



**Capital Stage AG – Conference Call FY2016**

# In a Nutshell: Milestones 2016 / Outlook 2017

## Financial Year 2016

- Operating results on target with Guidance 2016
- Dividend increased to EUR 0.20 (2016: EUR 0.18)
- New organic acquisitions of Solar- and Windpark-Portfolio of about >124 MW and take-over of Chorus
- Poor wind performance and base effect from good PV year 2015 weigh on operating performance

## CHORUS Takeover

- One of the biggest independent IPPs in Europe
- Increased portfolio to >1.2 GW
- Q4 2016 of CHORUS fully consolidated into FY16 results
- Improved position on acquisition markets and access to new group of investors
- Strong position within the SDAX; increased liquidity of Capital Stage share
- New business segment “Asset Management”
- Squeeze out initiated

## Positive Outlook 2017

- Further growth in FY2017 expected; Guidance 2017 confirmed
- Available equity for investment of some EUR 60m plus add. Credit facilities of EUR 30m; translates into an investment volume of about EUR 360m
- Well filled pipeline; exclusivity agreements with seven projects of some 170 MW
- Market consolidation leaves opportunities for inorganic growth
- Dividend strategy 50% increase until 2022

# Operating Results 2016 on target with Guidance

Operating P&L (million, €)	Guidance	One-time effects CHORUS take- over	Operating Results	Δ in %
Reporting period	2016	2016	2016	
Sales	<b>&gt;140</b>		<b>142</b>	1%
EBITDA	<b>&gt;104</b>	4.6	<b>106</b>	2%
EBITDA/Sales	74%		75%	
EBIT	<b>&gt;60</b>	4.6	<b>62</b>	3%
EBIT/Sales	43%		43%	
Operating Cash- Flow	<b>&gt;98</b>	8.5	<b>104</b>	6%
Operating CF/Sales	70%		73%	

## Track Record: Portfolio

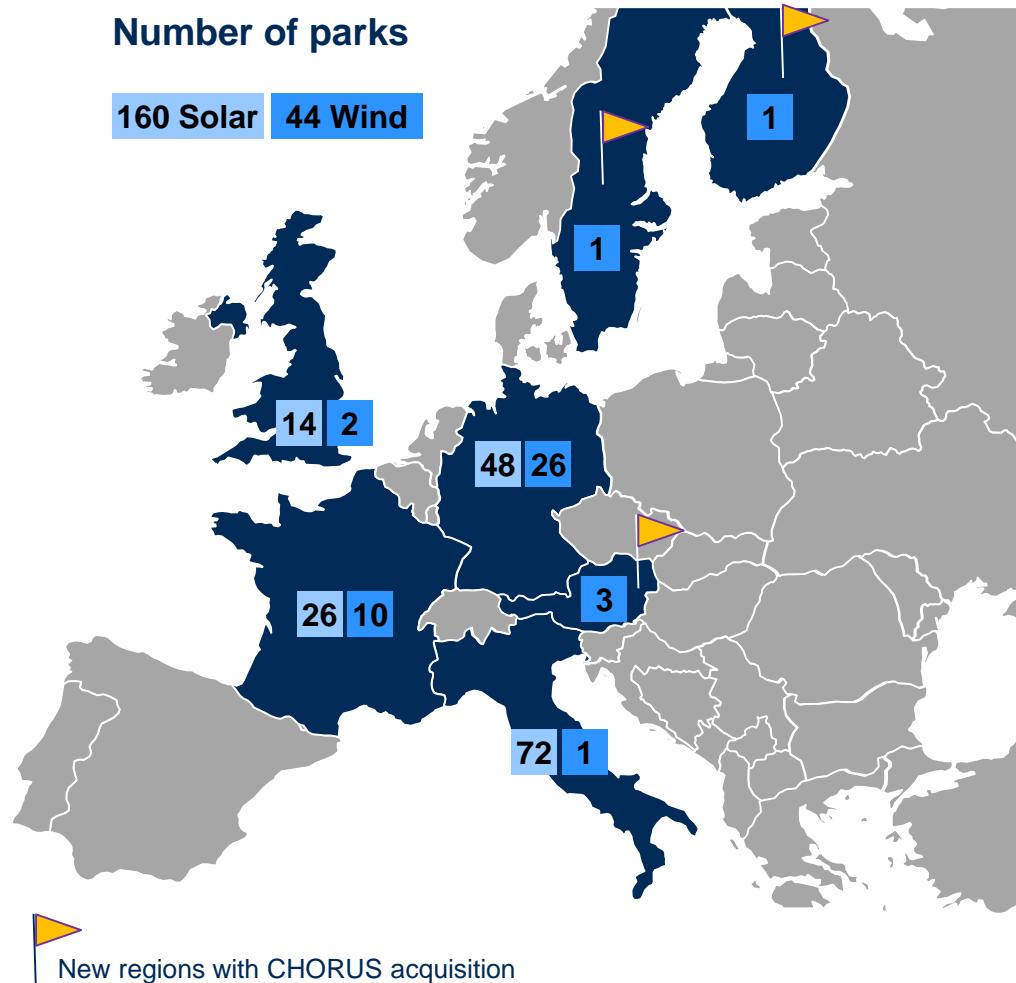
The total installed capacity amounts to > 1.2 GW (as of March 2017)

### Portfolio overview

	Solar		Wind		Total
	Capital Stage	Asset Mgt.	Capital Stage	Asset Mgt.	
<b>Germany</b>	251	7	183	134	<b>575</b>
<b>France</b>	202	12	36	73	<b>323</b>
<b>Italy</b>	154	7	6	-	<b>167</b>
<b>UK</b>	88	-	-	18	<b>106</b>
<b>Austria</b>	-	-	30	-	<b>30</b>
<b>Finland</b>	-	-	-	13	<b>13</b>
<b>Sweden</b>	-	-	-	10	<b>10</b>
<b>Total</b>	<b>695</b>	<b>26</b>	<b>255</b>	<b>248</b>	<b>1,224</b>

### Number of parks

160 Solar 44 Wind



# Adjustments to IFRS figures (IAS 8)

## Settings: Harmonization of Accounting Standards in FY16

- New auditor for the financial year in 2016
- Creating a mutual accounting landscape Capital Stage/CHORUS
- Creating a clear balance sheet in line with the new auditor and latest IFRS standards

## Findings: Inaccuracy in Deferred taxes (IAS 8)

- For the purchase price allocation in the form of intangible assets for French PV parks acquired in 2014 and the corporate accounting of the goodwill for one Italian park no deferred tax had been activated in accordance to IFRS accounting standards
- Inaccuracy in terms of IAS 8

## Effects: IFRS-related adjustments with no effect on operational figures or cashflows

- Voluntary adjustment with third column on the balance sheet with effect on 01.01.2015
- Correction is activated on 01.01.2015 through equity, negative impact on IFRS result for FY2014 and positive effect on IFRS result for FY2015 and following years until 2034
- Pure IFRS-related accounting adjustments with no effect on operating key figures, cashflows and IRRs

# Adjustments to IFRS figures (IAS 8)

## Effects in the IFRS Balance Sheet

P&L positions	01.01.2015 in t€	31.12.2015 in t€
Other operating income	-10,740	1,326
Depreciation	-997	0
Tax	197	5,574
<b>Total</b>	<b>-11,540</b>	<b>6,900</b>

BS item	01.01.2015 in t€	31.12.2015 in t€
DTA	0	6,288
DTL	11,540	612
<b>Total</b>	<b>11,540</b>	<b>6,900</b>

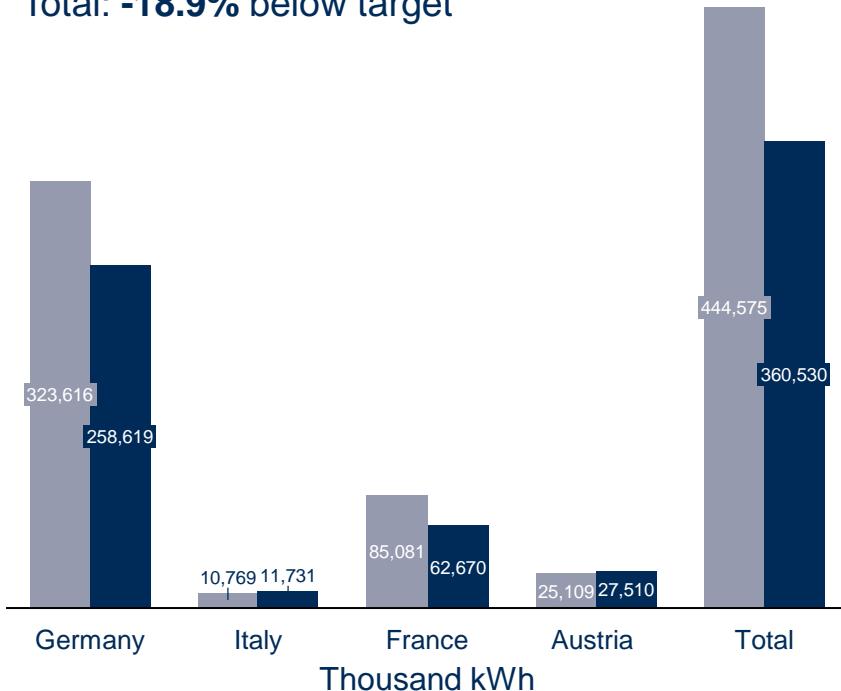
# Actual vs actual operational figures

Operating P&L (thousand, €)	Actual	Actual	Delta
Reporting period	2015	2016	
<b>Sales</b>	<b>112,802</b>	<b>141,783</b>	<b>26%</b>
Other income	1,180	3,553	201%
Material costs	-921	-1,326	44%
Personnel costs	-5,576	-8,380	50%
Other costs	-20,658	-29,565	43%
<b>EBITDA</b>	<b>86,827</b>	<b>106,065</b>	<b>22%</b>
<b>EBITDA/Sales</b>	<b>77%</b>	<b>75%</b>	
Depreciation	-31,429	-44,475	42%
<b>EBIT</b>	<b>55,398</b>	<b>61,590</b>	<b>11%</b>
<b>EBIT/Sales</b>	<b>49%</b>	<b>43%</b>	
Financial costs	-29,636	-38,683	31%
<b>EBT</b>	<b>25,726</b>	<b>22,907</b>	<b>-11%</b>
<b>EBT/Sales</b>	<b>23%</b>	<b>16%</b>	
Financial result	-29,636	-38,683	31%
Tax	-2,366	-2,420	2%
<b>EAT</b>	<b>23,396</b>	<b>20,487</b>	<b>-12%</b>
<b>EAT/Sales</b>	<b>21%</b>	<b>14%</b>	

## Portfolio: Wind and PV performance FY16

### Wind 2016: Below target

Total: **-18.9% below target**

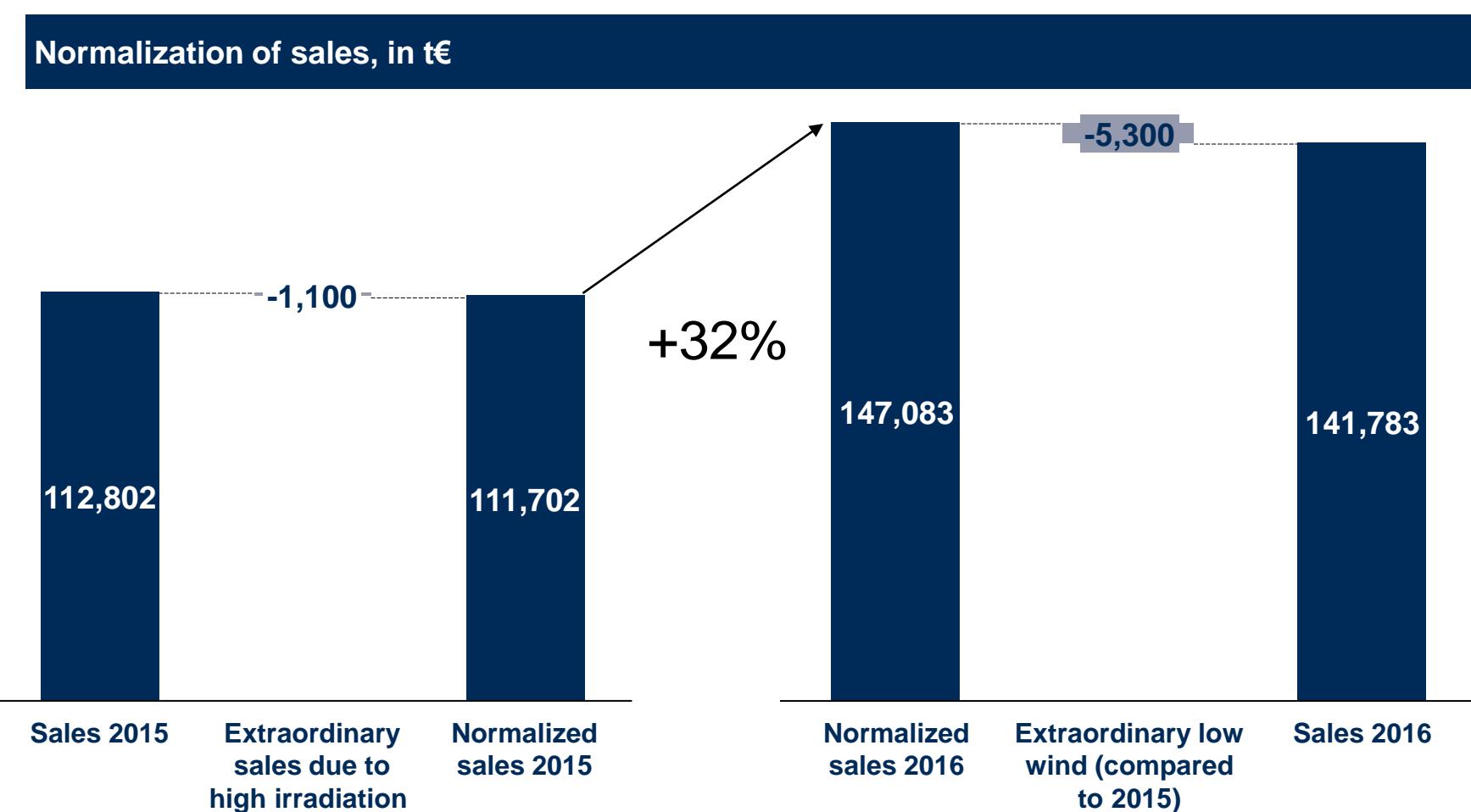


### PV 2016: On target

Total: **+1.2% above target**



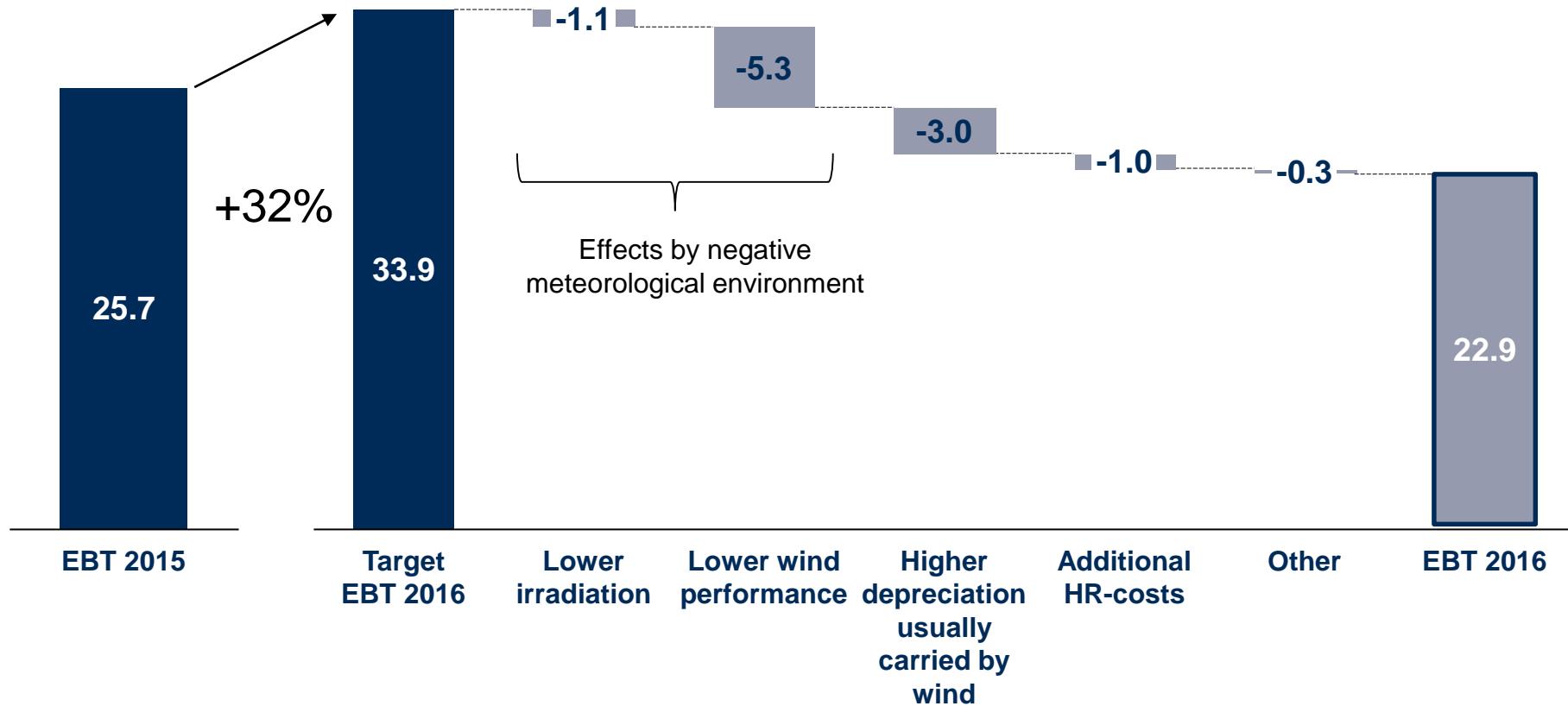
## Strong growth of group not fully reflected in sales due to meteorological effects



# Operating Figures: EBT Performance 2016

Poor wind performance weighs on operating EBT in FY16

From target EBT to actual EBT in line with growth in revenues, m€



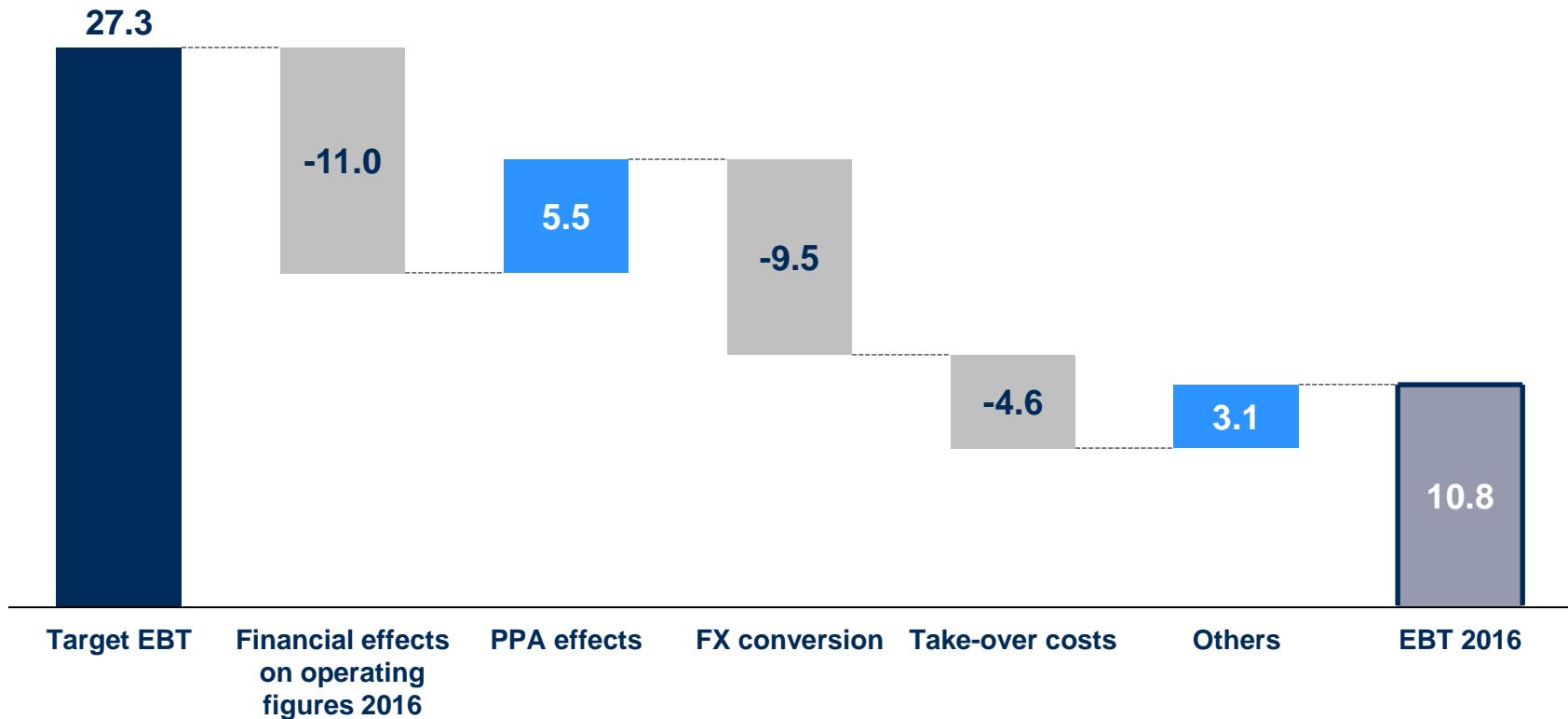
## IFRS Figures: P&L 2016 vs 2015

IFRS P&L (in TEUR)	Actual	Actual	Delta
Reporting period	2015	2016	2015/ 2016
<b>Sales</b>	<b>112,802</b>	<b>141,783</b>	<b>26%</b>
Other income	19,216	29,399	53%
<i>thereof PPA</i>	12,009	21,322	78%
Material costs	-921	-1,326	44%
Personnel costs	-5,758	-8,541	48%
Other costs	-23,565	-37,562	59%
<b>EBITDA</b>	<b>101,774</b>	<b>123,753</b>	<b>22%</b>
Depreciations	-47,888	-64,028	34%
<b>EBIT</b>	<b>53,886</b>	<b>59,725</b>	<b>11%</b>
Financial costs	-33,165	-48,774	47%
<i>thereof FX expenses from currency translation</i>	-1,731	-11,751	579%
<b>EBT</b>	<b>20,721</b>	<b>10,951</b>	<b>-47%</b>
Current taxes	-2,366	-2,420	2%
Deferred taxes	7,889	3,277	-58%
<b>EAT</b>	<b>26,244</b>	<b>11,808</b>	<b>-55%</b>

## IFRS Figures: EBT performance 2016

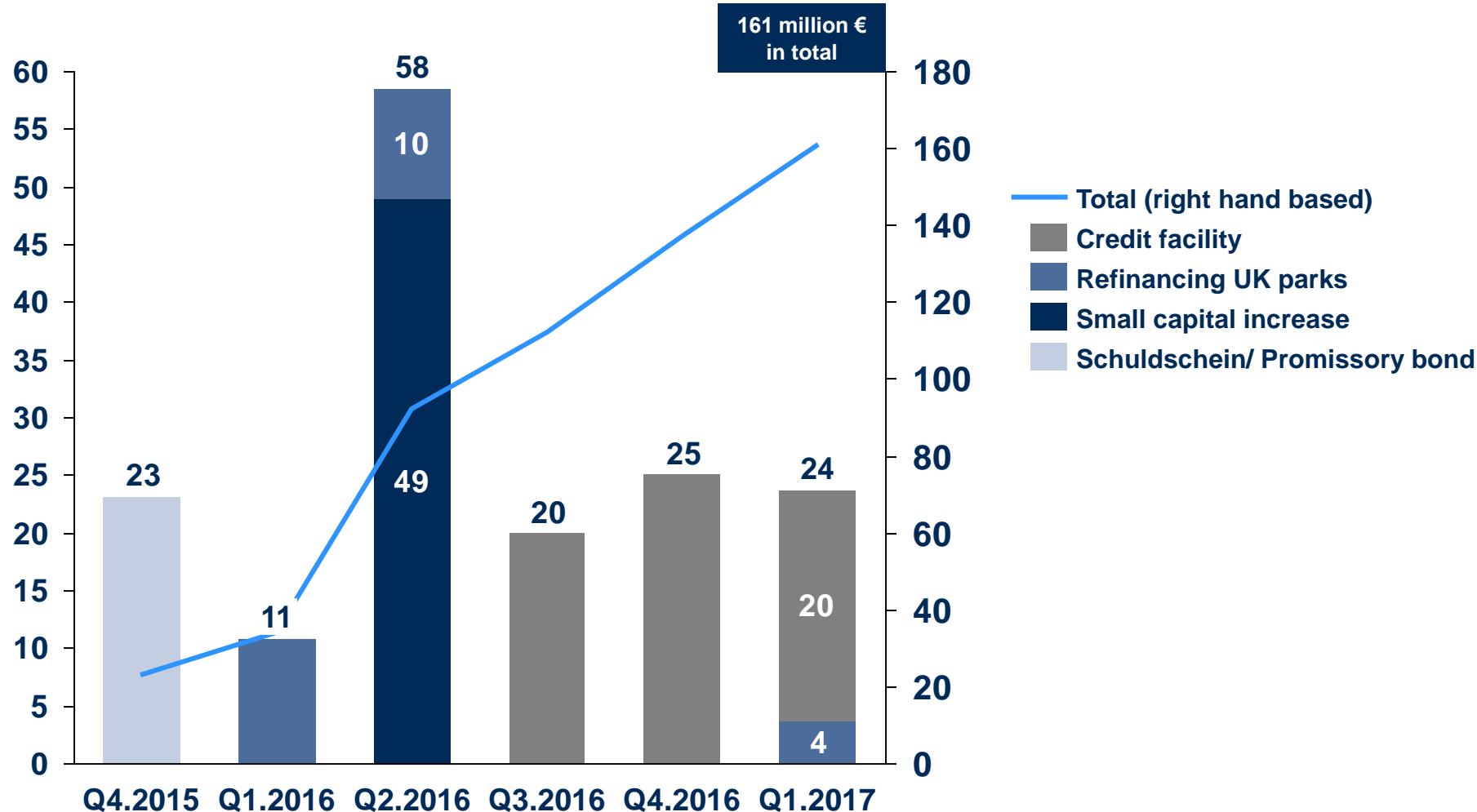
Poor wind performance, base effects from a good PV year 2015 as well as consolidating only the traditionally weaker Q4 of CHORUS weigh on EBT (IFRS) in FY16

### Target EBT explanation on IFRS level, m€



# 161 Mio. Euro financing transactions since end of 2015

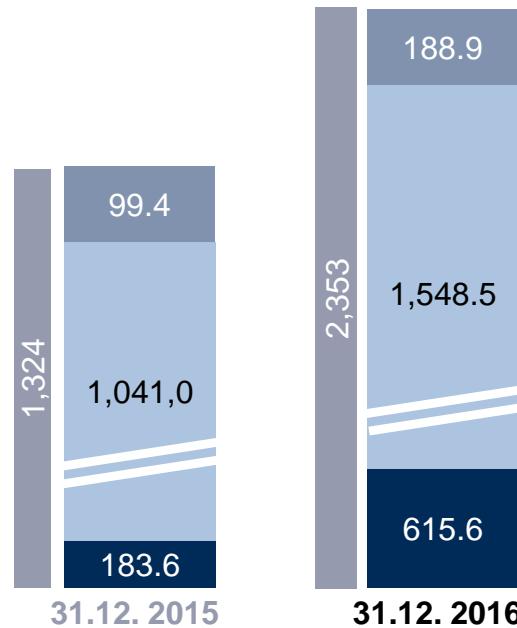
Many smaller financing transactions enables finetuning of equity ratio



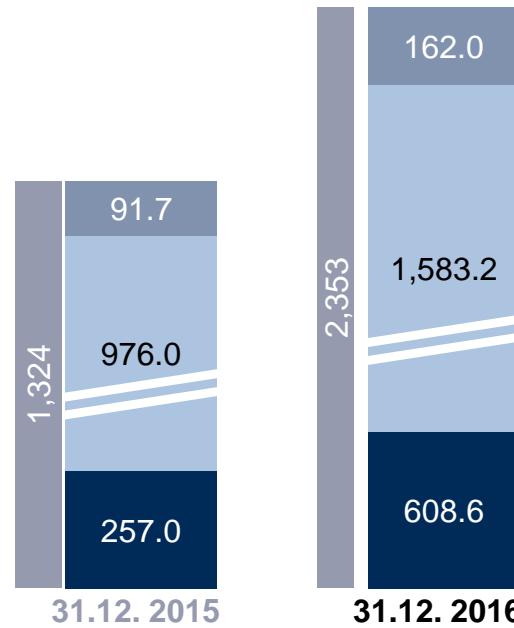
## Capital Stage – Balance sheet as of Dec. 31, 2016

The growth story continues on our balance sheet

### Assets (in mEUR)



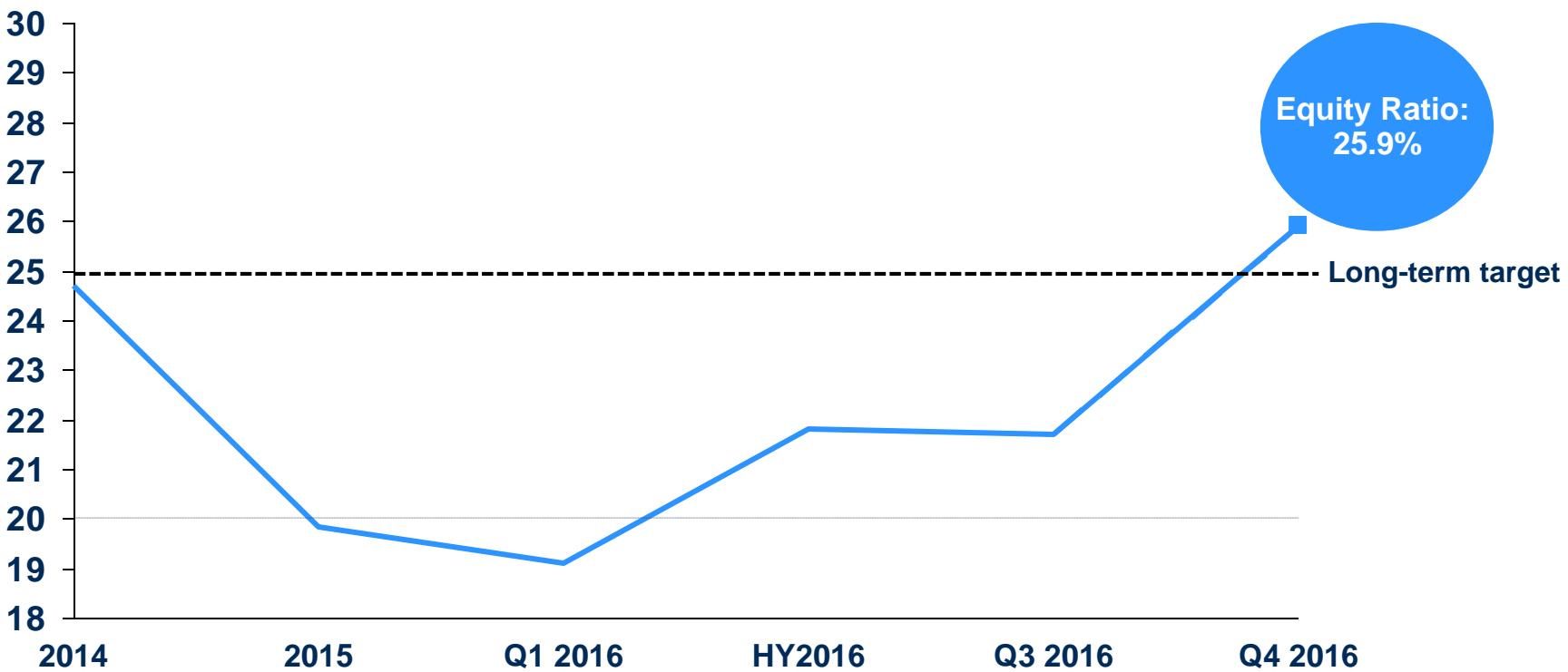
### Liabilities (in mEUR)



## Equity ratio above long-term target

The improved equity ratio offers further debt financing capabilities in the group

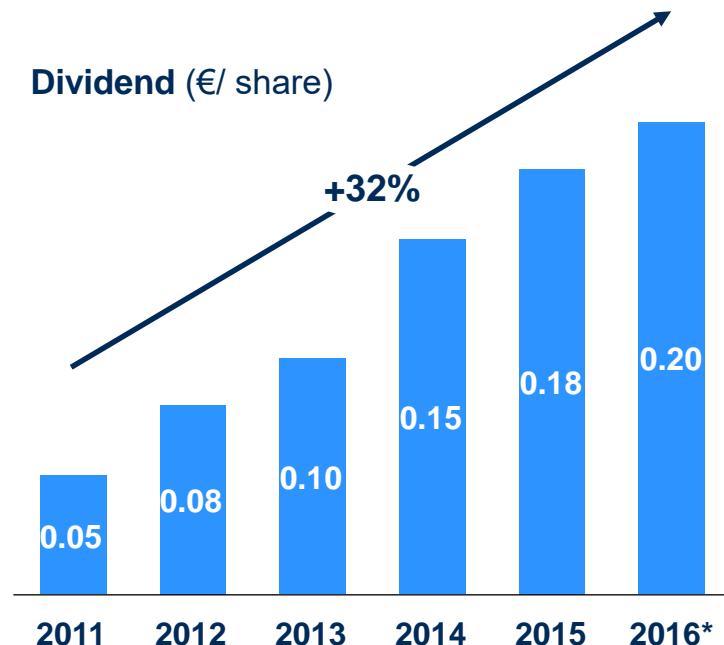
**Equity ratio above long-term target >25%**



## Attractive and transparent dividend policy

Growing dividend reflects the development of the cashflows in the PV/ wind parks

**Dividend 2016: Increased to EUR 0,20**



**Dividend: 50% nominal increase in 2021**

- Continuous annual increase of dividend resulting in a dividend of 30 ct. in 2021 (+50%) based on existing solar and wind parks (March, 31, 2017)
- Dividend strategy reflects the increase in cash flows from the solar and wind parks
- Further acquisitions of solar and wind parks will positively contribute to the dividend potential

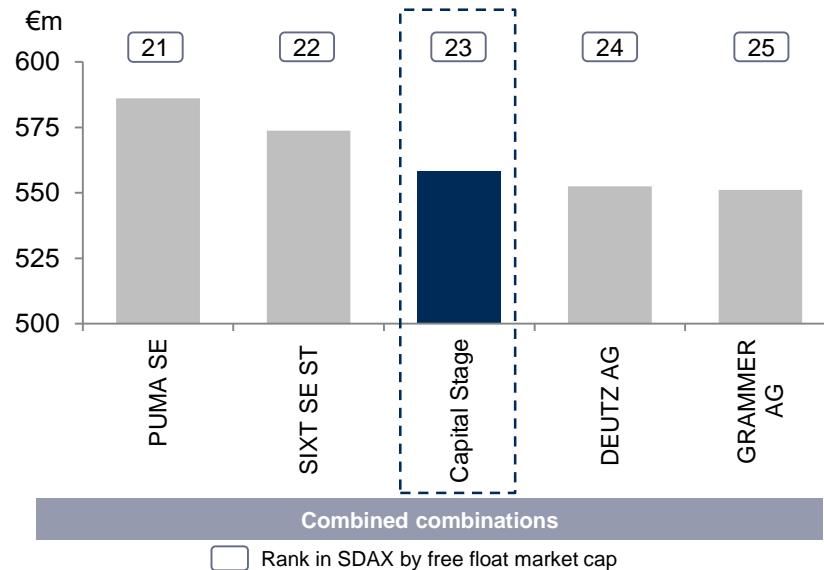
**Offered as a scrip dividend which leaves full flexibility to investors**

\* Subjected to the agreement on the annual shareholders meeting

# Market Position: Improved capital market profile

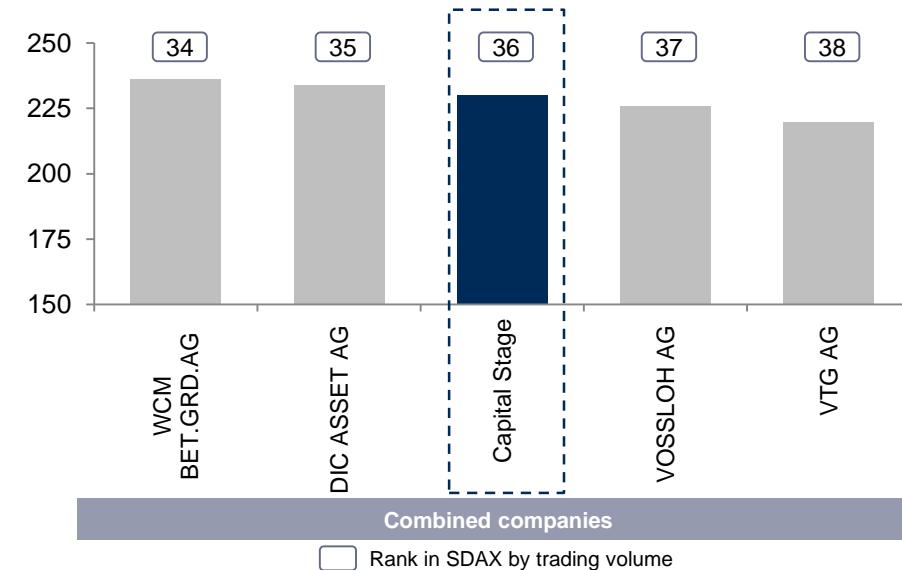
Capital Stage with higher visibility, improved index rating, and broadened research coverage

## Moving up in the SDAX by free float market cap



## Creating a more liquid stock

Trading volume LTM (€m)<sup>2</sup>

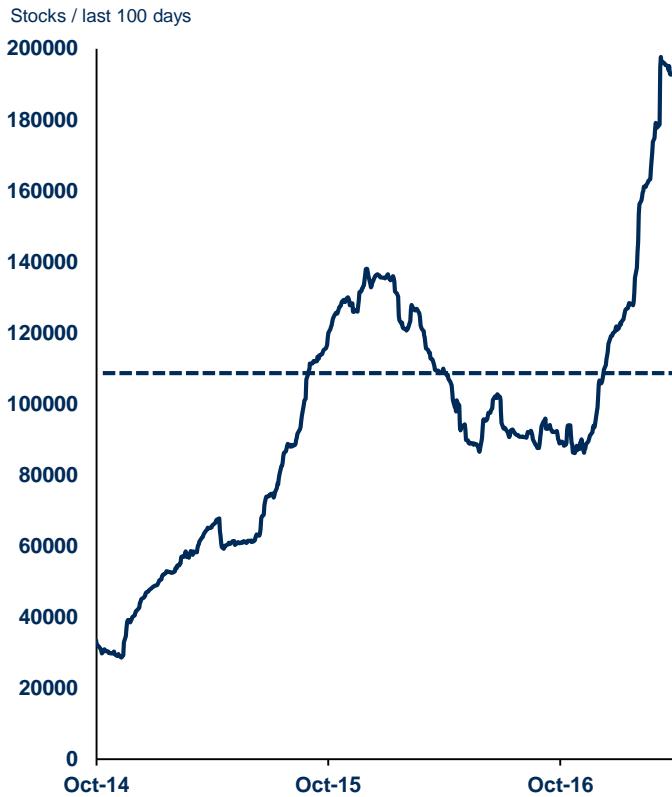


- **Increased free float market cap and liquidity**
- **Improved index ranking** in the SDAX
- **Wider research coverage** due to increased market capitalization and liquidity
- **LTM Daily Trading Volume** of 135.137 (XETRA) shares on average

## Strong increase in liquidity of CSAG stock

Capital Stage share liquidity increased positively; special effects weighted on CSAG stock price in 2016/beginning 2017

**Daily volume 100 days moving average Capital Stage stock**



**Special effects weighting on the stock CSAG stock price**



# Capital Stage – Guidance 2017

## Guidance for the full FY2017

- Growth continues in 2017
- Organic and inorganic growth
- Strong pipeline / exclusivity for projects seven with some 170 MW
- “Firepower” of EUR 60m equity which is about EUR 250M in investment volume
- Improved equity ratio frees debt capacity to long-term equity target range of > EUR 80m

in €m	FY2016	FY2017 (e)*	yoY in % (e)
<b>Revenues</b>	141.8	> 200	> +40
<b>Operating EBITDA</b>	106.1	> 150	> +45
<b>Operating EBIT</b>	61.6	> 90	> +50
<b>Operating Cashflow</b>	103.8	> 140	> +40

(e) = expected

Note: Operational KPIs have been adjusted for one-time effects related to the takeover of CHORUS by Capital Stage. These sum up to ~4.6m€ (EBITDA/EBIT) and ~8.5m€ in operating cashflow; Operational figures are solely based on profitability and do not reflect IFRS-related measurement effects; \*Guidance Capital Stage 2016 only incorporates the 4<sup>th</sup> quarter of CHORUS

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