3.1 change in accounting policies).

- **Onshore wind turbines**

  In applying the percentage of completion method, revenues recognized correspond to the total contract revenue multiplied by the degree of completion measured based on achievement of milestones defined.

- **Offshore wind turbines**

  In applying the percentage of completion method, revenues recognized corresponds to the total contract revenues multiplied by the actual completion rate based on the proportion of total contract costs incurred to date and the estimated total contract costs (cost-to-cost method). Contract costs include costs that relate directly to the specific contract and costs that are attributable to contract activity in general and can be allocated to the contract. Costs that relate directly to a specific contract comprise: site labor costs (including site supervision); costs of materials used in construction; costs of design, and technical assistance that is directly related to the contract.

Single components and spare parts

Revenues from single components and spare parts are recognized in accordance with IAS 18. They are regarded as sold when the significant risks and returns have been transferred to the buyer, which is normally on unconditional exchange of contracts. For conditional exchanges, revenues are recognized only when all the significant conditions are satisfied.

License, electricity and service and maintenance

Revenues from licenses and electricity are also treated according to IAS 18. License revenues are generated from volume-based licenses. Revenues from service and maintenance contracts are recognized as the respective services are rendered; advance payments are deferred.

Interest income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

3.14 Income tax expense

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in profit or loss.

3.15 Borrowing costs

Borrowing costs not allocated to qualifying assets in accordance with IAS 23 are expensed and not included in cost.

3.16 Government grants (investment subsidies)

Government grants are recognized depending on the nature of the subsidized expenses. Insofar as subsidies relate to capitalized assets, the grants received serve to reduce the cost of the subsidized assets. Grants provided as an expenditure allowance are recognized in the consolidated income statement of the financial year in which the subsidized expenses are incurred.

3.17 Transactions in foreign currencies

The consolidated financial statements are presented in Euros, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by Senvion and the subsidiaries at their respective functional currency spot rates prevailing at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange ruling at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Euro at the rate of exchange prevailing at the reporting date and their income statements are translated at the monthly average exchange rates. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

3.18 Reorganization expenses

Senvion discloses reorganization expenses separately by virtue of their nature, size or incidence to allow a better understanding of the underlying trading performance of the Group (refer to Note 5.5 Reorganization expenses).

3.19 Financial instruments

A financial instrument is any contract that gives rise to a financial asset to one entity and a financial liability or equity instrument of another entity. As a matter of principle, financial instruments are recognized as soon as a Senvion company becomes a party to a financial instrument. Financial assets are recognized on delivery, i.e. the date of order fulfilment. Derivative financial instruments are recognized at the trade date. Financial assets and financial liabilities are generally reported separately; they are only offset if the reporting entity has a right to offset and the intention to settle on a net basis.

Financial instruments consist of cash and cash equivalents, receivables, equity instruments held in other companies (i.e. shares in project corporations) and other financial assets as well as financial liabilities and loans, insofar as these are based on contracts. The initial recognition of financial assets is at fair value plus directly attributable transaction costs, insofar as the financial assets are not recognized at fair value through profit and loss. Subsequent measurement is at fair value or amortized cost using the effective interest rate, depending on the designation of the individual financial instruments to the IAS 39 categories.

Financial liabilities are carried at fair value less transaction costs on initial recognition and at amortized cost using the effective interest rate method in subsequent measurement.

Financial assets are derecognized if the rights to the cash flows resulting from the assets have expired or substantially all of the risks have been transferred to a third party such that the criteria for derecognition are met. Financial liabilities are derecognized if the relevant obligations have expired or been cancelled.

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Derivative financial instruments are employed to hedge foreign exchange and interest rate risks. Derivative financial instruments are carried at fair value. The recognition of changes in the fair value of derivative financial instruments depends on whether these instruments are deployed as hedging instruments and the conditions for hedge accounting in accordance with IAS 39 are met.

If these conditions are not met despite the existence of a hedging relationship, the derivative financial instruments are allocated to the category “at fair value through profit and loss” and the changes in fair value are recognized directly in income.

The effective portion of the change in the fair value of a derivative financial instrument which was classified as a hedging instrument and which meets the definition of a cash flow hedge is recognized in other comprehensive income, net of tax. The ineffective portion is recognized in profit or loss. The effective portion is recognized in profit or loss when the hedged item is also recognized in profit or loss.

The Group measures financial instruments such as derivatives at fair value at each reporting date. Fair value related disclosures for financial instruments that are measured at fair value or where fair values are disclosed, are summarized in the note 7.2 and 7.3.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.20 Use of assumptions

The preparation of these consolidated financial statements requires the Group's management to make estimates and assumptions that form the basis for the value of assets and liabilities and income and expenses in the respective financial years. Key estimates and assumptions relate to impairment tests (see note 3.7 Impairment of property, plant and equipment and intangible assets), warranty provisions (see note 4.4.2 Provisions), the realization of revenues according to the percentage of completion method (see Note 4.1.2 Gross amount due from/to customers for contract work as an asset/as a liability) and income taxes (see Note 4.2.4) and are described below:

- Impairment tests

The recoverable amount used in the impairment test is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different cash generating units are disclosed and further explained in Note 3.7.

- Warranty provisions

Specific warranty provisions include expenses for material and labor, which will be incurred to repair individual defects which fall within the respective warranty period. The amount of cost provided is subject to estimates, such as the population of affected turbines as well as the severance and complexity of technical defects (see Note 4.4.2 Provisions).

General warranty provisions are accounted for based on a historical 5 year average cost rate per turbine class.

- Revenues according to the percentage of completion method

The percentage of completion and the revenues to recognize are determined on the basis of a large number of estimates, such as estimated future cost to complete a project. Consequently, the Group has implemented an internal financial budgeting and reporting system to adequately measure incurred and future cost required to completion. The Group reviews monthly the estimates of contract revenues and contract costs as the contract progresses (see Note 3.1 Change in accounting policies and Note 4.1.2 Gross amount due from/to customers for contract work as an asset/as a liability).

Judgment is also exercised in determining the percentage of completion allocated to each individual milestone. In determining the percentage of completion per milestone event, which is then applied to all projects, management has considered common technical risks arising during production, logistics, installation and construction as well as contractual arrangements with its customers.

- Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority (see note 4.2.4 Income taxes).

3.21 New accounting standards and their application

Financial reporting at Senvion GmbH in accordance with the IFRS is based on the IASB accounting standards adopted by the European Commission in the context of the endorsement process for the European Union, in accordance with Regulation (EC) no. 1606/2002. The new IFRSs and amendments to existing IFRSs published by the IASB are mandatory only following a corresponding resolution by the Commission as part of the endorsement process.

The new standards on consolidation (IFRS 10 “Consolidated Financial Statements”, IFRS 11 “Joint Arrangements”, IFRS 12 “Disclosure of Interests in Other Entities”, and the resulting changes to IAS 27 “Separate Financial Statements”, and IAS 28 “Investments in Associates”) have been applicable since 1 April 2014. Their initial application had no effects on the Senvion Group´s net assets, financial position and result of operations. Also the first-time adoption of other amended standards had no impact on the consolidated financial statements of the Group.

The following standards and interpretations published by the IASB and IFRIC are not yet mandatory because they have not yet been endorsed by the EU or the date of their first mandatory application has not yet been reached:

Standards / interpretations		Mandatory application	Endorsement by European Commission	Expected Effects
IFRS 9, IFRS 7 and IAS 39	Amendment in November 2013 with regard to hedge accounting, impairment, disclosures on the transition to IFRS 9 and amendments to IFRS 7, and classification and measurement of financial assets and liabilities	Expected: 1 January 2018	No	Effects are still analyzed
IFRIC 21	Levies	17 June 2014	Yes	No effects
IFRS 14	Regulatory deferral accounts	Expected: 1 January 2018	No	No effects
IFRS 15	Revenue from Contracts with Customers	Expected: 1 January 2018	No	Effects are still being analyzed
Annual Improvements	Improvements to IFRS (2010-2012)	1 February 2015	Yes	No material effects
Annual Improvements	Improvements to IFRS (2011-2013)	1 January 2015	Yes	No material effects
Annual Improvements	Improvements to IFRS (2012-2014)	Expected: 1 January 2016	No	No material effects

4 Consolidated statements of financial position

4.1 Total current assets

4.1.1 Liquid funds

In financial years presented were no material restrictions on access to liquid funds.

4.1.2 Gross amount due from/to customers for contract work as an asset/as a liability

This item is used to report work in progress which is recognized using the percentage-of-completion method in accordance with IAS 11. Advance payments on the contracts recognized are deducted directly.

	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Receivables	946,603	1,017,098	949,562
Less advance payments received	-966,757	-977,515	-879,557
	-20,154	**39,583**	**70,005**

The net amount of -20,154 k EUR, 39,583 k EUR and 70,005 k EUR presented consists of gross amounts due from customers for contract work as an asset with an amount of 58,753 k EUR, 92,767 k EUR and 144,337 k EUR and as a liability with an amount of 78,907 k EUR, 53,184 k EUR and 74,332 k EUR as of 31 March 2015, 2014 and 2013 respectively.

Bad debt allowances on gross amounts due from customers for contract work as an asset were recognized in an amount of 2,586 k EUR, 0 k EUR and 0 k EUR as of 31 March 2015, 2014 and 2013 respectively.

The contract revenues for the respective financial years were as follows:

	2014/04/01-2015/03/31 k EUR	2013/04/01-2014/03/31 k EUR	2012/04/01-2013/03/31 k EUR
Contract revenue for the period	1,706,829	1,565,554	2,137,564

The aggregated amount of costs incurred to date for the respective financial years was as follows:

	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Aggregated amount of costs incurred to date	-810,057	-790,384	-745,589

4.1.3 Trade accounts receivable

Trade accounts receivable primarily relate to receivables from customers for the delivery of wind turbines.

	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Trade accounts receivable (after bad debt allowances)	178,008	155,491	144,053

Bad debt allowances developed as follows:

	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Changes in bad debt allowances			
At the start of the financial year	6,220	10,800	7,417
Reversals and utilizations	-1,372	-6,121	-1,433
Additions	11,952	1,541	4,816
At the end of the financial year	**16,800**	**6,220**	**10,800**

The maturity structure of trade accounts receivable was as follows:

	k EUR	Not past due as of the end of the reporting period nor impairment	As of the end of the reporting period past due as follows		
			Less than 30 days	Between 30 and 180 days	More than 180 days
as of 2015/03/31					
Trade accounts receivable before bad debt allowances	**194,808**	148,155	11,598	22,990	12,065
Bad debt allowances	**16,800**	33	52	10,295	6,420
Trade Accounts receivable after bad debt allowances	**178,008**	148,122	11,546	12,695	5,645
as of 2014/03/31					
Trade accounts receivable before bad debt allowances	**161,711**	129,139	9,783	10,399	12,390
Bad debt allowances	**6,220**	0	0	454	5,766
Trade Accounts receivable after bad debt allowances	**155,491**	129,139	9,783	9,945	6,624
as of 2013/03/31					
Trade accounts receivable before bad debt allowances	**154,853**	124,130	10,851	7,720	12,152
Bad debt allowances	**10,800**	0	0	2,714	8,086
Trade Accounts receivable after bad debt allowances	**144,053**	124,130	10,851	5,006	4,066

In the case of the trade accounts receivable that were neither impaired nor overdue, there was no evidence of the debtors being unable to meet their payment obligations as of the reporting date. For further information on the treatment of financial risks refer to note 7.2 “Information on the nature and extent of risks associated with financial instruments”.

Senvion GmbH requires collateral from its customers depending on the outcome of credit checks. Collateral is generally requested after signature of the purchase contract in the form of bank guarantees or Group warranties for the purchase price less any advance payments made. Accordingly, the nominal value of the collateral received typically exceeds the current level of accounts receivable. As of 31 March 2015, 31 March 2014 and 31 March 2013 the value of the collateral received was 2,700.69 m EUR, 2,134.05 m EUR and 2,163.40 m EUR respectively.

There were no trade accounts receivables whose terms were renegotiated and that would otherwise have been overdue or impaired as of 31 March 2015, 2014 and 2013, respectively.

4.1.4 Receivables from related parties

This item is composed as follows:

Receivables from related parties	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Suzlon Energy Australia Pty Ltd	31,806	23,175	14,557
Other	203	400	698
	32,009	**23,575**	**15,255**

4.1.5 Inventories

Valuation allowances on inventories amounted to 12,678 k EUR, 5,293 k EUR and 3,921 k EUR as of 31 March 2015, as of 31 March 2014 and as of 31 March 2013 respectively. Expenses for raw materials and supplies amounted to 990,387 k EUR, 1,063,513 k EUR and 1,398,413 k EUR in the financial years 2014/2015, 2013/2014 and 2012/2013, respectively.

	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Raw materials and supplies	372,212	363,062	336,068
Work in progress	210,498	206,104	193,841
	582,710	**569,166**	**529,909**

4.1.6 Other current assets

This item is composed as follows:

	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Other miscellaneous assets			
Receivables from other taxes	33,075	45,477	36,440
Advance payments on inventories	30,155	17,943	32,995
Deferred financing fees for guarantees	3,662	700	6,485
Others	29,268	35,197	37,502
	96,160	**99,317**	**113,422**
Other financial assets			
Derivative financial instruments	0	7,542	1,794
Others	2,234	1,877	295
	2,234	**9,419**	**2,089**

4.2 Total non-current assets

4.2.1 Other intangible assets

In the financial years 2014/2015, 2013/2014 and 2012/2013 research and development costs amounted to 57,505 k EUR, 44,935 k EUR and 42,054 k EUR, respectively.

Of the development costs 38,767 k EUR, 23,439 k EUR and 20,454 k EUR were capitalized in the financial years 2014/2015, 2013/2014 and 2012/2013, respectively. Amortization of capitalized development costs amounted to 14,485 k EUR, 10,691 k EUR and 6,085 k EUR in the financial years 2014/2015, 2013/2014 and 2012/2013, respectively.

4.2.2 Property, plant and equipment

Land and buildings relate primarily to the Group's own production sites and administrative buildings. Technical equipment and machinery primarily relates to facilities for the production of wind turbines. No own work was capitalized in the financial years 2014/2015, 2013/2014 and 2012/2013.

As of 31 March 2015 and 31 March 2014, assets under construction related primarily to expenses for the construction of rotor blade molds. As of 31 March 2013, assets under construction related primarily to expenses for the construction of rotor blade molds as well as the extension of production and storage facilities. No impairment was recognized on assets under construction in financial year 2014/2015. In the financial years 2013/2014 and 2012/2013 impairment recognized on assets under construction amounted to 373 k EUR and 159 k EUR, respectively. Land and buildings of Senvion GmbH in the amount of 46,678 k EUR serve as collateral in the financial years presented (refer to Note 4.5).

Consolidated statements of changes in non-current assets

	Acquisitions and production costs							Depreciation and amortization							Book values	
	Balance 2014/04/01	Additions	Additions from first consolida-tion	Reclassifications	Disposals	Exchange differences	Balance 2015/03/31	Balance 2014/04/01	Additions	Additions from first consolida-tion	Reclassifications	Disposals	Exchange differences	Balance 2015/03/31	2015/03/31	2014/03/31
	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR
Non-current assets																
I. Intangible Assets																
1. Software and other licences	38.027,6	1.640,4	390,9	6.262,0	-161,5	13,3	46.172,6	21.749,6	5.831,1	56,3	4.033,9	-160,0	2,6	31.513,6	14.659,0	16.277,9
2. Goodwill	18.869,9	0,0	0,0	0,0	0,0	0,0	18.869,9	3.237,7	0,0	0,0	0,0	0,0	0,0	3.237,7	15.632,2	15.632,2
3. Development costs	109.124,8	38.766,9	0,0	0,0	0,0	0,0	147.891,7	24.892,1	14.485,4	0,0	0,0	0,0	0,0	39.377,5	108.514,2	84.232,7
4. Advance payments	1.934,9	3.137,3	0,0	-1.884,1	0,0	0,0	3.188,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	3.188,0	1.934,9
Total intangible assets	**167.957,1**	**43.544,6**	**390,9**	**4.377,9**	**-161,5**	**13,3**	**216.122,2**	**49.879,5**	**20.316,5**	**56,3**	**4.033,9**	**-160,0**	**2,6**	**74.128,8**	**141.993,4**	**118.077,6**
II. Property, plant and equipment																
1. Land, leasehold rights and build-ings on non-owned land	125.942,4	751,9	0,0	3.890,1	-335,6	482,4	130.731,2	20.076,3	4.837,2	0,0	-4.018,3	-125,0	79,8	20.850,0	109.881,2	105.866,1
2. Technical equipment, plant and machinery	123.421,0	11.308,1	0,0	6.535,9	-760,3	470,6	140.975,3	66.826,6	20.991,5	0,0	349,1	-415,6	189,4	87.941,0	53.034,2	56.594,4
3. Other equipment, fixtures, fittings and equipment	63.117,8	8.784,7	0,0	756,4	-1.682,6	588,1	71.564,4	40.557,7	7.753,3	0,0	-45,6	-1.193,3	409,7	47.481,8	24.082,5	22.560,1
4. Advance payments and plant and machinery in process of construction	18.434,5	17.562,8	0,0	-15.560,3	-353,6	20,8	20.104,2	2.233,1	0,0	0,0	-319,1	0,0	0,0	1.914,0	18.190,2	16.201,3
Total property, plant and equipment	**330.915,6**	**38.407,4**	**0,0**	**-4.377,9**	**-3.132,1**	**1.562,0**	**363.375,0**	**129.693,7**	**33.582,1**	**0,0**	**-4.033,9**	**-1.733,8**	**678,9**	**158.186,9**	**205.188,1**	**201.221,9**
Total non-current assets	**498.872,7**	**81.952,0**	**390,9**	**0,0**	**-3.293,6**	**1.575,2**	**579.497,3**	**179.573,2**	**53.898,6**	**56,3**	**0,0**	**-1.893,8**	**681,5**	**232.315,7**	**347.181,5**	**319.299,5**

	Acquisitions and production costs							Depreciation and amortization							Book values	
	Balance 2013/04/01	Additions	Additions from first consolida-tion	Reclassifications	Disposals	Exchange differences	Balance 2014/03/31	Balance 2013/04/01	Additions	Additions from first consolida-tion	Reclassifications	Disposals	Exchange differences	Balance 2014/03/31	2014/03/31	2013/03/31
	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR
Non-current assets																
I. Intangible Assets																
1. Software and other licenses	38,267.7	1,042.8	0.0	422.5	-1,698.4	-7.0	38,027.6	20,823.2	2,628.0	0.0	0.0	-1,695.8	-5.8	21,749.6	16,277.9	17,444.5
2. Goodwill	18,869.9	0.0	0.0	0.0	0.0	0.0	18,869.9	3,237.7	0.0	0.0	0.0	0.0	0.0	3,237.7	15,632.2	15,632.2
3. Development costs	85,686.0	23,438.8	0.0	0.0	0.0	0.0	109,124.8	14,201.1	10,691.1	0.0	0.0	0.0	0.0	24,892.1	84,232.7	71,484.9
4. Advance payments	0.0	1,100.7	0.0	856.3	-22.1	0.0	1,934.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,934.9	0.0
Total intangible assets	**142,823.6**	**25,582.2**	**0.0**	**1,278.8**	**-1,720.5**	**-7.0**	**167,957.1**	**38,262.0**	**13,319.1**	**0.0**	**0.0**	**-1,695.8**	**-5.8**	**49,879.5**	**118,077.6**	**104,561.6**
II. Property, plant and equipment																
1. Land, leasehold rights and build-ings on non-owned land	116,906.0	7,110.7	0.0	2,275.0	-133.9	-215.4	125,942.4	15,156.3	5,001.3	0.0	0.0	-24.4	-56.9	20,076.3	105,866.1	101,749.7
2. Technical equipment, plant and machinery	109,569.6	15,073.0	0.0	2,559.3	-3,423.0	-357.9	123,421.0	50,498.0	18,816.4	0.0	511.4	-2,909.8	-89.4	66,826.6	56,594.4	59,071.5
3. Other equipment, fixtures, fittings and equipment	62,086.7	5,699.3	0.0	9.9	-4,326.1	-352.0	63,117.8	37,667.0	7,309.8	0.0	-511.4	-3,619.2	-288.6	40,557.7	22,560.1	24,419.6
4. Advance payments and plant and machinery in process of construction	9,318.6	16,191.8	0.0	-6,123.0	-953.0	0.0	18,434.5	2,700.6	373.0	0.0	0.0	-840.5	0.0	2,233.1	16,201.3	6,618.1
Total property, plant and equipment	**297,880.8**	**44,074.8**	**0.0**	**-1,278.8**	**-8,836.0**	**-925.3**	**330,915.6**	**106,021.9**	**31,500.5**	**0.0**	**0.0**	**-7,393.8**	**-434.9**	**129,693.7**	**201,221.9**	**191,858.9**
Total non-current assets	**440,704.4**	**69,657.0**	**0.0**	**0.0**	**-10,556.5**	**-932.3**	**498,872.7**	**144,283.9**	**44,819.6**	**0.0**	**0.0**	**-9,089.6**	**-440.7**	**179,573.2**	**319,299.5**	**296,420.5**

	Acquisitions and production costs							Depreciation and amortization							Book values	
	Balance 2012/04/01	Additions	Additions from first consolida-tion	Reclassifications	Disposals	Exchange differences	Balance 2013/03/31	Balance 2012/04/01	Additions	Additions from first consolida-tion	Reclassifications	Disposals	Exchange differences	Balance 2013/03/31	2013/03/31	2012/03/31
	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR	k EUR
Non-current assets																
I. Intangible Assets																
1. Software and other licenses	35,308.7	2,504.6	44.9	414.3	-5.5	0.8	38,267.7	15,206.5	5,587.4	34.8	0.0	5.5	0.0	20,823.2	17,444.5	20,102.2
2. Goodwill	18,869.9	0.0	0.0	0.0	0.0	0.0	18,869.9	3,237.7	0.0	0.0	0.0	0.0	0.0	3,237.7	15,632.2	15,632.2
3. Development costs	65,231.5	20,454.5	0.0	0.0	0.0	0.0	85,686.0	8,115.7	6,085.4	0.0	0.0	0.0	0.0	14,201.1	71,484.9	57,115.8
Total intangible assets	**119,410.1**	**22,959.1**	**44.9**	**414.3**	**-5.5**	**0.8**	**142,823.6**	**26,559.9**	**11,672.7**	**34.8**	**0.0**	**5.5**	**0.0**	**38,262.0**	**104,561.6**	**92,850.1**
II. Property, plant and equipment																
1. Land, leasehold rights and buildings on non-owned land	106,883.1	1,581.9	0.0	8,471.3	-61.0	30.7	116,906.0	10,792.2	4,364.1	0.0	0.0	0.0	0.0	15,156.3	101,749.7	96,090.9
2. Technical equipment, plant and machinery	85,596.9	21,082.8	421.3	3,066.6	-692.6	94.5	109,569.6	33,949.7	16,538.0	67.5	0.0	57.2	0.0	50,498.0	59,071.5	51,647.2
3. Other equipment, fixtures, fittings and equipment	55,511.4	7,129.9	232.6	123.5	-916.7	5.9	62,086.7	29,993.2	8,272.9	124.2	0.0	723.3	0.0	37,667.0	24,419.6	25,518.3
4. Advance payments and plant and machinery in process of construction	20,054.4	1,850.6	0.0	-12,075.7	-510.6	0.0	9,318.6	2,541.0	159.5	0.0	0.0	0.0	0.0	2,700.6	6,618.1	17,513.3
Total property, plant and equipment	**268,045.7**	**31,645.2**	**653.9**	**-414.3**	**-2,180.8**	**131.1**	**297,880.8**	**77,276.0**	**29,334.5**	**191.8**	**0.0**	**780.4**	**0.0**	**106,021.9**	**191,858.9**	**190,769.7**
Total non-current assets	**387,455.8**	**54,604.3**	**698.8**	**0.0**	**-2,186.3**	**131.9**	**440,704.4**	**103,836.0**	**41,007.3**	**226.6**	**0.0**	**786.0**	**0.0**	**144,283.9**	**296,420.5**	**283,619.8**

Government grants

In the financial years 2014/2015, 2013/2014 and 2012/2013 Senvion received government grants totaling 1,749 k EUR, 2,748 and 1,299 k EUR within Germany, respectively.

The funds received primarily relate to development projects for the optimization of turbine components.

Outside Germany, Senvion received government grants in the amount of 7 k CAD, 31 k CAD and 102 k CAD in Canada in 2014/2015, 2013/2014 and 2012/2013 respectively. These grants are related to staff development.

4.2.3 Income taxes

Current income tax expense in the individual countries and deferred taxes are reported as income taxes. Income tax expense is composed as follows:

	2014/2015 k EUR	2013/2014 k EUR	2012/2013 k EUR
Deferred taxes	-6,769	7,914	-7,805
thereof: temporary differences	-19,194	12,948	2,621
thereof: tax loss carryforwards	12,425	-5,034	-10,426
Current income taxes	25,354	4,247	167
Current income taxes for previous years	2,609	1,610	-133
Income taxes	**21,194**	**13,771**	**-7,771**

Current taxes are calculated using the applicable tax rates in the individual countries.

Deferred taxes result from temporary differences in the carrying amounts in the companies' tax base and he consolidated financial statements, as well as from tax loss carryforwards. They are calculated using the liability method and the tax rate applicable in the respective countries at the date on which the differences are reserved, to the extent that this is known at the balance sheet date if a change in the tax rate is not likely.

The corporation tax rate for companies in Germany was 15% plus the solidarity surcharge of 5.5% of this amount, meaning that the total corporation tax rate was 15.825% in all periods presented. Including trade tax, the total tax rate was 29.395% in the financial year 2014/2015 and 29.11% in the financial years 2013/2014 and 2012/2013.

With regard to minimum taxation, the utilization of tax loss carry forwards in Germany is restricted. There are no restrictions for a positive basis of assessment of up to 1 m EUR. No more than 60% of any amounts exceeding this level may be reduced by offsetting against existing tax loss carry forwards in the period. Unused tax loss carry forwards are carried forward to the next period. There are no temporary restrictions to carry forward unused tax losses.

The effects of different tax rates in Germany and abroad compared with the tax rate of the Group parent are presented under tax rate differences in the following reconciliations:

	2014/2015 k EUR	2013/2014 k EUR	2012/2013 k EUR
IFRS profit before income tax from continuing operations	**52,123**	**26,141**	**-19,681**
Expected tax expense	15,322	7,609	-5,729
Income taxes for previous year	2,609	1,610	-133
Non-deductible operating expenses	1,420	1588	369
Additions to/reductions in trade income tax	429	220	226
Changes in tax rates	10	201	372
Ineligible foreign taxes	240	185	-246
Different tax rates	-59	61	233
Inclusion of at-equity companies	0	0	47
Employee option programs/share options	0	0	-41
Valuation adjustment of deferred taxes on tax loss carryforwards	1,733	1,082	-2,692
Other tax effects	-510	1,215	-177
Actual income tax expense	**21,194**	**13,771**	**-7,771**

The non-deductible operating expenses primarily result from special features of the tax regulations of the country of residence of the international companies.

Income tax expense from the valuation adjustment of tax loss carry forwards mainly relate to Senvion GmbH, Senvion Holding Pty Ltd and Senvion Australia Pty Ltd., Australia.

The effect of income taxes for previous years in the amount of 2,609 k EUR in financial year 2014/2015 related in the amount of 1,500 k EUR to the finalization of the tax audit in Italy and in the amount of 1,100 k EUR to Canadian withholding tax.

Deferred tax assets and deferred tax liabilities are composed as follows as of the respective reporting dates:

	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Deferred tax assets			
Tax loss carryforwards	6,228	18,653	13,619
Provisions	40,690	27,437	27,487
Inventories and receivables	2,024	609	1,833
Property, plant and equipment	32	542	620
Other	3,795	2,095	3,049
Total deferred tax assets	**52,769**	**49,336**	**46,608**
Offsetting	-46,707	-41,303	-39,413
Deferred tax assets after offsetting	**6,062**	**8,033**	**7,195**
Deferred tax liabilities			
Future accounts receivable/liabilities from contract orders	45,669	54,838	48,220
Development costs	33,974	27,515	23,979
Property, plant and equipment	537	712	646
Other	2,801	3,997	2,904
Total deferred tax liabilities	**82,981**	**87,062**	**75,749**
Offsetting	-46,707	-41,303	-39,413
Deferred tax liabilities after offsetting	**36,274**	**45,759**	**36,336**

Deferred taxes include deferred tax assets of 351 k EUR, deferred tax liabilities of 676 k EUR and deferred tax assets of 97 k EUR as of 31 March 2015, 31 March 2014 and 31 March 2013 respectively for temporary differences recognized in other comprehensive income.

Deferred taxes on tax loss carry forwards are recognized in the amount of the expected utilizable tax losses of the German and international Group companies. The key factor for determining the value of deferred tax assets is the estimated reversal of the measurement differences and the usability of the tax loss carry forwards which led to deferred tax assets. This depends on the occurrence of future taxable profit during the periods in which tax measurement differences are reversed and tax loss carry forwards can be utilized and on the reversal of temporary differences. According to the current status, tax loss carry forwards can be carried forward without restriction in subsequent years in almost all countries where tax loss carry forwards exist. Exceptions include the tax loss carry forwards of RiaBlades S.A., Portugal, which amounted to 7,490 k EUR, 6,830 k EUR and 5,027 k EUR as of 31 March 2015, 31 March 2014 and 31 March 2013 respectively. The tax loss carry forwards forfeits until 2017, subject to the companies recording positive earnings.

No deferred tax assets were recognized on corporation tax losses totaling 4,188 k EUR, 7,451 k EUR and 11,263 k EUR as well as trade tax losses of 162 k EUR, 203 k EUR and 96 k EUR as of 31 March 2015, 31 March 2014 and 31 March 2013 respectively due to the lack of prospects for offsetting in the near future.

According to IAS 12 deferred taxes have to be recognized for temporary differences between the tax base of investments in subsidiaries, associates and interests in joint ventures and the equity of these subsidiaries, associates and joint ventures in Group accounting (so called outside basis differences) to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. As Senvion GmbH and the concerned subsidiaries qualify as limited liability companies a future reverse of these differences will mainly be tax exempt according to § 8b KStG and hence qualify as a permanent difference. According to IAS 12.39 no deferred tax liability shall be recognized for any possible temporary differences (e.g. resulting from fictitious 5% non-deductible expenses related to tax free income from subsidiaries (§ 8b III KStG)) if the parent company is able to control that the temporary differences will not reserve in the foreseeable future. As no reversal of such temporary differences is expected, existing deferred tax liabilities relating to outside basis differences as of 31 March 2015, 31 March 2014 and 31 March 2013 were not recognized.

4.3 Non-current assets held for sale and discontinued operations

REpower North (China) Ltd. produces wind turbines for the north Chinese market. The assets and liabilities of REpower North (China) Ltd. are recognized as held for sale as a consequence of the initiated sales activities of the shares in REpower North (China) Ltd. In financial year 2012/2013, the sales process failed after the buyer unexpectedly withdrew from the firm purchase commitment, which was beyond the Group’s control. Senvion continued to classify the assets and liabilities of Repower North (China) Ltd. as held for sale as of 31 March 2014, after liquidation measures were initiated whilst the Group had simultaneously continued to identify other potential buyers throughout the period.

During the financial year 2014/2015 an increase of capital by a third investor, who would become the controlling shareholder through that transaction, was concluded by a shareholder resolution. A corresponding letter of intent with this investor was already signed in January 2015. The entry of the new investor was delayed due to legal requirements in China. The entry of the new investor occurred in December 2015. After the entry of the new investor Senvion no longer has control over Repower North (China) Ltd. Senvion retained an interest in the company, which - subject to the final execution of the capital contribution and share transfer - is 10.89%. Senvion will account for its retained interest as an available-for-sale financial instrument.

A condensed cash flow statement of REpower North (China) Ltd for the financial years 2014/2015, 2013/2014 and 2012/2013 is shown below.

	2014/04/01-2015/03/31 k EUR	2013/04/01-2014/03/31 k EUR	2012/04/01-2013/03/31 k EUR
Cash flow from operating activities	-663	2,575	3,270
Cash flow from investing activities	3	-8	-31
Total cash flows	**-660**	**2,567**	**3,239**

As of 31 March 2015, 31 March 2014 and 31 March 2013 the assets and liabilities of RE-power North (China) Ltd are composed of as follows:

	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Assets of disposal Group classified as held for sale			
Inventories	6,742	5,091	8,183
Liquid Funds	6,242	6,902	4,335
Other current assets	3,477	1,300	16,411
	16,461	**13,293**	**28,929**
Liabilities of disposal Group classified as held for sale			
Advance payment received	322	612	6,314
Provision and other liabilities	2,074	2,631	3,358
	2,396	**3,243**	**9,672**
Cumulative other comprehensive income associated with the discontinued operations			
Currency translation differences	4,330	1,288	2,064

For the financial years 2014/2015, 2013/2014 and 2012/2013 profit/loss from discontinued operations are composed as follows:

	2014/04/01-2015/03/31 k EUR	2013/04/01-2014/03/31 k EUR	2012/04/01-2013/03/31 k EUR
Income	3,846	5,132	7,723
Expenses	2,635	12,667	8,093
Earnings before taxes from discontinued operations	**1,211**	**-7,535**	**-370**
Taxes	0	0	-73
Earnings after taxes from discontinued operations	**1,211**	**-7,535**	**-443**

4.4 Total current liabilities

4.4.1 Advance payments received

Advance payments from customers for orders for which no production work has been carried out are reported as advance payments received.

4.4.2 Provisions

Provisions developed as follows in the financial years 2014/2015, 2013/2014 and 2012/2013:

	As of 2012/04/01 k EUR	Addition k EUR	Utilization k EUR	Reversal k EUR	As of 2013/03/31 k EUR
Specific warranty provisions	42,232	111,162	-8,161	-7,557	137,676
General warranty provisions	41,796	39,177	-26,108	-6,030	48,835
Warranty provisions	**84,028**	**150,339**	**-34,269**	**-13,587**	**186,511**
Other provisions	11,237	6,227	-5,909	-150	11,405
Total provisions	**95,265**	**156,566**	**-40,178**	**-13,737**	**197,916**

	As of 2013/04/01 k EUR	Addition k EUR	Utilization k EUR	Reversal k EUR	As of 2014/03/31 k EUR
Specific warranty provisions	137,676	67,999	-17,204	-2,237	186,234
General warranty provisions	48,835	32,766	-36,723	-818	44,060
Warranty provisions	**186,511**	**100,765**	**-53,927**	**-3,055**	**230,294**
Other provisions	11,405	3,707	-6,160	-2,619	6,333
Total provisions	**197,916**	**104,472**	**-60,087**	**-5,674**	**236,627**

	As of 2014/04/01 k EUR	Addition k EUR	Utilization k EUR	Reversal k EUR	As of 2015/03/31 k EUR
Specific warranty provisions	186,234	54,209	-40,876	0	199,567
General warranty provisions	44,060	33,341	-42,238	-921	34,242
Warranty provisions	**230,294**	**87,550**	**-83,114**	**-921**	**233,809**
Other provisions	6,333	1,803	-4,995	-357	2,784
Total provisions	**236,627**	**89,353**	**-88,109**	**-1,278**	**236,593**

Other provisions primarily relate to provisions for legal disputes arising from sourcing transactions, for which specific information has not been disclosed in accordance with IAS 37.92.

Provisions for pensions

Plans for pensions and similar obligations are measured in accordance with IAS 19 “Employee Benefits”. Pension provisions are measured using the projected unit credit method.

Senvion GmbH has granted a pension commitment in the form of a defined contribution plan involving benefits for retirement and surviving dependants. These benefits are financed by way of a matching insurance policy. The policyholder and beneficiary is Senvion GmbH, while the insured parties are the former employees.

The insurance policy was fully financed with the payment of a non-recurring contribution; no further contributions are required. To guarantee the claims of the pension beneficiaries, Senvion GmbH has pledged the claims arising from the insurance policy to the former employees and provided written confirmation of this pledge agreement. As a result, the insurance policy becomes a "plan asset" as defined in IAS 19. If the benefits payable under the insurance policy are the same as the benefits payable under the obligation, the fair value of the asset is deemed to be the same as that of the obligation in accordance with IAS 19.104, meaning that such items are not included in the consolidated statements of financial position or the consolidated income statements. Thus the obligation stated in the statements of financial position equals to zero.

Until financial year 2014/2015 Senvion had commitments under a provident fund for one employee. This related to defined contribution obligations that are financed by way of a corresponding agreement on the waiver of salary in connection with the grant of a commitment for provident fund benefits. The benefits of the respective insurance policies financed by the payment are used solely to satisfy the provident fund benefit obligations.

4.4.3 Deferred income

Prepayments for revenues from service and maintenance are mainly reported as deferred income. Straight-line amortization is applied for these deferred positions over the entire term of the rendered service.

4.4.4 Income tax liabilities

Income tax liabilities primarily relate to current taxes for the respective financial years.

4.4.5 Other current liabilities

Other current liabilities are composed as follows:

	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Other financial liabilities			
Liabilities to employees	20,578	21,558	16,941
Derivative financial instruments	1,325	5,966	2,635
Other	608	2,311	1,865
	22,511	**29,835**	**21,441**
Miscellaneous other liabilities			
Liabilities from other taxes	8,739	8,156	6,525
Social security liabilities	1,531	1,290	1,258
Other	7,848	6,524	5,806
	18,118	**15,970**	**13,589**

4.5 Long-term loans

Long-term loans totaling 14,346 k EUR, 21,889 k EUR and 30,061 k EUR as of 31 March 2015, 31 March 2014, and 31 March 2013 relate to liabilities to banks. The interest rate was between 3.64% and 5.5% per annum, between 3.64% and 5.5% and between 3% and 6.53% in the financial years 2014/2015, 2013/2014 and 2012/2013 respectively.

On 31 March 2014, Senvion GmbH took out a new syndicated line of credit for 850,000 k EUR which replaced the financing provided by the syndicated line of credit for 750,000 k EUR. This contract became effective on 7 April 2014. 820,000 k EUR of the new syndicated credit line can be utilized in the form of guarantees and 30,000 k EUR as a cash loan until 31 March 2017. The former syndicated line of credit for financial years 2013/2014 and 2012/2013 consisted of guarantees of 725,000 k EUR and cash loans of 25,000 k EUR. Transaction costs incurred for the new syndicated credit line of 10,937 k EUR are deferred over the term of the new agreement. As of 31 March 2015 and 31 March 2014 short term deferred financing fees amounted to 3,662 k EUR and 700 k EUR respectively and long term deferred financing fees amounted to 3,662 k EUR and 0 k EUR respectively. The syndicated line of credit was secured by way of rights from registered patents and patent applications of Senvion GmbH. The banking syndicate received a blanket assignment of outstanding receivables of Senvion GmbH as well as an assignment of finished goods, work in progress as well as raw materials and supplies by way of additional security. Furthermore, the line of credit agreement contains rights of termination for the lender that become valid as soon as defined default events occur. These defined default events include the conclusion of control and profit transfer agreements, failure to comply with certain financial covenants, or a change of control. Moreover, dividend payments are permitted only to a limited extent.

Furthermore on 28 November 2014 Senvion GmbH concluded a new contract with the European Investment Bank (Europäische Investitionsbank) totaling 90,000 k EUR. As of 31 March 2015 this credit was still under conditions precedent. This credit is earmarked and covers a part of the investment volume of Senvion Group. The conditions regarding volume and termination of the drawings and types of repayments and interest are mostly flexible. The European Investment Bank participates pari passu in the securities available to the bank consortium from the syndicated loan.

For details regarding the utilization of the line of credit please refer to note 7.2 Liquidity risk.

4.6 Total equity capital

The changes in equity are shown in the consolidated statements of changes in shareholders´ equity.

4.6.1 Subscribed capital

At 31 March 2015, 31 March 2014 and 31 March 2013 the subscribed capital of Senvion GmbH amounted to 9,220,179 EUR and was divided into 9,220,179 no-par value ordinary bearer shares, each with a notional interest in the share capital of 1.00 EUR.

4.6.2 Additional paid-in capital

The additional paid-in capital originally resulted from the initial public offering of REpower Systems SE in 2002.

4.6.2.1 Change in additional paid-in capital in financial year 2014/2015

The decrease in capital reserves by 4,455 k EUR is due to the acquisition of 80% of the shares in Yorke Peninsula Wind Farm Project Pty Ltd, Melbourne, Australia from a Suzlon Group company. As this is a business combination under common control the difference between the consideration transferred and the balance of the carrying amount of the transferred assets and liabilities was offset against additional paid-in capital, refer also to note 2.3.2 Changes in the scope of consolidation.

4.6.2.2 Change in additional paid-in capital 2012/2013

Of the increase of 4 k EUR in additional paid-in capital, 140 k EUR results from the share option plans, whereas the acquisition of the remaining shares in RETC from a Suzlon Group company reduced additional paid-in capital by 135 k EUR.

4.6.3 Non-controlling interests

Non-controlling interests relate to the shares held by third parties in international Group companies. These mainly include shares of third parties in all periods presented in REpower North (China) Ltd.

5 Consolidated income statements

5.1 Revenues

In the financial years 2014/2015, 2013/2014 and 2012/2013, the operations of companies of Senvion Group related almost exclusively to the development and manufacture of wind turbines and wind turbine projects.

	2014/04/01-2015/03/31 k EUR	2013/04/01-2014/03/31 k EUR	2012/04/01-2013/03/31 k EUR
Revenues from sale of onshore wind turbines	1,605,483	1,483,042	1,770,993
Revenues from sale of offshore wind turbines	101,346	82,512	366,571
Services	194,026	173,978	130,465
Other	20,964	19,337	26,386
	1,921,819	**1,758,869**	**2,294,415**

Onshore revenues analyzed by geographies are as follows:

	2014/04/01-2015/03/31 k EUR	2013/04/01-2014/03/31 k EUR	2012/04/01-2013/03/31 k EUR
Germany	763,250	565,927	322,110
Australia	203,125	84,315	0
Canada	187,480	230,825	378,463
France	176,078	148,921	149,785
United Kingdom	109,822	185,630	180,598
USA	85	83	345,842
Rest of the world	165,643	267,341	394,195
Revenues	**1,605,483**	**1,483,042**	**1,770,993**

Senvion has a multi-MW product portfolio, which ranges from 2 to 6.15 MW wind turbines optimized for different wind speeds and locations:

- The MM82 model has a nominal power output of 2.05 MW, the hub heights range between 59 and 80 meters and it has a rotor diameter of 82 meters
- The MM92 model has a nominal power output of 2.05 MW, the hub height ranges from 68 to 100 meters and it has large rotor diameter of 92.5 meters
- The MM100 model has a nominal power output of 2.0 MW, hub heights of 75 to 100 meters and a rotor diameter of 100 meters
- The 3.0M model has a nominal power output of 3 MW, a hub height of 139 meters and a rotor diameter of 122 meters
- The 3.2M has a nominal power output of 3.17 MW to 3.2 MW, hub heights ranging from 93 to 143 meters and a rotor diameter of 114 meters
- The 3.4M model has a nominal power output of 3.4 MW, hub heights ranging from 78 meters to 143 meters and a rotor diameter between 104 and 140 meters
- Our offshore portfolio consists of the 6.XM series, which consists of 5M models with 5MW output and 6M models with 6MW output, both being offshore models.

Revenues from the sale of wind turbines analyzed by turbine type are as follows:

	2014/04/01-2015/03/31 k EUR	2013/04/01-2014/03/31 k EUR	2012/04/01-2013/03/31 k EUR
MM92	613,230	700,003	1,153,427
3.2M	585,921	350,838	100,590
3.4M	113,147	258,066	291,751
MM100	130,680	24,142	0
MM82	109,908	149,993	221,922
6M	101,346	78,237	369,742
3.0M	52,597	0	0
5M	0	4,275	0
Others	0	0	132
Revenues from sale of wind turbines	**1,706,829**	**1,565,554**	**2,137,564**

5.2 Other operating income

Other operating income is composed as follows:

	2014/04/01-2015/03/31 k EUR	2013/04/01-2014/03/31 k EUR	2012/04/01-2013/03/31 k EUR
Currency translation gains	15,105	14,003	21,995
Insurance payments/compensations	7,536	6,511	9,920
Income from hedging transactions	5,920	9,296	11,572
Investment subsidies, research and development subsidies	1,754	2,777	544
Income from reversal of provisions	1,278	5,674	13,737
Income from reversal of bad debt allowances	895	998	7,369
Other	1,250	4,455	4,771
	33,738	**43,714**	**69,908**

5.3 Personnel expenses

	2014/04/01-2015/03/31 k EUR	2013/04/01-2014/03/31 k EUR	2012/04/01-2013/03/31 k EUR
Wages and salaries	175,318	163,969	166,983
Social security contributions	33,611	32,266	31,311
	208,929	**196,235**	**198,294**

The average number of employees of the financial years 2014/2015, 2012/2013 was 3,460, 3,261 and 3,180, respectively.

The amount paid by the company as contribution to the state pension schemes amount to 8.8 m EUR in financial year 2014/2015, 8.4 m EUR in financial year 2013/2014 and 8.2 m EUR in financial year 2012/2013.

5.4 Other operating expenses

Other operating expenses are composed as follows:

	2014/04/01-2015/03/31 k EUR	2013/04/01-2014/03/31 k EUR	2012/04/01-2013/03/31 k EUR
Legal and consulting costs	40,338	13,923	26,874
Purchased services	28,781	21,764	31,049
Compensation for loss of production	17,334	6,495	13,220
Office and land costs	15,051	16,495	16,102
IT & telecommunication costs	14,255	15,247	8,750
Currency translation losses	13,870	17,099	30,276
Travel expenses	10,710	11,015	17,636
Vehicle costs	8,917	8,875	9,638
Cost of training and appointing staff	8,326	5,032	9,663
Write-offs/write-downs of receivables	8,106	1,541	4,816
Expense from hedging transactions	5,305	9,533	11,485
Other	17,924	24,970	42,350
	188,917	**151,989**	**221,859**

5.5 Reorganization expenses

In financial year 2013/2014, due to the implementation of the „Power“ efficiency enhancement program initiated by the management of Senvion GmbH costs in the amount of 38,041 k EUR were recognized as reorganization expenses. These expenses relate to legal and consulting costs (other operating expenses) for the implementation of “Power” in the amount of 21,535 k EUR and to personnel expenses in the amount of 16,506 k EUR which result from the early redundancies of staff and cancellation of employment contracts. The “Power” efficiency enhancement program was finalized as of 31 March 2014.

5.6 Financial result

Other interests and similar expenses largely relate to guarantee commissions and interest on loans taken out by Senvion GmbH (refer to Note 7.2 Information on the nature and extent of risks associated with financial instruments).

6 Contingent liabilities and other financial obligations

	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Other financial obligations			
Obligations from leases and rental contracts			
Due within one year	13,631	14,287	12,296
Due within 1 and 5 years	25,361	83,455	51,714
Due in more than 5 years	31,667	233,685	254,909
	70,659	**331,427**	**318,919**
Purchase commitments	**546,879**	**489,246**	**596,242**
thereof for purchase of inventories	544,890	483,914	589,093
thereof for purchase of property, plant and equipment	1,989	5,332	7,149

All leases at Senvion GmbH and the companies included in the scope of consolidation are operating leases. Lease payments are recognized directly in income on a straight-line basis over the term of the lease.

Obligations from leases and rental contracts relate primarily to obligations for the rental of office and warehouse space. Expenses amounting to 16,678 k EUR, 15,918 k EUR and 15,182 k EUR were recognized for leases and rental contracts in the financial years 2014/2015, 2013/2014 and 2012/2013, respectively.

In the financial year 2014/2015 the two remaining shipping charter agreements for offshore systems were terminated due to a changed market environment. The amount invested so far (6,537 k EUR) and previously recognized as other current assets was expensed.

7 Financial risks and financial instruments

7.1 Principles of risk management

With regard to its assets, financial liabilities and planned transactions, Senvion is subject to risks arising from changes in raw materials and purchase prices, exchange rates, interest rates and share prices. The aim of financial risk management is to limit these market risks through ongoing operating and financially oriented activities. To this end, specific hedging instruments are employed depending on the assessment of the respective risk. Risks are only hedged if they affect the Group's cash flow. Derivative financial instruments are only employed to hedge exchange rate risks, particularly those relating to larger customer or purchasing contracts in foreign currency, and are not used for trading or other speculative purposes.

The principles of financial policy were agreed on an annual basis by the Executive Board and were monitored by the Supervisory Board. The implementation of financial policy and ongoing risk management is the responsibility of the Group's treasury department with the involvement of the Group's controlling department. Certain transactions require the prior consent of the Executive Board, which is also regularly informed of the scope and amount of the current risk exposure. The treasury department considers the effective management of financial instruments and market risks as one of its main functions. In order to assess the effects of the different events on the market, simulation calculations are performed using various worst-case and market scenarios.

7.2 Information on the nature and extent of risks associated with financial instruments

Credit and default risk is constantly monitored. Before entering into purchase and delivery contracts, the Group checks the customer's credit rating using a standardized credit check process including the evaluation of information from external rating agencies and credit agencies and the analysis of financial information. The Group requires collateral depending upon the rating´s results and materiality considerations. The result of the credit check process is documented for each customer.

The credit and default risk of financial assets is limited to a maximum of the amounts reported on the asset side of the consolidated statements of financial position.

Exchange rate risks only exist insofar as deliveries are made to countries outside the Euro zone or cross-border deliveries are made from such countries. Risks within the meaning of IFRS 7 arise from financial instruments that are denominated in a currency other than the functional currency and that are of a monetary nature; exchange rate differences arising from the translation of financial statements into the Group currency are not included.

IFRS 7 requires a currency sensitivity analysis showing the effects of hypothetical changes in relevant risk variables on earnings and shareholders' equity. Foreign currency sensitivity is calculated for primary monetary financial instruments (cash and cash equivalents, trade receivables and payables, other assets and other liabilities) by simulating a 10% increase or decrease in the value of all foreign currencies against the functional currency.

The simulated appreciation or devaluation of the relevant currencies would have impacted the financial statements as of 31 March as follows:

Currency risk

The following table presents the impact from changes in foreign currency exchange rates on the Group's net profit for all material foreign currencies.

2015/03/31	USD	AUD	CAD	GBP
Sensitivity analysis - Total	**Profit impact in k EUR**			
Exchange rate + 10%	-412	-716	2,549	-133
Exchange rate - 10%	503	875	-3,273	163
2014/03/31	**USD**	**AUD**	**CAD**	**GBP**
Sensitivity analysis - Total	**Profit impact in k EUR**			
Exchange rate + 10%	2,492	845	1,189	520
Exchange rate - 10%	-3,660	-1,376	-1,769	-636
2013/03/31	**USD**	**AUD**	**CAD**	**GBP**
Sensitivity analysis - Total	**Profit impact in k EUR**			
Exchange rate + 10%	-1,654	-136	-1,886	520
Exchange rate - 10%	-732	167	8,720	-636

A change in foreign currency exchange rates would have no impact on the Group's net profit for financial instruments designated as hedges. The following table presents the impact on the Group's equity / other comprehensive income from changes in the fair value of derivative financial instruments.

2015/03/31	Fair value of derivative financial instruments designated as cash flow hedges
Sensitivity analysis - Total	**Impact on equity in k EUR**
Exchange rate + 10%	2,674
Exchange rate - 10%	-3,268
2014/03/31	**Fair value of derivative financial instruments designated as cash flow hedges**
Sensitivity analysis - Total	**Impact on equity in k EUR**
Exchange rate + 10%	6,599
Exchange rate - 10%	-2,925
2013/03/31	**Fair value of derivative financial instruments designated as cash flow hedges**
Sensitivity analysis - Total	**Impact on equity in k EUR**
Exchange rate + 10%	3,007
Exchange rate - 10%	-1,460

At Senvion GmbH, exchange rate risk primarily arises from operating activities when contracts are concluded in a currency other than the EUR. The primary risks are in connection with foreign currencies presented in the table above. The treasury department centrally identifies and monitors potential exchange rate risks from transactions and payments in foreign currency. Regarding transactions in foreign currency, subsidiaries and other departments report directly to the treasury department. The Group hedges individual transactions and payments in foreign currency against potential risks from a change in exchange rates. Cash outflows and inflows in the same foreign currency are offset and the net exposure is calculated and separately monitored for each foreign currency.

The risk position per currency measured in this manner is monitored and managed by the treasury department. Hedges are concluded to limit this risk. Exchange rate risks in the Company's operating activities are hedged using forward exchange contracts, currency swaps, currency options and derivatives.

Transacting or holding such contracts for trading or speculation purposes is not permitted. Derivative financial instruments that do not meet the conditions for hedge accounting are placed in the "held for trading" category.

Liquidity risk

Liquidity risk is monitored as part of rolling liquidity planning. Financing is provided mainly through advance payments for projects from customers. Payments made and received are monitored continuously as part of liquidity planning. The utilization regarding the syndicated line of credit and other guarantees as of 31 March is as follows:

2015/03/31	Credit facility total m EUR	Utilized m EUR	Remaining m EUR
Syndicated line of credit	850.0	369.3	480.7
- Guarantees	*820.0*	*367.9*	452.1
- Cash loan	*30.0*	*1.4**	28.6
Guarantees other	10.6	4.9	5.7
Total	**860.6**	**374.2**	**486.4**

* from rental guarantees

2014/03/31	Credit facility total m EUR	Utilized m EUR	Remaining m EUR
Syndicated line of credit	750.0	494.7	255.3
- Guarantees	*725.0*	*493.4*	*231.6*
- Cash loan	*25.0*	*1.3**	*23.7*
Guarantees other	36.4	12.6	23.8
Total	**786.4**	**507.3**	**279.1**

* from rental guarantees

2013/03/31	Credit facility total m EUR	Utilized m EUR	Remaining m EUR
Syndicated line of credit	750.0	496.5	253.5
- Guarantees	*725.0*	*495.2*	*229.8*
- Cash loan	*25.0*	*1.3**	*23.7*
Guarantees other	41.4	15.2	26.2
Total	**791.4**	**511.7**	**279.7**

* from rental guarantees

For further details to the credit facilities please refer to Note 4.5 Long-term loans.

The following table shows the contractually agreed, undiscounted interest and principal payments for the Senvion Group's primary financial liabilities and derivative financial instruments with a negative fair value. Derivatives with positive fair values constitute assets, and hence are not included.

Maturity of financial liabilities

	Carrying amount as of 2015/03/31 k EUR	Cash flows up to 1 year k EUR	Cash flows between 1 and 5 years k EUR	Cash flows more than 5 years k EUR
Short-term loans and current portion of long-term loans	7,568	8,461	0	0
thereof redemption payments		*7,568*	*0*	*0*
thereof interest payments		*893*	*0*	*0*
Trade accounts payable	337,189	337,189	0	0
Liabilities to related parties	10,851	10,851	0	0
Derivatives	1,325	1,325	0	0
Long-term loans	14,346	0	15,067	454
thereof redemption payments		*0*	*13,901*	*445*
thereof interest payments		*0*	*1,166*	*9*
Other financial liabilities	*22,186*	*21,186*	*1,000*	0
Total	**393,465**	**379,012**	**16,067**	**454**

	Carrying amount as of 2014/03/31 k EUR	Cash flows up to 1 year k EUR	Cash flows between 1 and 5 years k EUR	Cash flows more than 5 years k EUR
Short-term loans and current portion of long-term loans	8,305	9,576	0	0
thereof redemption payments		*8,305*	*0*	*0*
thereof interest payments		*1,271*	*0*	*0*
Trade accounts payable	331,136	331,136	0	0
Liabilities to related parties	3,508	3,508	0	0
Derivatives	5,966	5,966	0	0
Long-term loans	21,889	0	22,536	1,476
thereof redemption payments		*0*	*20,480*	*1,409*
thereof interest payments		*0*	*2,056*	*67*
Other financial liabilities	34,971	23,869	11,102	0
Total	**405,775**	**374,055**	**33,638**	**1,476**

	Carrying amount as of 2013/03/31 k EUR	Cash flows up to 1 year k EUR	Cash flows between 1 and 5 years k EUR	Cash flows more than 5 years k EUR
Short-term loans and current portion of long-term loans	9,838	11,699	0	0
thereof redemption payments		9,838	0	0
thereof interest payments		1,861	0	0
Trade accounts payable	312,334	312,334	0	0
Liabilities to related parties	2,920	2,920	0	0
Derivatives	2,635	1,190	1,445	0
Long-term loans	30,061	0	31,965	1,476
thereof redemption payments		0	28,652	1,409
thereof interest payments		0	3,313	67
Other financial liabilities	29,660	20,251	9,409	0
Total	**387,448**	**348,394**	**42,819**	**1,476**

This table contains those financial instruments held as of 31 March 2015, 31 March 2014 and 31 March 2013 for which the Group had entered into contractual payment obligations. Foreign currency amounts are converted using the respective closing rates.

Outstanding receivables of Senvion as well as an assignment of finished goods, work in progress and raw materials and supplies were pledged as collateral as of 31 March 2015, 31 March 2014 and 31 March 2013 for the syndicated loan (see also Note 4.5 Long-term loans).

As of 31 March 2015, 31 March 2014 and 31 March 2013, no financial assets were pledged as collateral.

Interest rate risk

Within the Group, interest rate changes result in an increase or decrease in the interest expense for variable-interest loans and overdrafts. The Company does not have any material assets or liabilities that are sensitive to interest rates.

The recording, measurement and monitoring of potential interest rate risks from external financing is performed centrally by the treasury department. Hedges may be concluded to limit interest rate risks. Interest rate risks are hedged using interest rate swaps, interest rate caps and derivatives if deemed material. Transacting or holding such contracts for trading or speculation purposes is not permitted.

Financial derivatives

The following table shows the carrying amounts and nominal volumes of financial derivatives:

Financial derivatives	2015/03/31		2014/03/31		2013/03/31	
	Carrying amount k EUR	Nominal value k EUR	Carrying amount k EUR	Nominal value k EUR	Carrying amount k EUR	Nominal value k EUR
Assets						
Interest rate cap						
not used in hedges	0	0	0	0	0	60
Currency swaps						
not used in hedges	0	0	27	3,650	1,324	64,734
Forward exchange contracts						
not used in hedges	0	0	2,664	37,472	391	32,703
used in cashflow hedges	0	0	2,313	49,458	79	14,172
Currency option transactions						
not used in hedges	0	0	2,538	28,153	0	0
Liabilities						
Currency swaps						
not used in hedges	51	20,764	205	17,866	1,087	36,671
used in cashflow hedges	50	2,715	0	0	0	0
Forward exchange contracts						
not used in hedges	38	8,723	5,761	85,185	0	0
used in cashflow hedges	1,153	30,889	0	0	420	23,377
Currency option transactions						
not used in hedges	33	5,684	0	0	1,128	31,444

The effective portion of the changes in the fair value of financial derivatives used in cash flow hedging recognized in other comprehensive income, net of taxes, amounted to -2,490 k EUR, 1,882 k EUR and -147 k EUR in financial years 2014/2015, 2013/2014 and 2012/2013 respectively.

During financial years 2014/2015, 2013/2014 and 2012/2013 the amount transferred from other comprehensive income to profit or loss as part of cash flow hedge accounting was 787 k EUR, 76 k EUR and 690 k EUR respectively, which is presented in “other operating income” and -329 k EUR, 0 k EUR and 1,591 k EUR respectively, which is presented in “other operating expenses”.

During the financial years 2014/2015, 2013/2014 and 2012/2013 the amount transferred from other comprehensive income to profit or loss due to the discontinuation of underlying transactions was 0 k EUR, 272 k EUR and -943 k EUR respectively.

As of 31 March 2015, 31 March 2014 and 31 March 2013 there were no ineffective portions of the change in the fair value of hedging instruments used in cash flow hedging.

The following table shows when the book values of the derivatives used for cash flow hedging are expected to be recognized in profit or loss:

Occurrence and recognition in profit and loss	Carrying amount k EUR	up to 1 year k EUR	between 1 and 5 years k EUR	more than 5 years k EUR
2015/03/31				
Forward exchange contracts				
Assets	0	0	0	0
Liabilities	1,153	1,153	0	0
Currency swaps				
Assets	0	0	0	0
Liabilities	50	50	0	0
2014/03/31				
Forward exchange contracts				
Assets	2,313	1,611	702	0
Liabilities	0	0	0	0
2013/03/31				
Forward exchange contracts				
Assets	79	12	67	0
Liabilities	420	248	172	0

7.3 Information on the significance of financial instruments for the consolidated financial statements

Based on the relevant consolidated statement of financial position items, the relationships between the classification of financial instruments in accordance with IFRS 7 and the carrying amounts of the financial instruments including liquid funds not allocated to any IAS 39 category are shown in the following tables:

	Category*	2015/03/31		2014/03/31		2013/03/31	
		Carrying amount k EUR	Fair value k EUR	Carrying amount k EUR	Fair value k EUR	Carrying amount k EUR	Fair value k EUR
Liquid funds	n.a.	301,375	301,375	269,924	269,924	236,879	236,879
Gross amount due from customers for contract work as an asset	L+R	58,753	58,753	92,767	92,767	144,337	144,337
Trade accounts receivable	L+R	178,008	178,008	155,491	155,491	144,053	144,053
Loans granted	L+R	2,752	2,905	13,231	13,278	16,255	16,338
Other financial assets - miscellaneous	L+R	567	567	138	138	204	204
Other financial assets - loans	L+R	1,667	1,667	1,739	1,739	91	91
Other financial investments	L+R	66	66	66	66	66	66
Receivables from related parties	L+R	32,009	32,009	23,575	23,575	15,255	15,255
Total L+R	**L+R**	**575,197**	-	**556,931**	-	**557,140**	-
Other financial assets - financial derivatives held for trading	HfT	0	0	5,229	5,229	1,715	1,715
Other financial assets - financial derivatives classified as hedge instruments	n.a.	0	0	2,313	2,313	79	79

** L+R: loans and receivables*

HfT: held for trading

Liquid funds, gross amount due from customers for contract work as an asset, trade accounts receivable, receivables from related parties and other financial assets generally have a term of 12 months or less, meaning that their carrying amounts on the respective reporting dates correspond closely to their fair values.

The fair values of non-current receivables correspond to the present value of the payments associated with these assets, taking into account the current parameters reflecting changes in conditions and expectations due to market- and partner-related developments.

Financial liabilities are shown in the following table:

	Category*	2015/03/31 Carrying amount k EUR	2015/03/31 Fair Value k EUR	2014/03/31 Carrying amount k EUR	2014/03/31 Fair Value k EUR	2013/03/31 Carrying amount k EUR	2013/03/31 Fair Value k EUR
Trade accounts payable	OL	337,189	337,189	331,136	331,136	312,334	312,334
Liabilities to related parties	OL	10,851	10,851	3,508	3,508	2,920	2,920
Long-term loans	OL	14,346	14,327	21,889	22,127	30,061	31,065
Short-term loans and current portion of long-term loans	OL	7,568	7,558	8,305	8,395	9,838	10,166
Other non-current financial liabilities	OL	1,000	1,003	11,102	11,178	10,854	10,854
Other current financial liabilities	OL	21,186	21,186	23,869	18,459	18,806	18,806
Total OL	**OL**	**392,140**	**-**	**399,809**	**-**	**384,813**	**-**
Other financial liabilities - financial derivatives held for trading	HFT	122	122	5,966	5,966	2,215	2,215
Other financial liabilities - financial derivatives classified as hedge instruments	n.a.	1,203	1,203	0	0	420	420

** OL: other liabilities*

Due to the short-term of trade accounts payable, liabilities to related parties and other financial liabilities, it is assumed that their carrying amounts and fair values are identical.

The following table provides a breakdown of the fair value hierarchy of financial assets and financial liabilities carried at fair value at the respective reporting dates. This implies a differentiation between instruments which fair values are directly observable on active markets (level 1), which fair values are based on observable material input data (level 2) and which fair values are based non-observable material input data (level 3):

2015/03/31	Carrying amount k EUR	Level 1 k EUR	Level 2 k EUR	Level 3 k EUR
Liabilities (carried at fair value)				
Held for Trading (HfT)	122	0	122	0
Derivative financial instruments classified as hedge instruments	1,203	0	1,203	0
Total liabilities	**1,325**	**0**	**1,325**	**0**

2014/03/31	Carrying amount k EUR	Level 1 k EUR	Level 2 k EUR	Level 3 k EUR
Assets (carried at fair value)				
Held for Trading (HfT)	5,229	0	5,229	0
Derivative financial instruments classified as hedge instruments	2,313	0	2,313	0
Total assets	**7,542**	**0**	**7,542**	**0**
Liabilities (carried at fair value)				
Held for Trading (HfT)	5,966	0	5,966	0
Total liabilities	**5,966**	**0**	**5,966**	**0**

2013/03/31	Carrying amount k EUR	Level 1 k EUR	Level 2 k EUR	Level 3 k EUR
Assets (carried at fair value)				
Held for Trading (HfT)	1715	0	1715	0
Derivative financial instruments classified as hedge instruments	79	0	79	0
Total assets	**1,794**	**0**	**1,794**	**0**
Liabilities (carried at fair value)				
Held for Trading (HfT)	2,215	0	2,215	0
Derivative financial instruments classified as hedge instruments	420	0	420	0
Total liabilities	**2,635**	**0**	**2,635**	**0**

There have been no transfers between any level during financial years 2014/2015, 2013/2014 and 2012/2013.

The following methods and assumptions were used to estimate the fair values of instruments for which the fair value is disclosed and those which are recognized at fair value:

- Long-term receivables are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project (Level 3 measurement). Based on this evaluation, allowances are taken into account for the expected losses of these receivables. The fair values of such receivables, net of allowances, were not materially different from their carrying values.

- The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are mainly foreign exchange forward contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and foreign exchange spot and forward rates. The marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk.
- Fair values of the Group's borrowings and loans and other financial liabilities are determined by using DCF method using a discount rate that reflects the issuer's borrowing rate as of the end of the respective reporting periods (Level 3 measurement). The own non-performance risk as of 31 March 2015, 31 March 2014 and 31 March 2013 was assessed to be insignificant.

Net gains and losses on loans and receivables consist primarily of results from bad debt allowances and reversals thereof. With regard to bad debt allowances, please see the Notes on trade accounts receivable (4.1.3) and other current assets (4.1.6). The net results of bad debt allowances and reversals thereof are primarily reported in other operating expenses (Note 5.4).

The following table shows the net gains and losses for each valuation category:

	Net gain/loss		
	2014/04/01-2015/03/31 k EUR	2013/04/01-2014/03/31 k EUR	2012/04/01-2013/03/31 k EUR
Loans and Receivables (L+R)	-17,745	4,580	-3,383
Financial instruments Held for Trading (HfT)	615	-237	510
Total	**-17,130**	**4,343**	**-2,873**

Senvion has received collateral amounting to 2,700.69 m EUR, 2,134.05 m EUR and 2,163.37 m EUR as of 31 March 2015, 31 March 2014 and 31 March 2013 respectively; this represents the fair value of the collateral, which primarily relates to standard industry guarantees from third parties for obligations of customers and suppliers for which Senvion has carried out preliminary work or made advance payments. For further information please refer to Note 4.1.3 Trade accounts receivable.

8 Capital management

The aim of the Group's capital management is to ensure that it maintains a good equity ratio and a high credit rating in order to support its business activities and maximize shareholder value. This is especially significant in the context of growth targets.

Senvion has a balanced capital structure. Shareholders' equity covers non-current assets by more than 100%. The Company is not subject to any statutory capital requirements.

The Group monitors its capital on the basis of the equity ratio, being the ratio of the shareholders' equity reported in the consolidated financial statements to total assets.

	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Shareholder's equity	531,963	505,165	493,093
Total assets	1,629,419	1,575,491	1,545,953
Equity Ratio in %	**32.6**	**32.1**	**31.9**

Senvion's original aim was to consistently achieve an equity ratio of at least 35%. Under consideration of the change in accounting policies this target ratio has been changed to 30%. When events are identified which could result in the equity being lower than the target of 35%/30% appropriate measures are taken to avoid the equity ratio to fall below the target ratio.

Another figure used in capital management is net working capital or the net working capital ratio. Net working capital is calculated as follows: total current assets (adjusted for liquid funds and assets of disposal Group classified as held for sale) minus total current liabilities (adjusted for provisions, liabilities of disposal Group classified as held for sale and short-term loans and current portion of long-term loans). To calculate the net working capital ratio, this net figure is compared with the total operating performance for the last 12 months.

	2015/03/31 k EUR	2014/03/31 k EUR	2013/03/31 k EUR
Current assets	1,269,696	1,234,854	1,226,016
Adjustments to current assets	-317,836	-283,217	-265,808
Total current liabilities	-1,038,796	-986,499	-966,698
Adjustments to current liabilities	246,557	248,175	217,426
Net working capital	**159,621**	**213,313**	**210,936**
Total operating performance	1,964,980	1,794,571	2,221,093
Net working capital ratio in %	**8.1**	**11.9**	**9.5**

The Group uses the net working capital to measure the short-term liquidity of the business and to utilize assets in an efficient manner. Consequently the Group always attempts to optimize its net working capital on a sustainable basis.

9 Information on the consolidated statements of cash flows

In accordance with IAS 7, the consolidated statements of cash flows are classified into the areas operating activity, investing activity and financing activity. The cash and cash equivalents shown in the consolidated statements of cash flows contain cash and bank balances. Short-term bank liabilities are deducted.

The indirect method was used to calculate the cash flow from operating activity. The consolidated statements of cash flows start with net result before income taxes. The cash outflows from interest and taxes were allocated to ongoing business activity and recognized separately there.

The cash flow from investing activities is composed of payments for investment in intangible assets and in property, plant and equipment as well as receipts for the disposal of non-current assets.

10 Related parties disclosures

For Senvion Group, related parties as defined by IAS 24 are, in particular, shareholders, subsidiaries, unless they are already included in the consolidated financial statements as consolidated entities, joint ventures and associates including close family members and intermediary companies. Subsidiaries of associates are also related parties.

In addition, members of the management and Supervisory Board are related parties as defined by IAS 24, as are people who hold a key position in the management of a parent company of the Senvion Group.

The composition and remuneration of the Executive Board and Supervisory Board are described in notes 11 “Information on the corporate bodies of Senvion SE, Hamburg” and 12 “Remuneration for the Supervisory Board and the Executive Board of Senvion SE” respectively.

In addition to business relationships with the subsidiaries included in the consolidated financial statements by means of full consolidation, there were the following business relationships with related parties.

The following transactions were concluded with the shareholder Suzlon Energy Ltd., the ultimate parent of Senvion GmbH in the periods presented in these consolidated financial statements, and its subsidiaries as well as its related parties:

10.1 Transactions with related parties in financial year 2014/2015

Transactions between Senvion GmbH and	Services / Goods obtained 2014/2015 k EUR	Services / Goods delivered 2014/2015 k EUR	Receivables 2015/03/31 k EUR	Liabilities 2015/03/31 k EUR
Suzlon Energy Ltd. / SE Blades Ltd., India	-	-	1,390*	131
SE Blades Ltd., India	2,000	-	-	-
SE Electricals Ltd., India	-	-	99*	-
SE Electricals Ltd., India	2,315	-	574	448
Suzlon Wind International Ltd., India	1,141	-	-	657
Suzlon Global Service, Hadapsar, India	14	-	-	14

* Prepayments

Transactions between subsidiaries of Senvion GmbH and	Services / Goods obtained 2014/2015 k EUR	Services / Goods delivered 2014/2015 k EUR	Receivables 2015/03/31 k EUR	Liabilities 2015/03/31 k EUR
Suzlon Energy Australia Pty Ltd, Australia (SEA)	1,349	11,681	31.806*	7,872
Suzlon Wind Energy Corporation, USA	361	-	-	740
Suzlon Rotor Corp., India	-	-	-	656
Suzlon Energy Ltd., India	86	-	-	207
Suzlon Wind International Ltd., India	37	-	-	62

* The reported receivables due from SEA have been already reduced by 6,156 k AUD (4,263 k EUR) out of the share purchase agreement relating to Yorke Peninsula Wind Farm Project Pty Ltd . Furthermore for technical reasons the received payments by SEA's customers have increased the value of the amount shown as liabilities rather than reduced the amount shown as receivables.

The above transactions executed with related parties mainly comprise purchasing of raw materials and components (generators, blades) for wind turbine generators as well as health-safety-environmental and other services. Services rendered by Senvion Australia Pty. Ltd. to Suzlon Energy Australia Pty Ltd. mainly consisted of operations and maintenance services performed on behalf of Suzlon under a Facility and Service Agreement.

The terms and conditions of the transactions were made on terms and conditions which prevail in an arm's length transaction. There were no material securities given or received as part of the transactions. In the respective period, the Group has not recorded expenses for allowances or provisions on outstanding balances.

Transactions with related parties in financial year 2013/2014

Transactions between Senvion GmbH and	Services / Goods obtained 2013/2014 k EUR	Services / Goods delivered 2013/2014 k EUR	Receivables 2014/03/31 k EUR	Liabilities 2014/03/31 k EUR
Suzlon Energy Ltd. / SE Blades Ltd., India	6,094	-	1,390	121
SE Blades B.V., Hengelo, Netherlands	83	-	-	83
SE Forge Ltd., India	183	-	-	99
SE Electricals Ltd., India	488	-	1,785*	-
Suzlon Wind International Ltd., India	1,561	-	-	859
Suzlon Wind Energy Spain, S.L.U.	10	-	-	10

* Prepayments

Transactions between subsidiaries of Senvion GmbH and	Services / Goods obtained 2013/2014 k EUR	Services / Goods delivered 2013/2014 k EUR	Receivables 2014/03/31 k EUR	Liabilities 2014/03/31 k EUR
Suzlon Energy Australia Pty Ltd, Australia (SEA)	1,083	13,491	23,176	2,597
Suzlon Wind Energy Corporation, USA	330	-	-	183
Suzlon Rotor Corp., India	621	-	-	621
Suzlon Wind Energy A/S, Denmark	278	-	-	-
Suzlon Energy Ltd., India	81	-	-	87
Suzlon Wind International Ltd., India	24	-	-	26

The above transactions executed with related parties mainly comprise purchasing of raw materials and components (generators, blades) for wind turbine generators as well as health-safety-environmental and other services. Services rendered by Senvion Australia Pty. Ltd. to Suzlon Energy Australia Pty Ltd. mainly consisted of operations and maintenance services performed on behalf of Suzlon under a Facility and Service Agreement.

The terms and conditions of the transactions were made on terms and conditions which prevail in an arm's length transaction. There were no material securities given or received as part of the transactions. In the respective period, the Group has not recorded expenses for allowances or provisions on outstanding balances.

Transactions with related parties in financial year 2012/2013

Transactions between Senvion GmbH and	Services / Goods obtained 2012/2013 k EUR	Services / Goods delivered 2012/2013 k EUR	Receivables 2013/03/31 k EUR	Liabilities 2013/03/31 k EUR
Suzlon Energy Ltd. / SE Blades Ltd., India	3283	-	7,352*	
SE Blades B.V., Hengelo, Netherlands	12	-	-	-
Suzlon Energy GmbH, Hamburg	-	0.1	-	-
SE Forge Ltd., India	200	-	1	-
SE Electricals Ltd., India	677	-	2.124*	-
Suzlon Wind International Ltd., India	3,583	-	80*	149
Suzlon Wind Energy Spain, S.L.U.	-	4	4	-

* Prepayments

Transactions between subsidiaries of Senvion GmbH and	Services / Goods obtained 2012/2013 k EUR	Services / Goods delivered 2012/2013 k EUR	Receivables 31.03.2013 k EUR	Liabilities 31.03.2013 k EUR
SE Blades Ltd., India / SCS Composite, Spain	69	-	2	-
Suzlon Rotor Corporation, Pipestone, USA	6	-	-	-
Suzlon Energy Australia Pty. Ltd., Australia (SEA)	2,155	19,626	14,557	1,551
Suzlon Wind Energy Corporation, USA	1,717	-	-	909
Suzlon Rotor Corp., USA	64	-	-	-
Suzlon Wind Energy A/S, Denmark	329	-	-	51
Suzlon Energy Ltd., India	47	-	-	8

The above transactions executed with related parties mainly comprise purchasing of raw materials and components (generators, blades) for wind turbine generators as well as health-safety-environmental and other services. Services rendered by Senvion Australia Pty. Ltd. to Suzlon Energy Australia Pty Ltd. mainly consisted of operations and maintenance services performed on behalf of Suzlon under a Facility and Service Agreement.

The terms and conditions of the transactions were made on terms and conditions which prevail in an arm's length transaction. There were no material securities given or received as part of the transactions. In the respective period, the Group has not recorded expenses for allowances or provisions on outstanding balances.

11 Information on the corporate bodies of Senvion GmbH, Hamburg

The following were appointed as members of the Supervisory Board of Senvion SE (until 25 June 2015) and REpower Systems SE (until 20 January 2014):

- Mr. Tulsi R. Tanti, Director Suzlon Energy Ltd., Pune, India (Chairman) (until 2015/04/28)
- Mr. Frans H. J. Visscher, Employee Suzlon Energy Ltd., Bergen, Netherlands- (Deputy Chairmann) (until 2015/04/28)
- Mr. Thomas Rex, Team leader production electrics, Breydin, Germany
- Mr. Bernhard Band, Employee Suzlon Energy Ltd., Tellingstedt, Germany
- Mr. Ravi Uppal, CEO Indal Steel & Power, Neu Delhi, India (until 2015/04/28)
- Mr. Vinod R. Tanti, Employee Suzlon Energy Ltd., Pune, India (since 2014/10/20 and until 2015/04/28)
- Mr. Kirtikant J. Vagadia, Employee Suzlon Energy Ltd., Pune, India (until 2014/10/16)

The following were appointed as members of the Executive Board of Senvion SE (until 25 June 2015) and REpower Systems SE (until 20 January 2014):

- Mr. Andreas Nauen, CEO, Hamburg (Chairman)
- Mr. Lars Rytter, COO, Hamburg, Germany (until 2015/06/22)
- Mr. Russell Burton Stoddart, CTO, Hamburg, Germany
- Mr. Kirtikant J. Vagadia, CFO, Pune, India (from 2014/12/01 until 2015/02/13)
- Mr. Alex Joseph De Ryck, CSO, Antwerp, Belgium (until 2014/12/15)
- Mr. Marcus A. Wassenberg, CFO, Hamburg, Germany (until 2014/09/15)

After transformation into Senvion GmbH on 30 June 2015, the following were appointed Managing Directors of Senvion GmbH:

- Mr. Jürgen Geissinger, CEO, Hamburg (from 2015/12/17)
- Mr. Andreas Nauen, CEO, Hamburg (until 2015/12/17)
- Mr. Manav Sharma, CFO, Hamburg (from 2015/06/30)

12 Remuneration for the Supervisory Board and the Executive Board of Senvion GmbH

The remuneration of members of the Supervisory Board was adjusted by resolution of the extraordinary general meetings on 19 and 20 December 2011.

For the financial years 2014/2015, 2013/2014 and 2012/2013, remuneration of 359,777.78 EUR, 360,000 EUR and 358,587 EUR was paid to the Supervisory Board, respectively.

The total remuneration paid to the current Executive Board for the financial years 2014/2015, 2013/2014 and 2012/2013 amounts to 1,865,468 EUR, 1,574,671 EUR and 1,403,844 EUR respectively.

The composition of amounts paid to the Executive Board is as follows:

	2014/04/01-2015/03/31 k EUR	2013/04/01-2014/03/31 k EUR	2012/04/01-2013/03/31 k EUR
Current salaries	1,188	1,371	1,107
Retirement benefits	0	62	0
Termination benefits	578	85	267
Other benefits	99	57	30
	1,865	1,575	1,404

In the financial years 2014/2015, 2013/2014 and 2012/2013 total remuneration of 1,391,527 EUR, 396,667 EUR and 2,084,228 EUR respectively was paid to former Executive Board members.

The composition of amounts paid to the former Executive Board is as follows:

	2014/04/01-2015/03/31 k EUR	2013/04/01-2014/03/31 k EUR	2012/04/01-2013/03/31 k EUR
Current salaries	506	167	524
Retirement benefits	0	15	74
Termination benefits	356	0	149
Other benefits	529	215	1,337
	1,391	397	2,084

13 Material events after the reporting date

As of 29 April 2015 Suzlon Energy Limited, Pune, India has sold 100% of their shares in Senvion GmbH to Centerbridge Partners L.P, New York, USA. With effect from the same date, due to the sale to Centerbridge Partners L.P, New York, USA, Senvion GmbH has entered into a new syndicated credit line of 950 m EUR. With the sale of Senvion Group to the new shareholder this line of credit replaces the existing syndicated credit line of 850 m EUR.

Furthermore, with completion of the transaction the representatives of the previous shareholder stepped down from the Supervisory Board. The resignation of Tulsi R. Tanti, Frans H. J Visscher, Vinod R. Tanti and Ravi Uppal took place on 28 April 2015.

On 4 May 2015 Mr. Stefan Kowski, Mr. Steven M. Silver, Mr. Todd Morgan and Mr. Martin Skiba were elected to the Supervisory Board as representatives of the new shareholder.

On 25 June 2015 Senvion SE changed its legal form to an AG and on 30 June 2015 to a GmbH.

In July 2015 Senvion GmbH granted Senvion Holding GmbH, its direct parent entity, a loan of 177.3 m EUR with a maturity until December 2016.

After the takeover by Centerbridge, central, Group-wide functions, such as Compliance & Legal, Corporate Finance & Treasury and Corporate Communications, have been bundled at Senvion Holding GmbH with Senvion SE (now GmbH) as a wholly owned subsidiary. This also resulted in a transition of the Supervisory Board from Senvion GmbH to Senvion Holding GmbH on 20 November 2015.

On 17 December 2015 Andreas Nauen, resigned as CEO. On the same date, Dr. Jürgen Geissinger was appointed CEO.

Furthermore, events after the reporting date which provided evidence of conditions that existed at the end of the reporting periods were adjusted. Reference is made to Note 3.1 Change in accounting policies and events after the end of the reporting period.

Hamburg, 18 December 2015

Dr. Jürgen Geissinger (CEO) Kumar Manav Sharma (CFO)