





Promising outlook for
renewable energies –
their share in power
supply is growing
constantly.

Management Report



The future in view – we use the energies which are infinitely available and are building bridges between economy and ecology.

During the past year Plambeck Neue Energien AG continued its successful course: sales and profits could again be increased substantially. At the same time we made major decisions in 2002 for the continuous expansion of our strong market position. Our core business, the exploitation of wind power, continues to offer particular potential. In the meantime Plambeck has access to assured locations for the construction of wind farms on land for a project volume of more than EUR 1.8 billion. In addition, projects for offshore wind farms and our involvement abroad creates favourable perspectives.



Renewable energies will make an increasing contribution in the future to the securing of the supply of electricity and heat. This is in particular true in respect of wind power for the production of electricity. Decentralised production from small plants of renewable energies will replace increasingly large central power stations operating on the basis of fossil energy sources. Plambeck Neue Energien AG is making intensive efforts to undertake this change. Both nationally and internationally this results in major perspectives for our core business, since the use of wind power offers obvious growth opportunities in the long term. We have assured for ourselves the access to the wind farm locations of tomorrow thanks to intensive acquisition activities. Domestically, in spite of the current implementation of wind farm projects, we have available assured locations for a projected volume of more than 1,500 Megawatts of installed output. This corresponds to a project value of over EUR 1.8 billion. In addition, there are several projects for offshore wind farms in the North Sea and the Baltic as well as wind farm projects abroad. Clear progress was achieved in all these areas during 2002.

Market

The development of wind farm projects remains our core business and is, as operated by the Plambeck Neue Energien AG Group, a business independent of economic factors. Fluctuations in the general economic situation cannot influence this. Wind farm planning companies are therefore developing continuously in a positive manner in contrast to the general economic trends.

This is also true in a similar manner for all companies which are involved in the use of renewable energies. The revenues achieved in this branch in Germany are estimated in total at about EUR 7 billion per annum. This positive development is also reflected in the number of more than 140,000 workplaces which are assured by this branch. The share of renewable energies in German electricity supply has grown continuously further to 12 % (prior year 8 %).

The main pillar of this dynamic development was the continued strong expansion of the use of wind power. A sharp increase in the construction of wind farms is expected during the coming years, which will be accompanied, as far as the the wind farm planners are concerned, by a concentration on the best and strongest companies.

Business development

The major acquisition of additional wind farm locations in Germany had a positive effect on the business development of the Plambeck Neue Energien AG Group. Significant progress was made in the introduction into the French market through a 80 % participation in Ventura S.A. as well as with the intensive preliminary work for the offshore wind farm project "Borkum Riffgrund".

In 2002 the authorities were able to reduce the delays in the implementation of projects which had resulted in 2001 as a result of the change in competence for wind farm approvals. For this reason we obtained a complete series of additional construction approvals particularly during the last months of the year. In 2002 70 wind power turbines in 16 wind farm projects were commissioned domestically with an installed output of approximately 106 Megawatts. Currently we have more than 20 construction approvals for additional wind farms.

Clear progress can be reported with regard to the preliminary work for the offshore wind farm "Borkum Riffgrund". The initial ecological examinations were undertaken quickly with a chartered research ship and have been concluded to a large extent. The final evaluation has been completed for the first examination period and that for the second examination period will be concluded already in this year. The time schedule has therefore been maintained to date. In the meantime, the construction application has been submitted for the pilot phase, which has been extended to 77 turbines of the 3 MW class, to the approval authority, the Federal Office for Shipping and Hydrography (BSH) in Hamburg.

Plambeck Service is involved in additional tasks which concern the supervision, maintenance and repair of wind farms with more than 300 wind power turbines. The safety concept has been extended. The service for transformer stations has also been newly included in the range of services. A major part of the service activity is on prevention, so that major damage and disturbance in wind power turbines do not arise in the first place.

In the biomass sector the power station in Silbitz, Thüringen, was connected to the grid already in December. This project was therefore also implemented and completed on time in accordance with schedule. Electricity and heat are produced in Silbitz on the basis of the renewable energy source of timber. The investment costs amounted as planned to approximately EUR 23 million. Due to the market situation and in the expectation of improved general conditions for biomass power stations after the imminent modification of the Renewable Energy Law (EEG), it was decided to keep the power station initially in our own hands.

In 2002 expansion abroad was continued successfully and dynamically with a concentration on the member states of the EU as well as its new candidate states. Furthermore, additional interesting target markets are being observed intently. Specific projects, however, will be started in the future by Plambeck Neue Energien AG only where profitable operations can be assured.

We have continued further our activities in Poland. Investments, however, will only be made there when the legal general conditions are so specific that wind farms can also be operated economically in the long term in Poland.

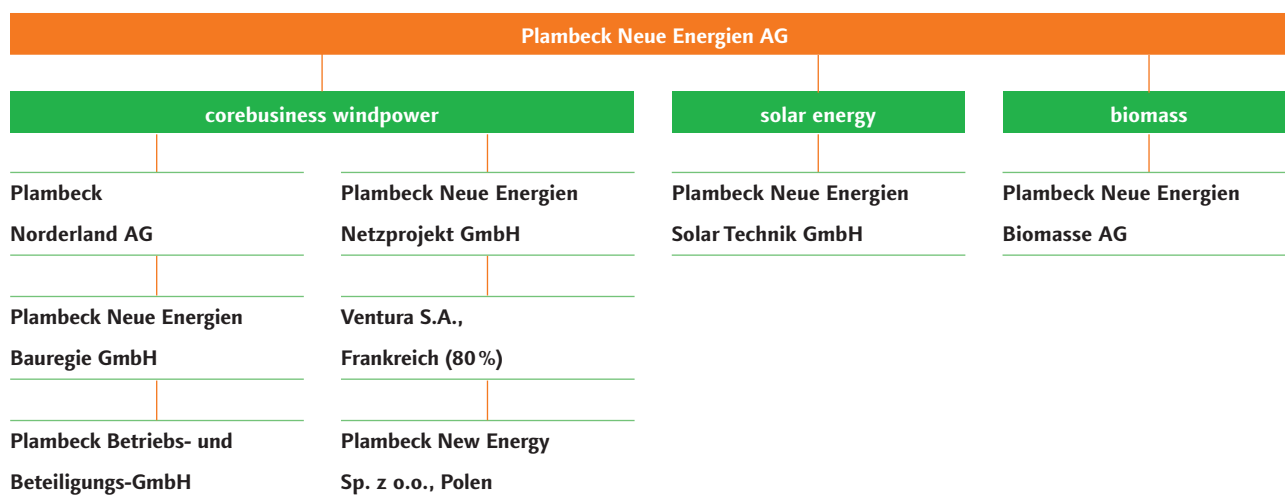
Company law changes

Our objectives to expand further the production of energy from all economically viable renewable energies as well as the internationalisation of our business are reflected in the participations, acquisitions and mergers which we have undertaken during the year under report.

In August we increased our participation to 100 % in Solar Energie-Technik GmbH (S.E.T.), Altlußheim, the specialist for solar thermics. The company was renamed Plambeck Neue Energien Solar Technik GmbH. In connection with a restructuring of the business model whereby large customers will now be served mainly within the framework of an OEM production programme, we installed a new laser welding machine for absorbers of the highest technical standard. The excellent international contacts in this company are of great importance for our business development. Several growth markets are thus developing, also in the Mediterranean region.

We also acquired 100 % of the shares of Nova Solar GmbH during the course of this year.

Corporate structure



The earlier corporate division of biomass has been spun off into the newly established Plambeck Neue Energien Biomasse AG, the shares of which are held 100 % by Plambeck Neue Energien AG. Due to the short term change in the situation in the timber market the biomass activities were reduced substantially at the end of 2002.

The restructuring in the core business of wind farm design was continued in 2002. Following the already completed development of service centres in Hamburg (location acquisition and project development), East Friesland (project implementation) and Cuxhaven (project management, financing, service) we have established Plambeck Neue Energien Bauregie GmbH on the basis of the former Norderland Bauregie GmbH. Here all construction activities for wind farm projects onshore are co-ordinated and combined in Germany.

The previous R+P Objektplanung GmbH has been renamed Plambeck Neue Energien Netzprojekt GmbH. At the same time the objectives to be achieved by this company have been newly defined.

The objective of R+P Objektplanung GmbH was the construction and operation of transformer stations for the connection of wind farm projects to the high tension grids of the relative grid operators. An additional objective of Plambeck Neue Energien Netzprojekt GmbH is to undertake the design and planning of grid connections for renewable energy production equipment and in particular for the onshore wind farm projects in Germany. In the short term the expansion of the activities for the grid connections of all projects for renewable energy production is planned both domestically and abroad as well as offshore.

In Poland we have increased our participation in Plambeck New Energy Sp. z o.o. to 100 %. We assume that in Poland, within the framework of its entry into the EU, similarly secure general conditions for wind power will be created as already exist in other EU states. For this reason wind farm projects continue to be examined and processed but larger investments, however, are being postponed for the time being.

Norderland Nature Energy AG was renamed as Plambeck Norderland AG. The shares are held 100 % by Plambeck Neue Energien AG. With this renaming we are underlining the company's connection with the Group.

The main subsidiaries are summarised as follows:

	Shareholding
Plambeck Neue Energien Betriebs- und Beteiligungs GmbH, Cuxhaven	100.00 %
Plambeck Norderland AG, Hamburg	100.00 %
Plambeck Neue Energien Bauregie GmbH, Cuxhaven	100.00 %
Plambeck Neue Energien Biomasse AG, Aurich	100.00 %
Plambeck Neue Energien Solar Technik GmbH, Altlußheim	100.00 %
Plambeck Neue Energien Netzprojekt GmbH, Cuxhaven	100.00 %
Plambeck New Energy Sp. z o.o., Stettin, Polen	100.00 %
Nova Solar GmbH, Neulußheim	100.00 %
Plambeck Portugal Novas Energias, Lda., Lissabon, Portugal	100.00 %
Ventura S.A., Montpellier, Frankreich	80.00 %

Sales and earnings

Within the Group Plambeck Neue Energien AG was able to increase again substantially sales to EUR 209.5 million (prior year: EUR 188.3 million) and the profit from ordinary operations to EUR 22.2 million (prior year: EUR 19.6 million).

Total income rose to EUR 263.5 million (prior year: EUR 205.9 million) and operating income amounted to EUR 17.3 million (prior year: EUR 16.9 million). The total income was achieved primarily through the planning and the sale of wind farm projects as well as income from wind farm projects in the implementation phase and two bio-mass projects. From the Norderland Group sales of EUR 147.2 million accrued to the Group.

The Board of Directors proposes to transfer the total of retained earnings of Plambeck Neue Energien AG in the amount of EUR 13,236,546.83 (prior year EUR 12,818,294.26) to the other earnings reserves.

Investments

The largest part of the investments undertaken during the fiscal year 2002 by Plambeck Neue Energien AG in the amount of EUR 19.7 million was attributable to the acquisition of the office building in which Plambeck Neue Energien AG was previously a tenant, together with an extension in which an additional 100 office workplaces have been created.

Through the continuous increase in the number of employees the Group has invested more than EUR 488,000 in all areas of the Company for fixtures, fittings and equipment and as well as for computer equipment.

Increase in participations

No significant changes took place with regard to participations in consolidated Group companies. The increase in the participations in Plambeck Neue Energien Solar Technik GmbH (previously: Solar Energie-Technik GmbH) to 100 % and Nova Solar GmbH to 100 % and in Plambeck New Energy Sp. z o.o. to 100 % resulted in changes to goodwill.

In the Group financial statements the acquisition of Norderland Nature Energy AG, which was undertaken in 2000, is reflected by an amount of EUR 79.7 million in goodwill. During the year under report this amount was amortised by EUR 4.2 million. In future, these goodwill amortisations may probably no longer be necessary in accordance with IAS.

	Group	
in million €	2002	2001
Assets		
Fixed assets	101.3	81.7
Current assets	331.7	300.5
Liabilities		
Shareholders' equity, including minority interests	167.9	159.6
Provisions, including special items	172.1	124.6
Liabilities	91.7	98
Deferred charges	1.3	0.0
Balance sheet total	433.0	382.2

Liquidity and finance

With regard to liquidity the Group has available total credit lines of approximately EUR 40.7 million at several banks.

As at December 31st, 2002 EUR 30.2 million was drawn down by Plambeck Neue Energien AG.

Employees

In the Group we employed on an annual average basis 234 employees (at the end of the year in 2002 they amounted to a total of 254).

The employees of the subsidiaries are fully included in this number. The main emphasis of the personnel increase in 2002 was in the project implementation division, since we considered that the future of the Company would be assured through an important contribution in this area.

Procurement

In the procurement sector the main efforts during the past fiscal year were the acquisition of locations and the provision of wind power turbines as well as the supply of equipment for the biomass power station in Silbitz. In order to secure the implementation capability of the wind power projects we normally conclude use and occupation contracts with the owners of the real estate.

Following conclusion of the contract real securing is acquired through the entry of a limited personal way leave in the respective land registry at the project location. Project areas are purchased directly only in exceptional cases. The properties are secured with standard agreements which are secured by our risk management. The concentration of location acquisitions in Hamburg has set a clear focal point for the procurement process. One of the main criteria for the selection of the properties is the wind expectancy in the relative location. To determine the wind expectancy, which is decisive for the viability of a project, two independent expert reports are commissioned. This assures the success of each individual project with regard to profitability.

The supply of wind power turbines for planned projects is secured by the Group through general contracts. Supply contracts are negotiated at an early stage before the initial phase of the projects within the general agreement and checked by the risk management system before they are concluded. Apart from the technical specifications, prices and payment terms, the contracts also include specifications for the time management for the delivery and commissioning of the wind power plants. This assures the completion of the projects on schedule.

Sales and marketing

Whilst the wind farm funds established since 1997 by Plambeck Neue Energien AG were primarily sold in conjunction with exclusive partners, we now have since October 2000 our own established placement department. Through the sale of shareholders' equity we have expanded the value-added chain. Marketing takes place both through closed public funds as well as in direct marketing, e.g. in the form of private placements.

With the sale of shareholder's equity participations we have opened up additional perspectives in parallel with the operating business. Plambeck can act directly in this way and benefit from the positive development in a market which continues to be characterised by high demand for ecologically sophisticated capital investments.

In the placement of our range of products our sales of shareholder' equity participations are based on direct customers and well-known sales partners. The expansion of our sales partner network is also evident. In the meantime we can now count on the active co-operation of 80 well-known co-operation partners such as financial service providers, banks, sales companies and Internet marketplaces. During 2002 the direct sale of complete wind farm projects increased substantially in the form of private placements. 11 of a total of 16 wind farms could be placed in this manner.

We shall round off our product range further in order to develop new capital investor potential as well as additional sources of income. In the wind farm sector high-demand locations are in the design stage with one to two wind power plants.

Development and innovation

An innovative emphasis in the development of the Group during 2002 was on solar thermics, the production of heat from solar ray energy. In this respect we continue to confirm a large growth market during the next few decades from which we intend to benefit to a very large extent. Through the expansion of the production of solar collectors as well as the investment of approximately EUR 500,000 in new laser welding equipment for absorbers we have strengthened our involvement in this area. In addition, we rely on the large level of experience in the Company.

At the end of September 2002 the new laser welding equipment was commissioned. The absorber production capacity thus almost doubled. Purchasers of the absorbers are systems manufacturers throughout the world. The currently approximately 30 employees at Plambeck Neue Energien Solar Technik GmbH will, however, also continue to expand the production of complete collectors for private houses as well as the manufacture of large collectors.

Very fruitful co-operation exists with ILT (Fraunhofer Institute for Laser Technology), Aachen, for the optimisation of laser welding technology. Furthermore, the Company is working closely with the Fraunhofer Institut für Produktions- und Automatisierungstechnik in Stuttgart in order to optimise production, assembly and logistic processes.

Environmental protection

Part of our corporate philosophy is to make a growing contribution to environmental protection. This concerns the replacement of limited existing fossil energy sources through the practically infinite renewable energies available. We secure in this way the future for a decentralised energy supply and make a contribution to the reduction of pollutants.

A very important step for achieving these objectives will be the construction of offshore wind farms. In the planning of such wind farm projects on the high seas many more aspects of environmental and nature protection must be taken into consideration than in the case of projects on land. During many years of research we have created the basic data for the environmental compatibility of the offshore projects. For this reason we also used in 2002 a chartered research ship with scientists from various institutes.

With the continuous further expansion of the use of wind power in Germany we are making a growing contribution to the reduction of pollutant emissions as well as to the achievement of the objectives specified in the Kyoto Climate Protection Agreement.

Communications

Our public relations work was expanded continuously during the course of the fiscal year 2002. Intensive press and general public relations work have made a substantial contribution to increase further the public profile of our Group.

We use the most modern communications methods for our public relations work and use target group-orientated means of information. In this way a broad effect is achieved with a minimal loss of dispersion.

We have presented the Company publicly through numerous press announcements, press conferences and background conversations with journalists, agents and other people interested in the Company. Advertising particularly in professional magazines contributed to the strengthening of the acquisition of locations, the sale of Plambeck funds and to the enhancement of the profile of wind farm service as well as the presentation of the Company overall to a broad public. On the basis of the corporate activities, which are becoming increasingly international, we publish our important information in several languages (German, English, French).

Internal communications were expanded further in order to ensure the simultaneous information of all employees in various corporate locations. This is of growing importance in view of the increasing number of locations both domestically and abroad in the future.

Risk report

Plambeck Neue Energien AG is exposed to risks due to its business activities which cannot be separated from our entrepreneurial action. Through our risk management system we attempt to minimise the risks associated with our business activity and to invest only if a corresponding added value can be created for the Company while maintaining a manageable risk.

We have introduced a special risk management system in order to identify and to avert those risks which could negatively effect our Company. Risk management is an indispensable part of the business process and our Company's decisions.

The risk management system is computer assisted and was developed further and expanded during the fiscal year 2002. An assessment of the risks involved is based on the analysis of the core processes. A risk report to the Board of Directors and the Supervisory Board is submitted regularly.

It must be emphasised that the Supervisory Board established an Audit Committee during the past fiscal year. Through the establishment of the Audit Committee the existing close co-operation between the Supervisory Board and the Board of Directors in questions relevant to risks was optimised further. The tasks of the Audit Committee include, among others, the permanent further development of the existing risk management systems as well as control and its maintenance and application by the employees.

The integration of the Norderland Group into the risk management system of the Company has been concluded.

The foreign participations were integrated further into the risk management and reporting systems.

The supplier risk in the power generation equipment sector, which results from the dependency on a few wind power turbine manufacturers existing in the market, was minimised further. As a result of the conclusion of general contracts with important turbine manufacturers, reduction of risk is being pursued sustainably in this area. In the foreseeable future therefore we do not reckon with any danger to projects due to delays in the delivery of turbines.

Our activities in the offshore area are being analysed consistently and are also being checked for their necessity, whereby we are convinced of the realisation of the offshore projects.

We were able to conclude general contracts for the placement of our funds with a series of sales partners and therefore to minimise possible risks.

The requirement for liquidity as a result of growth was secured during the past fiscal year through an extension of our credit lines.

The Renewable Energy Law (EEG) guarantees the purchase of electricity produced at fixed prices during defined time periods. This law has been secured politically and legally on a German and European level and will be amended currently with the objective of achieving improvements for the expansion of renewable energies, whilst taking into account adjustments for technical developments.

On the basis of the European Union Directive similar legal general conditions as in Germany were created in several European states. This legal minimisation of risk is also attracting the potential EU candidates.

Outlook

Planning security has improved yet again in Germany. Following the parliamentary election in September 2002 the objective of the Federal Government has again been emphasised, i.e. to further expand renewable energies in total and in this connection above all the exploitation of wind power. Within the framework of current modifications, improvements can be expected in the Renewable Energy Law from which we will continue to benefit. This is true above all for the general conditions for wind farms.

We also benefit from clear support from the energy policies of the EU. It is also here a declared objective to expand the share of renewable energies substantially in order to save the limited resources of fossil energy sources, to make substantial contributions to the protection of the environment and the climate, to reduce the dependency on energy imports from countries which in part do not offer very stable general conditions as well as to assure a technological lead.

We currently have a secured level of wind farm locations in Germany onshore, in which more than 1,500 MW installed output can be constructed. This corresponds to a sales volume of over EUR 1.8 billion for the coming years. Due to the major acquisition of locations we were able to expand further our position in this respect. We have thus prepared the basis for additional future growth. Moreover, we are pursuing further the development of wind farm projects in France as well as in the offshore sector. In France we expect the first construction approvals already in 2003. The completion phase for the offshore wind farm project Borkum Riffgrund should begin after the conclusion of the approval process in 2004.

Through our own capital sales system for funds projects and their further expansion as well as our experience with private placements, we are in a position to guarantee the financing of our projects after construction.

During the next few years additional impulses will come from the increasingly important replacement of smaller and older wind power turbines by modern, more efficient and higher output equipment. This re-powering will start in particular in very windy coastal locations, since the currently oldest wind power turbines are located there.

In addition, there is the potential from our expansion abroad, which will be continued consistently and specifically. We are working on similar steps, such as have already been undertaken in France, to secure further suitable foreign markets.

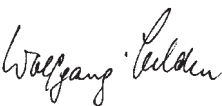
As a result of the restructuring within the Group and in particular the reduced involvement in biomass and the focussing on our core business of wind power, we have reacted to changes in the market and are in an excellent position to benefit from the great opportunities.

There were no significant changes following the end of the year under report.

We have set the course significantly for a continued positive development of the business.

Cuxhaven, March 12th, 2003

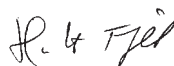
Plambeck Neue Energien Aktiengesellschaft



Dr. Wolfgang von Geldern
Chairman of the
Board of Directors



Gerd Kück
Member
of the Board
of Directors,
Financial Director



Hartmut Flügel
Member
of the Board
of Directors,
Technical Director



Arne Lorenzen
Member of the
Board of Directors,
International Business

Also within the solar energy Plambeck ranks among the pioneers. By example with development and manufacturing of solar collectors.

Group financial statements



All renewable sources of energy are based on the rays of the sun. The solar age has begun.

Nationally as well as internationally renewable energies are making a strong contribution to the supply of electricity and heat. In many countries the use of wind and sun power as well as of biomass is being politically promoted and supported by law. In addition, this enjoys a broad acceptance in the population. Plambeck Neue Energien AG is active in these developments and often assumes a key role when the ambitious targets are achieved. In this respect we concentrate on states which offer high planning and investment safety to our specific foreign involvement. We are also well-equipped for the future with this strategy.



Consolidated balance sheet of Plambeck Neue Energien AG (IAS)

Assets

in €	Notes	2002	2001
A. Fixed assets	V. 1.		
I. Intangible assets	IV. 1.		
1. Franchises and trademarks		207,564.98	85,674.63
2. Goodwill	V. 1.	78,103,144.53	80,396,388.71
		78,310,709.51	80,482,063.34
II. Property, plant and equipment	IV. 2.		
1. Land		8,535,361.46	2.00
2. Technical equipment, plant and machinery		5,062,298.20	143,187.84
3. Other equipment, fixtures, fittings and equipment		1,612,083.99	843,329.24
4. Advance payments made and plant and machinery under construction		7,026,033.43	100,117.11
		22,235,777.08	1,086,636.19
III. Financial assets	III/IV. 3.		
1. Shares in associated companies		410,376.27	0.00
2. Shares in companies in which the firm has a participating interest		272,660.80	95,377.62
3. Other lendings		21,343.00	0.00
		704,380.07	95,377.62
Total fixed assets		101,250,866.66	81,664,077.15
B. Current assets			
I. Inventories	IV. 4.		
1. Raw materials and supplies		397,625.87	398,203.83
2. Work and products in progress		13,355,836.70	3,865,508.28
3. Finished goods and products		121,185.04	162,956.91
4. Advance payments made		21,424,039.99	19,272,108.17
		35,298,687.60	23,698,777.19
II. Accounts receivable and other assets	V. 2.		
1. Accounts receivable from long-term order completion	IV. 5.	167,238,237.80	145,754,879.28
2. Accounts receivable from trading	IV. 6.	88,750,916.34	109,963,801.01
3. Accounts receivable from companies in whom the firm has a participating interest		4,194.97	282,850.84
4. Other short-term assets	V. 2.	34,871,336.74	16,535,719.55
		290,864,685.85	272,537,250.68
III. Short-term security investments			
Other securities	IV. 7./V. 3.	9,588.00	6,250.00
IV. Liquid assets (cheques, cash on hand, etc.)	V. 4.	5,342,332.56	3,850,986.45
Total assets		331,515,294.01	300,093,264.32
C. Deferred charges and prepaid expenses	V. 5.	174,901.29	364,065.45
Total assets		432,941,061.96	382,121,406.92

Assets
Liabilities

Consolidated balance sheet of Plambeck Neue Energien AG (IAS)

Liabilities and shareholders' equity

in €	Notes	2002	2001
A. Shareholders' equity	V. 6.		
I. Capital subscribed		13,563,000.00	13,500,000.00
II. Capital surplus		131,042,459.19	130,590,076.98
III. Earnings reserves			
1. Legal reserve		5,112.92	5,112.92
2. Other earnings reserves		9,988,909.11	2,649,368.52
IV. Retained earnings		13,236,546.83	12,818,294.26
Total net equity		167,836,028.05	159,562,852.68
B. Shares of other partners	V. 7.	56,339.63	0.00
C. Special items for investment grants	V. 8.	1,042,621.89	374,717.69
D. Provisions and accrued liabilities	IV. 8.		
1. Accrued taxes	V. 9.	20,524,334.54	9,416,543.72
2. Other provisions and accrued liabilities	V. 10.	150,509,508.39	114,848,581.16
Total provisions and accrued liabilities		171,033,842.93	124,265,124.88
E. Liabilities	IV. 9.		
1. Debenture loans	V. 11.	122,080.60	89,476.08
2. Short-term debt and current portion of long-term debts		40,532,017.36	13,735,112.87
3. Advance payments received on account of orders	V. 12.	19,075,182.38	27,919,481.71
4. Trade accounts payable	V. 12.	24,470,290.36	49,867,428.97
5. Notes payable	V. 13.	1,298,272.00	3,588,246.42
6. Accounts due to companies in whom the firm has a participating interest		20,053.46	6,902.44
7. Other liabilities	V. 14.	6,197,044.35	2,712,063.18
Total liabilities		91,714,940.51	97,918,711.67
F. Deferred charges	V. 15.	1,257,288.95	0.00
Total liabilities and shareholders' equity		432,941,061.96	382,121,406.92

Consolidated income statement for Plambeck Neue Energien AG (IAS)

in €	Notes	2002	2001
1. Revenues	IV. 11./VI. 1.	209,546,709.19	188,305,316.58
2. Increase in inventories of work in progress		9,083,464.74	2,320,694.33
3. Production for own fixed assets capitalised		19,012.69	29,571.76
4. Other operating income	VI. 2.	44,824,941.40	15,210,461.36
5. Total income		263,474,128.02	205,866,044.03
6. Cost of purchased materials	IV. 12./VI. 3.		
a) Costs of RHB- and purchased materials		-2,322,167.08	-1,094,512.04
b) Costs of purchased services		-170,854,413.06	-157,102,896.67
		-173,176,580.14	-158,197,408.71
7. Personnel expenses	VI. 4.		
a) Wages and salaries		-9,326,587.78	-5,388,421.60
b) Social security contributions		-1,881,413.96	-866,142.47
		-11,208,001.74	-6,254,564.07
8. Depreciations and amortization	VI. 5.	-5,330,755.06	-4,659,225.24
9. Other operating expenses	VI. 6.	-56,465,058.67	-19,878,246.97
10. Operating income		17,293,732.41	16,876,599.04
11. Other interest and similar income	VI. 7.	6,920,322.89	3,366,838.57
12. Depreciation of financial assets and securities		0.00	-3,029.17
13. Interest and similar expenses	VI. 8.	-1,972,453.51	-540,091.32
14. Income/expense of associated companies		0.00	-120,805.46
15. Profit from ordinary operations	VI. 9.	22,241,601.79	19,579,511.66
16. Income taxes	IV. 13./VI. 10.	-11,138,397.69	-8,886,275.56
17. Other taxes		-13,448.94	-9,050.30
18. Net income		11,089,755.16	10,684,185.80
19. Share of results, minority companies	V. 7.	43,038.00	0.00
20. Consolidated net income	IV. 15./VI. 11.	11,132,793.16	10,684,185.80
21. Retained earnings brought forward	V. 6.	2,103,753.67	3,864,467.04
22. Earnings appropriated to earned surplus/reserves			
a) to legal reserves		0.00	-2,478.51
b) to other earned surplus/reserves		0.00	-1,727,880.07
23. Consolidated retained earnings		13,236,546.83	12,818,294.26
Average shares incirulation	VI. 12.	13,511,564	12,119,178
Net income per share (diluted) (in €)		0.82	0.88

Consolidated cash flow statement for Plambeck Neue Energien AG (IAS)

in T€	Anhang	2002	2001
Consolidated net income	VI. 11.	11,133	10,684
Depreciations/appreciations on plant and equipment	VI. 5.	5,331	4,661
Payment-ineffective yields		-34	-34
Increase/Decrease in accruals, provisions and reserves	V. 9/V. 10.	45,990	48,799
Profit/loss from the retirement of fixed assets		-21	-21
Increase/Decrease of inventories and other assets	V. 2/V. 5	-29,687	-28,944
Increase/Decrease accounts receivable from trading	V. 2.	23	-149,491
Increase/Decrease in trade accounts payable and other liabilities	V. 12./V. 14./V. 15.	-34,479	57,626
Net cash from on-going operating activities		-1,744	-56,720
Deposits received for the retirement of tangible fixed assets	V. 1.	44	49
Payments made for investments in tangible fixed assets	V. 1.	-19,010	-712
Additions to the tangible assets within the scope of the first consolidation* at net book values		0	-235
Additions to the intangible assets within the scope of the first consolidation* at net book values	V. 1.	0	-180
Payments made for investments in intangible assets	IV. 1.	-1,662	-40
Payments made for investments in financial assets	V. 1.	-623	0
Net cash from investing activities		-21,251	-1,118
Deposits received from transfers to net equity	V. 6.	515	43,644
Payments made to owners and minority shareholders	V. 6./IX. 6.	-3,375	-1,125
Deposits received from borrowing		26,011	13,729
Deposits received from bonds	V. 11.	33	0
Payments made for the repayment of bonds and loans		0	-16
Deposits received from investment grants received	V. 8.	702	0
Net cash from financing activities		23,886	56,233
Net cash increase/decrease in cash & cash equivalents (< = 3 months)		891	-1,606
Increase in cash and cash equivalents from the first consolidation*		599	15
Cash & cash equivalents (< = 3 months) as per 01.01.2002		3,852	5,443
Cash & cash equivalents (< = 3 months) as per 31.12.2002	V. 4.	5,342	3,852

Supplementary information: The value of cash and cash equivalents as per 31st December 2001 corresponds to the balance sheet item "Cheques, cash on hand, etc."

* That means the first consolidation of Ventura S.A., of Plambeck Neue Energien Netzprojekt GmbH, of Nova Solar GmbH and Plambeck Neue Energien Solar Technik GmbH (quoted of 50 % in 2001) in 2002. In 2001 it was the first consolidation of 50 % of Plambeck Neue Energien Solar Technik GmbH

Analysis of Plambeck Neue Energien AG's consolidated assets (IAS)

in €	Procurement costs				
	Status as per 01.01.2002	Additions	Additions from the first consolidation of companies	Transfers	Disposals
I. Intangible assets					
1. Franchises and licences, computing software	136,880.08	177,611.71	15,414.79	0.00	0.00
2. Goodwill	85,020,997.20	2,165,418.27	811.29	13,667.86	0.00
	85,157,877.28	2,343,029.98	16,226.08	13,667.86	0.00
II. Property, plant and equipment					
1. Land	2.00	8,622,686.83	0.00	0.00	0.00
2. Technical equipment, plant and machinery	451,781.67	2,335,385.08	3,069,320.82	24,847.00	0.00
3. Other equipment, fixtures, fittings and equipment	1,476,047.75	1,113,406.09	216,171.92	51,185.11	74,154.61
4. Advanced payments and plants in building	100,117.11	6,938,283.25	74,459.83	-76,032.11	10,794.65
	2,027,948.53	19,009,761.25	3,359,952.57	0.00	84,949.26
III. Financial assets					
1. Shares in associated companies	0.00	355,778.84	0.00	54,597.43	0.00
2. Shares in undertakings	95,377.62	245,548.47	0.00	-68,265.29	0.00
3. Other lendings	0.00	21,343.00	0.00	0.00	0.00
	95,377.62	622,670.31	0.00	-13,667.86	0.00
	87,281,203.43	21,975,461.54	3,376,178.65	0.00	84,949.26

*That means the first consolidation of Ventura S.A, of Plambeck Neue Energien Netzprojekt GmbH, of Nova Solar GmbH and Plambeck Neue Energien Solar Technik GmbH (quoted of 50 % in 2001).

Analysis of Plambeck Neue Energien Group's liabilities (IAS)

in €	Types of liabilities	Contracted maturity	
		up to one year	one to five years
1. Bonds		77,342.56	44,738.04
2. Amounts due to banks		28,385,123.62	2,359,564.05
3. Advance payments received for orders		19,075,182.38	0.00
4. Trade accounts payable		24,470,290.36	0.00
5. Liabilities from bills of exchange drawn or accepted		1,298,272.00	0.00
6. Amounts due to other Group companies		20,053.46	0.00
7. Other liabilities		6,197,044.35	0.00
of which for taxes 4,983,048.07 €			
of which for social insurance contributions 364,426.25 €			
Total amount		79,523,308.73	2,404,302.09

Depreciations						Net book values	
Status as per 31.12.2002	Status as per 01.01.2002	Additions	Additions from the first consolidation of companies	Disposals	Status as per 31.12.2002	Status as per 31.12.2002	Status as per 31.12.2001
329,906.58	51,205.45	68,916.15	2,220.00	0.00	122,341.60	207,564.98	85,674.63
87,200,894.62	4,624,608.49	4,473,114.12	27.48	0.00	9,097,750.09	78,103,144.53	80,396,388.71
87,530,801.20	4,675,813.94	4,542,030.27	2,247.48	0.00	9,220,091.69	78,310,709.51	80,482,063.34
8,622,688.83	0.00	87,327.37	0.00	0.00	87,327.37	8,535,361.46	2.00
5,881,334.57	308,593.83	216,688.90	294,812.64	1,059.00	819,036.37	5,062,298.20	143,187.84
2,782,656.26	632,718.51	484,708.52	113,604.46	60,459.22	1,170,572.27	1,612,083.99	843,329.24
7,026,033.43	0.00	0.00	0.00	0.00	0.00	7,026,033.43	100,117.11
24,312,713.09	941,312.34	788,724.79	408,417.10	61,518.22	2,076,936.01	22,235,777.08	1,086,636.19
410,376.27	0.00	0.00	0.00	0.00	0.00	410,376.27	0.00
272,660.80	0.00	0.00	0.00	0.00	0.00	272,660.80	95,377.62
21,343.00	0.00	0.00	0.00	0.00	0.00	21,343.00	0.00
704,380.07	0.00	0.00	0.00	0.00	0.00	704,380.07	95,377.62
112,547,894.36	5,617,126.28	5,330,755.06	410,664.58	61,518.22	11,297,027.70	101,250,866.66	81,664,077.15

			Collateral
more than five years	Total amount amounts	of which secured	Type of collateral
0.00	122,080.60	0.00	none
9,787,329.69	40,532,017.36	3,684,360.10	registered land charge of the building "Alte Industriestraße 3 Peter-Henlein-Str. 2–4, Cuxhaven"; Transfer by way of security of a transformer station
0.00	19,075,182.38	0.00	none
0.00	24,470,290.36	0.00	none
0.00	1,298,272.00	0.00	none
0.00	20,053.46	0.00	none
0.00	6,197,044.35	0.00	none
9,787,329.69	91,714,940.51	3,684,360.10	

Consolidated net equity analysis (IAS)

in €	Capital subscribed	Capital surplus	Earnings reserves	Retained earnings	Total
Status as per 1st January 2001	11,250,000.00	89,196,423.98	924,122.86	4,989,467.04	106,360,013.88
Consolidated net income 2001	0.00	0.00	0.00	10,684,185.80	10,684,185.80
Earnings appropriated to the legal reserves	0.00	0.00	2,478.51	-2,478.51	0.00
Earnings appropriated to other earned surpluses/reserves	0.00	0.00	1,727,880.07	-1,727,880.07	0.00
Dividend payment	0.00	0.00	0.00	-1,125,000.00	-1,125,000.00
Capital increase	2,250,000.00	42,750,000.00	0.00	0.00	45,000,000.00
Set off of capital increase costs	0.00	-2,279,390.71	0.00	0.00	-2,279,390.71
Deferred taxes on the above	0.00	923,043.71	0.00	0.00	923,043.71
Status as per 31st December 2001	13,500,000.00	130,590,076.98	2,654,481.44	12,818,294.26	159,562,852.68
Consolidated net income 2002	0.00	0.00	0.00	11,132,793.16	11,132,793.16
Dividend payment	0.00	0.00	0.00	-3,375,000.00	-3,375,000.00
Capital increase from conditional capital (I)	63,000.00	452,382.21	0.00	0.00	515,382.21
Earnings appropriated to other earned surpluses/reserves	0.00	0.00	7,339,540.59	-7,339,540.59	0.00
Status as per 31st December 2002	13,563,000.00	131,042,459.19	9,994,022.03	13,236,546.83	167,836,028.05

Notes to the Group financial statements of Plambeck Neue Energien AG, Cuxhaven, for the fiscal year from January 1st to December 31st, 2002

I. The Company

Plambeck Neue Energien Aktiengesellschaft (hereinafter also referred to as "Plambeck Neue Energien AG" or "the Company") has its registered office in Cuxhaven. The fiscal year is the calendar year.

The business activities of the Company consisted in the year under report primarily of the planning, construction and the operation of wind farms, transformer stations and timber-fuelled power stations for the production of electricity, the service of wind power turbines and the procurement of shareholders' equity participations for wind farm operating companies as well as the production and the sale of solar thermic components.

During 2002 Plambeck Neue Energien AG introduced a restructuring programme within the Group. The projecting, planning and construction of onshore wind farm projects was spun off in part already during 2002 to the 100 %-owned subsidiary Plambeck Norderland AG. The complete spin-off of the onshore wind power sector from Plambeck Neue Energien AG should be concluded during 2003.

During the year under report new companies were established: Plambeck Neue Energien Biomasse AG (Cuxhaven), Plambeck Neue Energien Bauregie GmbH (Aurich) and Plambeck Portugal Novas Energias Lda. (Portugal). 100 % of the equity of Plambeck Neue Energien Netzprojekt GmbH (Cuxhaven) was acquired during the year under report and the shareholdings in Plambeck Neue Energien Solar-Technik GmbH (Altlußheim), Nova Solar GmbH (Neulußheim) and Plambeck New Energy Sp. z o.o. (Poland) were increased from 5 % to 100 %.

II. General accounting principles

1. Going Concern

The accounting is undertaken under the assumption of a continuation of the business. Risks which could put the existence of the Company at risk are currently not identifiable.

2. Group financial statements

The Group financial statements of Plambeck Neue Energien AG and its subsidiaries are drawn up and published in accordance with international accounting regulations on the basis of the framework principles which have come into force by the date of balance sheet (December 31st, 2002), the International Accounting Standards (IAS) as well as the interpretations of the Standard Interpretation Committee (SIC) of the International Accounting Standards Board (IASB).

The accounting at all the companies of the Group is carried out initially in accordance with statutory regulations applicable in Germany as well as the generally accepted supplementary accounting principles. These German accounting principles deviate in important aspects from the principles of the IAS. All necessary adjustments which are required to present the Group financial statements in accordance with IAS have been carried out.

Insofar as not mentioned otherwise, these Group financial statements are presented in euro (EUR).

The Group financial statements correspond to the requirements of Article 292a HGB (German Commercial Code – releasing Group financial statements). The deviations from the accounting, valuation and consolidation methods of Group financial statements in accordance with paragraphs 290 ff. HGB are shown in the explanations to the individual items of the financial statements.

III. Principles of consolidation

1. Scope of consolidation

The Group financial statements include all the companies over which the Group parent company exerts control. Exertion of control is assumed as soon as the parent company holds 50 % of the voting rights of the subsidiary or can determine the financing and business policy of a subsidiary or can appoint a majority of the Supervisory Board or administration council of a subsidiary.

In accordance with the above the scope of consolidation as at December 31st, 2002 includes the following companies in addition to Plambeck Neue Energien AG:

	Shareholding in %	Share- holders' equity in T€	Time of first con- solidation
1) Plambeck Neue Energien Betriebs- und Beteiligungs GmbH	100.00	123	31.12.1998
2) Plambeck Norderland AG	100.00	15,481	01.12.2000
3) Plambeck Neue Energien Bauregie GmbH	100.00	278	23.02.2002
4) Plambeck Neue Energien Biomasse AG	100.00	172	23.04.2002
5) Plambeck Neue Energien Solar Technik GmbH	100.00	-2,446	01.04.2001
6) Plambeck Neue Energien Netzprojekt GmbH	100.00	639	01.01.2002
7) Nova Solar GmbH	100.00	2	01.09.2002
8) Norderland Verwaltungs GmbH	100.00	23	01.12.2000 ¹⁾
9) Norderland Forschungs- und Entwicklungs GmbH	100.00	22	01.12.2000 ¹⁾
10) Norderland Grundstücks GmbH	100.00	-14	01.12.2000 ¹⁾
11) Ventura S.A.	80.00	282	01.01.2002

¹⁾ Indirect participation via Plambeck Norderland AG

The following companies were not included in the scope of consolidation due to their overall secondary importance for the Group financial statements:

Plambeck Portugal Novas Energias, Lda., Lisbon, Portugal

On December 28th, 2002 Plambeck Neue Energien AG established "Plambeck Portugal Novas Energias, Lda." in Portugal. The object of the company is the development, planning, manufacture and sale of products for purposes of the energy and ecological sector. The capital of the company amounts to 300 T€ and is fully paid-in. The company did not earn any profit for the year 2002.

Plambeck New Energy Sp. z o.o., Stettin, Poland

In a contract dated November 30th, 2000 the Company took a participation of 50 % (capital contribution of 51 T€) in Plambeck New Energy Sp. z o.o., Poland. In May 2002 Plambeck Neue Energien AG acquired an additional 50 % of the company with the result that the Company reports as at December 31st, 2002 under financial investments a 100 % participation in the amount of 110 T€.

The object of the company is the development, planning, manufacture and sale of products for the purposes of the energy and ecological sector. For the fiscal year as at December 31st, 2002 Plambeck New Energy Sp. z o.o. reports sales of EUR 0 (prior year EUR 0) a net income (loss) of 1 T€ (prior year -5 T€) and a capital of 96 T€ (prior year 95 T€).

2. Mergers/establishment of companies

Plambeck Neue Energien Solar Technik GmbH, Altlußheim

On September 22, 2000 PNE AG acquired initially 46.67 % of the total capital of Plambeck Neue Energien Solar Technik GmbH, Altlußheim (formerly Solar Energie-Technik GmbH, hereinafter referred to as "PNE S.T. GmbH") (capital contribution of 357 T€). With effect as of April 1st, 2001 Plambeck Neue Energien AG acquired an additional 3.33 % (paid-in capital 25 T€) and with effect as at September 1st, 2002 the remaining 50 % of PNE S.T. GmbH; the result is that this company is included in these Group financial statements for the period from January 1st to August 31st, 2002 as a partially consolidated company and for the period from September 1st to December 31st, 2002 as a fully consolidated company.

The object of PNE S.T. GmbH is the production and the sale of systems for the production of heat and electricity from solar energy. PNE S.T. GmbH is one of the few manufacturers which is active in the complete value-added chain from the absorber up to the finished solar collector through its own production lines. The company reports for the fiscal year 2002 sales of 2,756 T€ (prior year 2,604 T€), a loss of 2,958 T€ (prior year 381 T€) and shareholders' equity of -2,446 T€ (prior year -288 T€).

Nova Solar GmbH, Neulußheim

On October 11th, 2000 Plambeck Neue Energien AG acquired 50 % of the shares of Nova Solar GmbH, Neulußheim (capital contribution of 13 T€) and with effect as of September 1st, 2002 the remaining 50 % of the shares (capital contribution of 13 T€).

The object of the company is the marketing of absorber strips which are used in the production of systems for the production of heat and electricity from solar energy in the solar industry. For the fiscal year as at December 31st, 2002 Nova Solar reports sales of 1,315 T€ (prior year 1,702 T€), a loss of -25 T€ (in the prior year a profit of 3 T€) and shareholders' equity of 2 T€ (prior year 27 T€).

Ventura S.A., Montpellier, France

With effect as at January 1st, 2002 Plambeck Neue Energien AG took a 80 % participation in Ventura S.A., France (capital contribution of 239 T€).

The object of the company is the development, planning, manufacture and sale of products for the purposes of the energy and ecology sector. For the fiscal year as at December 31st, 2002 Ventura S.A. reports sales of 10 T€ (prior year 0 €), a loss of -215 T€ (prior year 3 T€) and shareholders' equity of 282 T€ (prior year: 199 T€).

Plambeck Neue Energien Bauregie GmbH, Aurich

Plambeck Neue Energien Bauregie GmbH, Aurich was established in 2002 by Plambeck Neue Energien AG (capital contributed of 250 T€) and started its business activity on February 21st, 2002.

The object of the company is the construction, procurement, installation and commissioning of equipment for the production of energy, in particular through wind power turbines as well as the establishment of infrastructures within the framework of these types of projects. The company reports for the fiscal year 2002 sales of 1,854 T€, a net income of 28 T€ and shareholders' equity of 278 T€.

Plambeck Neue Energien Biomasse AG, Cuxhaven

Plambeck Neue Energien Biomasse AG, Cuxhaven was established in 2002 by Plambeck Neue Energien AG (capital contributed of 250 T€) and started its business activity on April 23rd, 2002.

The object of the company is the production of electricity and heat from bio-energy, the marketing of electricity and heat which are produced from bio-energy, the acquisition, leasing, construction, operation as well as the sale of plants for the production of electricity and heat through bio-energy. For the fiscal year 2002 the company reports sales of EUR 0, a loss of 78 T€ and shareholders' equity of 172 T€.

Plambeck Neue Energien Netzprojekt GmbH, Cuxhaven

With effect as at January 1st, 2002 Plambeck Neue Energien AG acquired Plambeck Neue Energien Netzprojekt GmbH (formerly R & P Objektplanungs GmbH), Cuxhaven (capital contributed of 28 T€).

The object of the company is the development of real estate for power plants and the planning, implementation and operation of grid connections for renewable energy production plants. For the fiscal year as at December 31st, 2002 Plambeck Neue Energien Netzprojekt GmbH reports sales of 1,425 T€ (prior year EUR 0), a net income of 626 T€ (prior year a loss of -14 T€) and shareholders' equity of 639 T€ (prior year 13 T€).

3. Consolidation methods

The basis for the Group financial statements are the annual financial statements of the companies incorporated in the Group, audited by the auditors, and drawn up as at December 31st, 2002 in accordance with uniform accounting and valuation methods.

The capital consolidation of the subsidiaries is undertaken in accordance with the net book value method by setting off the acquisition costs against the parent company's pro rata share of the newly valuated shareholder capital of the subsidiary at the point of acquisition. For the distribution of the resulting differential amounts (or goodwill) arising therefrom, assets and liabilities, where attributable, are included at their depreciated replacement cost. The balance of the remaining differential amounts are shown as goodwill. Goodwill is amortised by the straight line method over its expected economic life.

Internal Group sales, expenses and earnings as well as accounts receivable and accounts payable between the companies to be consolidated are eliminated. In individual cases an elimination is dispensed with insofar as the business activity in the past fiscal year is attributable only to a very small period and the reciprocal expenses and earnings refer exclusively to the execution of administrative services. Cross income and expense for interest are consolidated in the financial result. Interim profits, insofar as they are relevant, are eliminated. The required deferred taxation is established with regard to consolidation processes having an effect on the results.

IV. Accounting and valuation principles

1. Intangible assets

Intangible assets acquired are included at their cost of acquisition and ancillary acquisition costs. They are reduced by ordinary amortisation using the straight line method over their expected economic life which is usually two to four years. Where necessary an extraordinary write-off is carried out which is reversed at the subsequent permanent cession of the reasons. Unplanned corrections in value (reductions and increases) were not necessary during the year under report.

Goodwill resulting from the capital consolidation is capitalised in accordance with IAS 22 and amortised over the expected economic life. Insofar as necessary, unplanned write-offs are effected in accordance with IAS 36.

The following useful lives are used to calculate the scheduled amortisations:

	in years
Franchises, trademarks, patents and licenses	2 to 4
Goodwill	10 to 20

2. Property, plant and equipment

Property, plant and equipment are included at their acquisition and manufacturing cost in accordance with IAS 16.14 less the ordinary depreciation in accordance with IAS 16.41. Unplanned write-offs in accordance with IAS 36 were not necessary.

Property, plant and equipment are depreciated in accordance with their useful economic life:

	in years
Buildings, including buildings on third party land	20 to 50
Technical plant and machines	5 to 10
Other plant and machinery, fixtures and fittings	3 to 10

Significant residual values in accordance with IAS 16.46 did not have to be taken into consideration when calculating the level of depreciation

3. Financial assets

Associated companies

This item includes shares in Group companies, which are not included in the full consolidation of the Group financial statements due to their secondary importance.

Other investments

The other investments are included at acquisition costs, if necessary reduced by unplanned depreciation to a lower reconciled depreciated replacement cost.

4. Inventories

The inventories are included at acquisition and manufacturing costs at the lowest of cost or value. The manufacturing costs include material as well as individual manufacturing costs.

Financing costs are not capitalised since the direct cost allocation relationship is not fulfilled as required in accordance with IAS 23.

The advance payments made are shown without sales tax.

5. Accounting for long-term production contracts

A stage of completion accounting is carried out in accordance with the provisions of IAS 11 in the case of long-term production contracts for the construction of wind farms and biomass power stations. At the same time the net result expected from a production contract is estimated on the basis of the foreseeable contract income and costs due and income and expenses entered in accordance with the progress of the works as at the balance sheet date. The degree of completion of the individual contracts is determined in this case on the basis of the works carried out by the balance sheet date. Works carried out by sub-contractors are taken into consideration in the determination of the degree of completion.

In individual cases an expected overall loss from a production contract is recorded immediately as an expense in accordance with IAS 11.36.

On the other hand, stage of completion accounting according to the provisions of HGB are not permitted, only the manufacturing costs of projects currently being implemented incurred could be capitalised under the item for work in progress.

6. Accounts receivable from trading

Accounts receivable from trading are included at nominal value. Default risks are taken into consideration by individual value adjustments for an adequate amount. General bad debt allowances are not undertaken.

Non interest bearing accounts receivable or those with below market level interest rates with a contract maturity of more than one year are included at their present cash value. In this respect these accounts receivable are discounted at the interest rate applicable for overdrafts, i.e. 7 % at the balance sheet date.

7. Financial instruments

IAS 39 came into force with effect as at January 1st, 2001, whereby the valuation of original and derivative financial instruments are in principle no longer carried out at the acquisition cost but at the depreciated replacement cost (fair value). Derivative financial instruments did not exist. Apart from certain financial accounts receivable and financial debts, whose depreciated replacement cost equates essentially to their nominal value, the only original financial instruments were current asset securities. Please refer to the detailed explanations given for the respective balance sheet items.

8. Provisions

Provisions are set up for all external obligations insofar as it is probable that they will be claimed and the level of the provisions can be estimated in a reliable manner. With regard to the valuation of the provisions, the expected value must be used as the most probable value of a range of different values whilst provisions in the HGB accounts must be valued in consideration of the principle of prudence. Contrary to the HGB accounts accruals for future expenses are not permitted under IAS. The determination and valuation takes place insofar as possible on the basis of contractual agreements; otherwise the calculations are based on experience from the past as well as on estimations of the Board of Directors.

9. Liabilities

The liabilities are included in principle at their repayment value.

Non-interest-bearing accounts due or those with below market level interest rates with a contract maturity of more than one year are included at their present cash value. In this respect these accounts due are discounted at the interest rate applicable for overdrafts, i.e. 7 % at the balance sheet date. We refer to the detailed analysis of liabilities which is an integral part of the notes to the Group financial statements.

10. Income statement

The income statement is presented according to the cost summary method.

11. Realisation of sales

Sales are recognised as income at the time of delivery or the provision of the service at the customer's premises. The realisation of sales for production contracts is explained under [item 5](#).

12. Material expenses

These are the costs for drawn goods and costs for external services. With regard to the contract costs in accordance with the progress of the works, please refer to [item 5](#).

13. Income taxes

Income taxes are calculated on income before taxes on the basis of the applicable tax rate. Deferred taxes are included as the temporary differences between the tax balance sheet and the Group financial statements as at December 31st, 2002.

The combined tax rate of Plambeck Neue Energien AG for trading tax, corporation tax and the reunification charge amounted in the assessment period 2001 to 39.5 %. In the assessment period 2002 this increased by 0.5 % to 40 %. The reason for this was the transfer of taxable income from Cuxhaven (trading tax base 365 %) to Hamburg (trading tax base 470 %).

The deferred taxes on the valuation adjustments in accordance with IAS are determined at a uniform mixed Group tax rate of 40 %.

14. Foreign currency conversion

The lowest of cost or value principle or ceiling value principle valid under HGB for the valuation of accounts receivable or due in foreign currency is replaced in accordance with IAS by the cut-off date principle.

Transactions in foreign currency were converted at the current exchange rate on the day of the transaction. Accounts receivables or due in foreign currency are converted at the exchange rate applicable at the balance sheet date. The profit or loss resulting from the changes in the exchange rate between the day of the transaction on the one hand and the day of settlement or the balance sheet date on the other hand are recorded in the income statement with an effect on the result.

The annual financial statements of the subsidiary companies and joint venture companies included in the Group financial statements are converted into euro in accordance with the concept of the functional currency. Assets and liabilities are converted with the cut-off date exchange rate, the income statement with the average annual exchange rate and shareholders' equity items with the historic exchange rates.

15. Changes in prior year numbers

In the case of PNE S.T. GmbH adjustments to the prior year's financial statements were undertaken due to conclusions made during 2002, which were also included in the present Group financial statements. The following specific items are affected:

in T€	Change
Balance sheet	
Goodwill	+338
Technical equipment, plant and machinery	-131
Inventories	-425
Accounts receivable	-33
Cash	-1
Provisions	+188
Retained earnings	-440
Income statement	
Change in inventories	-119
Cost of materials	+106
Depreciation	+98
Other operating expenses	+117
Group net income	-440

V. Balance sheet

1. Fixed assets

With regard to the composition and development of the individual values of the fixed assets, please refer to the analysis of fixed assets.

The intangible assets of 78,103 T€ (prior year 80,396 T€) concern mainly goodwill from the first consolidation of the subsidiary companies included in the Group financial statements. The following table shows the composition and development of this amount:

in T€	Plambeck Norderland AG	PNE S.T. GmbH	Other companies ¹⁾	Total
Acquisition costs				
Status as per January 1 st , 2002	84,238	783	0	85,021
Additions	0	1,197	983	2,180
Status as per December 31st, 2002	84,238	1,980	983	87,201
Accumulated amortisation				
Status as per January 1 st , 2002	4,563	62	0	4,625
Scheduled amortisation	4,212	137	124	4,473
Status as per December 31st, 2002	8,775	199	124	9,098
Net book value December 31st, 2002	75,463	1,781	859	78,103

¹⁾ Nova Solar GmbH, Plambeck Neue Energien Netzprojekt GmbH, Ventura S.A. and indirect participations

Plambeck Neue Energien Solar Technik GmbH

Following the acquisition in stages of 46.67 % of shares during the fiscal year 2000, a further 3.33 % in April 2001 and the acquisition of the remaining 50 % of the shares as at September 1st, 2002 the acquisition costs of the goodwill are composed as follows:

	in T€
Goodwill of Plambeck Neue Energien Solar Technik GmbH as at January 1 st , 2002	416
Correction of the goodwill on the basis of share capital adjustments of the prior years	367
Newly determined goodwill	783
Additional goodwill arising from the acquisition of the remaining 50 % in the company as at September 1 st , 2002	1,197
Acquisition costs of the goodwill of Plambeck Neue Energien Solar Technik GmbH	1,980

The financial investments include shareholdings in joint ventures in addition to the participations of the Company, which are not included in the Group financial statements because of their secondary significance. These companies are:

in T€	31.12.2002	31.12.2001
Plambeck Portugal Novas Energias Lda., Portugal	301	0
Netzanschluss Genthin GbR	243 ¹⁾	0
Plambeck New Energy Sp. z o.o., Polen	110	55
Other participations	29	40
	683	95

¹⁾ Indirect 52 % participation via Plambeck Neue Energien Netzprojekt GmbH

2. Accounts receivable and other assets

The accounts receivable from long term contract completion and accounts receivable from trading involve primarily accounts receivable from wind farm companies in respect of the construction of wind farms.

The other assets are composed as follows:

in T€	31.12.2002	31.12.2001
Accounts receivable from loans	30,432	13,475
Accounts receivable due from the tax authorities	2,880	1,614
Accounts receivable from employees	8	35
Others	1,551	1,412
	34,871	16,536

The other assets amounting to 22,035 T€ have a residual contract maturity of more than a year.

3. Short-term security investments

This shows 6,250 shares in Plambeck Energiekonzept AG, Cuxhaven. For a valuation of these shares with the fair value in accordance with IAS 39 the value of the enterprise as a whole was estimated on the basis of the earnings position of this company. Since our estimates did not result in any significant deviation from the acquisition costs of 6 T€ no revaluation was undertaken.

4. Liquid assets

The development of the liquid assets, which form the cash and cash equivalents in accordance with IAS 7, is shown in the cash flow statement. The liquid assets consist of cash in banks and cash on hand.

5. Deferred charges and pre-paid expenses

This item is composed of the following:

in T€	31.12.2002	31.12.2001
Building cost subsidy to Plambeck ContraCon AG	0	286
Interest on notes payable	0	55
Payment for the use of a grid connection	125	0
Other	50	23
	175	364

6. Shareholders' equity

a) Share capital

As at January 1st, 2002 the share capital amounted to EUR 13,500,000. With a resolution of the Supervisory Board of August 23rd, 2002 the share capital was increased by EUR 63,000 out of the conditional capital (I). 63,000 no par value registered shares were issued. The entry into the commercial register took place on October 25th, 2002.

The share capital of the Company thus amounts at the balance sheet date to EUR 13,563,000 divided into 13,563,000 no par value registered shares with a notional share in the share capital of EUR 1.00 per share.

b) Authorised capital

With a resolution of the Ordinary General Meeting of Shareholders on May 17th, 2002 the Board of Directors was authorised with the approval of the Supervisory Board to increase the share capital of the Company during the period up to May 16th, 2007 subject to the approval of the Supervisory Board once or several times up to a total of EUR 6,750,000 through the issue of new no par value registered shares against cash or contributions in kind (authorised capital) and to decide on the terms of the share issue subject to the approval of the Supervisory Board. The Board of Directors was further authorised to decide with the approval of the Supervisory Board on the preclusion of the legal subscription rights of the shareholders. The legal subscription rights of the shareholders can be precluded

- to balance out fractional amounts,
- to gain a contribution in kind, in particular in the form of holdings in parts of companies,
- for a total increased amount of up to EUR 1,350,000, if the issue amount of the new shares is not significantly less than the stock market price of the shares with the same terms of issue already listed on the stock exchange
- in order to offer a subscription right to new shares to the owners of convertible bonds which were issued by the Company in the amount to which they have a right as shareholders after the exercise of their conversion right.

During the fiscal year 2002 no capital increases were undertaken from the authorised capital.

c) Conditional capital (I)

Based on the resolution of the General Meeting of Shareholders of November 25th, 1998, amended by the resolution of the General Meeting of Shareholders of May 26th, 2000 and the resolution of the Supervisory Board of May 17th, 2001, the share capital of the Company is increased conditionally by up to EUR 150,000.

The Board of Directors is authorised to issue up to November 25th, 2003 with the consent of the Supervisory Board bearer convertible bonds in a total nominal amount of EUR 127,822.97 divided into convertible bonds with a nominal value of EUR 1.00 each. The convertible bonds have a term up to January 1st, 2006 and shall bear interest at 4 % per annum. The convertible bonds cannot be converted until the Ordinary General Meeting of Shareholders of the year 2002 for up to a maximum of half of the issued par values and the remaining 50 % after the Ordinary General Meeting of Shareholders of the year 2004. The conversion rate for convertible bonds with a par value of EUR 0.85215 is a no par value share with a notional share in the share capital of EUR 1.00.

In June 2002 the conversion took place of 63,000 convertible bonds into 63,000 registered no par value shares with a nominal value of EUR 63,000 at EUR 1.00 per share through the additional payment of EUR 7.32852 per share.

As at December 31st, 2002 convertible bonds in the nominal value of EUR 71,580.86 were issued with conversion rights of up to 73,500 shares to members of the Board of Directors and key executives. In this respect conversion rights for up to 15,000 shares were attributable to Dr. Wolfgang von Gelden (Chairman of the Board of Directors), up to 9,000 shares to Mr. Hartmut Flügel (Technical Director) and up to 9,000 shares to Mr. Gerd Kück (Financial Director).

d) Conditional capital (II)

The General Meeting of Shareholders of June 15th, 2001 resolved the further conditional increase in the share capital of the Company by up to EUR 300,000:

The Board of Directors is authorised with the consent of the Supervisory Board to issue bearer convertible bonds up to June 14th, 2006 in a total nominal amount of EUR 300,000, divided into 300,000 convertible bonds with a par value of EUR 1.00 each. The convertible bonds have a term of two years and shall bear interest at 4 % per annum. The convertible bonds cannot be converted until the Ordinary General Meeting of Shareholders for the fiscal year 2003. In this respect for convertible bonds with a par value of EUR 1.00 the loan creditor shall receive an individual share certificate with a notional share in the share capital of EUR 1.00.

As at December 31st, 2002 convertible bonds in the nominal value of EUR 50,500 and corresponding to conversion rights of up to 50,500 shares were issued to members of the Board of Directors and key executives. Of these conversion rights up to 10,000 shares are attributable to Dr. Wolfgang von Geldern (Chairman of the Board of Direc-

tors), up to 7,500 shares to Mr. Hartmut Flügel (Technical Director), up to 7,500 shares to Mr. Gerd Kück (Financial Director) and up to 7,500 shares to Mr. Arne Lorenzen (International Business).

e) Capital surplus

During the year 2002 an amount of EUR 452,382.21 was transferred to the capital surplus. This amount represents the share of the capital reserve which arose from the conditional capital (I) in June 2002 within the framework of the converted convertible bonds.

f) Earnings reserves

In accordance with the resolution of the General Meeting of Shareholders of May 17th, 2002 an amount of EUR 7,399,540.59 was transferred to the "other earnings reserves" during the year under report from the retained earnings of the prior year in accordance with Article 266 (E) A. III. No. 4 HGB.

g) Retained earnings

On the basis of the retained earnings of the prior year (EUR 12,818,294.26) the development of retained earnings as at December 31st, 2002 was as follows:

	in €
Status as at December 31 st , 2001	12,818,294.26
Dividends in accordance with the resolution of the General Meeting of Shareholders of May 17 th , 2002	-3,375,000.00
Transfer to the other earnings reserves in accordance with the resolution of the General Meeting of Shareholders of May 17 th , 2002	-7,339,540.59
Group retained earnings brought forward as at December 31st, 2002	2,103,753.67
Group net income 2002	11,132,793.16
Status as at December 31st, 2002	13,236,546.83

With regard to the composition and development of the items of shareholders' equity please refer to the analysis of changes in shareholders' equity.

7. Minority interests

The minority interests result from the first consolidation of Ventura S.A. Plambeck Neue Energien AG has a participation of 80 % and the other shareholders 20 % in the capital of the company. This item is composed as follows:

	in T€
Share in capital subscribed	99
Share in loss	-43
	56

8. Special items for investment grants

An investment grant in the amount of 409 T€ was issued for the extension of an office building rented by the Company as well as for fixtures and fittings in 2000. The office building was purchased by Plambeck Neue Energien AG in 2002. An additional grant in the amount of 702 T€ was issued for the extension and the furnishing of the office building in 2002.

The release of the investment grants are based on the average useful life of the underlying assets of 12.25 years. During the year under report a total amount of 34 T€ was released.

In total an amount of 1,043 T€ is reported under the item “special items for investment grants”.

9. Provisions for taxes

The provisions for taxes are structured as follows:

in T€	31.12.2002	31.12.2001
Corporation tax and reunification charge	9,351	3,829
Trading tax	7,403	2,586
Current income taxes	16,754	6,415
Deferred income taxes	3,770	3,002
	20,524	9,417

The deferred income taxes are attributable primarily to stage of completion accounting for long-term contract completion.

10. Other provisions

The other provisions are composed as follows:

in T€	31.12.2002	31.12.2001
Contract costs within the scope of stage of completion accounting	138,790	103,524
Outstanding invoices and commissions for wind farm projects	9,592	9,969
Bonuses	631	405
Annual leave	445	231
Court costs	201	35
Fees for the Supervisory Board	68	0
Other	783	685
	150,510	114,849

11. Debenture loans

These include convertible loans (debentures) issued to the Company's employees based on the provisions of the resolution of the General Meeting of Shareholders of November 28th, 1998 and June 15th, 2001:

in T€	31.12.2002	31.12.2001
Convertible bond 1998:		
Status as at 1 st January	89	105
Issued	36	0
Withdrawn	0	16
Converted	54	0
Status as at 31st December	71	89
Convertible bond 2001:		
Status as at 1 st January	0	0
Issued	51	0
Converted	0	0
Status as at 31st December	51	0
	122	89

Convertible bond 1998

The bearers of the convertible bonds acquire the irrevocable right to convert 50 % of the convertible bonds held by them into new individual shares in the Company during a period of 2 weeks commencing with the third banking day in Frankfurt am Main following the Ordinary General Meeting of Shareholders of the year 2002. The conversion right only exists, however, if the average closing price of the shares traded during the 10 trading days prior to the conversion deadline is 150 % of the issue price of the shares.

Furthermore the bearers of the convertible bonds receive the irrevocable right to convert the remaining 50 % of the convertible bonds held by them into new individual shares in the Company during a period of 2 weeks commencing with the third banking day in Frankfurt am Main following the Ordinary General Meeting of Shareholders of the year 2004. However, the conversion right exists only if the average closing price of the shares traded on the 10 trading days prior to the conversion deadline amounts to 200 % of the issue price of the shares.

The issued convertible bonds have not been broken down in accordance with IAS 32.18ff into the components of shareholders' equity and loan capital due to their insignificance.

Please also refer to the explanations given for the "conditional capital" (V. No. 6.c.).

Convertible bond 2001

As a result of the resolution of the Ordinary General Meeting of Shareholders on June 15th, 2001 convertible bonds in a total amount of 300 T€ with an annual interest of 4 % can be issued by the Board of Directors with the consent of the Supervisory Board once or several times up to June 14th, 2006.

The convertible bonds are divided into 300,000 units with a nominal value of EUR 1.00 each and with a term of two years each. The issue price of the new shares shall be in each case at least 110 % of the average closing price of the shares of Plambeck Neue Energien AG in the Xetra market on the Frankfurt Stock Exchange during the last five trading days prior to the issue of the respective portion of the convertible bonds.

The conversion shall take place in the ratio of 1:1, so that a convertible bond with a nominal value of EUR 1.00 can be exchanged for one new no par value share. The new shares shall be entitled to profit sharing as from the beginning of the fiscal year during which the certificates are issued.

The conversion right can be exercised for the first time after two years as from March 1st, 2004 within a period of two weeks commencing with the third banking day in Frankfurt am Main following the Ordinary General Meeting of Shareholders of the fiscal year 2003 (conversion deadline).

Please also refer to the explanations given for the "conditional capital" (V. No. 6.d.).

12. Accounts payable and advance payments received

Trade accounts payable consist exclusively of those towards companies outside the Group. The advance payments received concern advance payments for services in connection with the construction of wind farms. There exist in part ownership rights to the items supplied, as is normal in the branch.

13. Notes payable

These are notes payable relating to trade accounts payable. The notes payable are connected with the construction of the "Zernitz" wind farm.

14. Other short-term liabilities

Other short-term liabilities are composed as follows:

in T€	31.12.2002	31.12.2001
Liabilities for taxes	4,983	1,377
Liability for social security	364	139
Commissions	630	789
Liabilities for wages and salaries	40	241
Other	180	166
	6,197	2,712

15. Deferred charges

The deferred charges in the amount of 1,257 T€ are attributable to an advance payment made by a wind farm operating company for the use of a transformer station. The amount will be released to the income statement over a period of 20 years.

VI. Income statement

1. Revenues

Revenues are broken down according to the product and service departments within the Group. During the period under report revenues were earned in principle only from the electricity production department including service of wind power turbines, commissions for the sale of shareholders' equity, participations in wind farm projects and management fees.

The revenues from long-term contract completion for the fiscal year 2002 are based on 17 projects. Of the 13 wind farm projects included in the stage of completion accounting in 2001, 8 projects with a share in revenues of 107,155 T€ were completed in 2002.

in T€	31.12.2002	31.12.2001
Total revenues	209,547	188,305
Revenues from stage of completion accounting	131,305	111,285
Release from prior years	-58,950	-20,763
Share of revenues from stage of completion accounting	72,355	90,522

Against these shares of the revenues there are uninvoiced contract costs in the amount of 70,222 T€ (prior year 84,956 T€) so that there results a realised stage of completion profit in the amount of 2,133 T€ (prior year 5,566 T€).

2. Other operating income

The other operating income in the amount of 44,825 T€ (prior year 15,211 T€) is composed as follows:

in T€	31.12.2002	31.12.2001
Release of provisions from long-term production	19,418	14,163
Release of provisions and elimination of liabilities from retroactively processed purchase contracts	24,037	0
Rental income	234	0
Other	1,136	1,048
	44,825	15,211

The elimination of liabilities from retroactively processed purchase contracts concern the elimination of the liability to the seller of the Karlsburg project in the amount of 14,629 T€ and in the amount of 9,408 T€ with regard to the Rohlsdorf project.

The release of provisions from long-term contract production refers to two wind farm projects which were evaluated in 2001 in accordance with IAS 11 and of which one project (Oldendorf) could not be realised in the calendar year and had to be postponed for an undetermined period of time, as well as a second project (Etgersleben) for which the project rights were sold and the purchaser intended to undertake the construction of the wind farm project on his own account.

3. Cost of purchased materials and services

Of the cost for materials in the amount of 173,177 T€ (prior year 158,197 T€) 170,854 T€ (prior year 157 T€) are attributable to the cost of purchased materials in connection with the construction of wind farms for our customers. Moreover we refer to the explanations concerning the accounting for long-term production contracts (IV. No. 5).

4. Personnel expenses

This item concerns mainly salaries, allocations to vacation pay accruals, profit sharing as well as social security contributions.

in T€	31.12.2002	31.12.2001
Salaries	8,373	4,648
Bonuses	758	405
Employer's contribution social insurance	1,619	866
Other personnel expenses	458	335
	11,208	6,254
Average number of employees during the year	234	113

5. Depreciation and amortisation

The composition of the depreciation and amortisation results from the development of the fixed assets in the corresponding analysis, which is an integral part of these notes to the Group financial statements. This item includes the amortisation of goodwill amounting to 4,473 T€ (prior year 4,245 T€).

6. Other operating expenses

The other operating expenses increased in the year under report to 56,465 T€ (prior year 19,879 T€). They are attributable to the amount of 9,297 T€ (prior year 2,754 T€) to other operating expenses within Plambeck Neue Energien AG. The amount shown in the Group financial statements are composed as follows:

in T€	31.12.2002	31.12.2001
Release of accounts receivable from long-term production contracts	20,135	14,303
Elimination of accounts receivable from retroactively processed purchase contracts	24,010	0
Individual value adjustments on accounts receivable	2,955	0
Administration costs	4,757	2,295
Sales expenses	1,846	995
Accommodation and maintenance costs	2,059	1,065
Other	703	1,221
	56,465	19,879

The elimination of accounts receivable from retroactively processed purchase contracts concern the accounts receivable due by the purchaser of the Karlsburg project in the amount of 14,602 T€ and the accounts receivable due from the purchaser of the Rohlsdorf project in the amount of 9,408 T€.

The release of accounts receivable from long-term production contracts is attributable to two wind farm projects which were valued in 2001 in accordance with IAS 11 and of which one project (Oldendorf) could not be realised within the calendar year and had to be postponed for an undetermined period of time, as well as a second project (Etgersleben), for which the project rights were sold and the purchaser intended to undertake the construction of the wind farm project on his own account.

7. Other interest and similar income

This includes exclusively interest income from cash in banks and from contractual interest for trade accounts due.

in T€	31.12.2002	31.12.2001
Interest received from wind farm operating companies	5,273	2,963
Interest from timber burning operating companies	812	0
Interest on loans	698	385
Other	137	19
	6,920	3,367

8. Interest and similar expenses

The interest expenses result from the use of credit lines and guarantees.

in T€	31.12.2002	31.12.2001
Discount expenses	112	68
Overdraft interest paid	1,314	288
Interest on loans and credits	422	0
Other	124	184
	1,972	540

9. Profit from ordinary operations

The profit from ordinary operations of 22,242 T€ (prior year 19,579 T€) includes 1,012 T€ (prior year 4,345 T€) from the area of Plambeck Neue Energien AG.

10. Income taxes

The expense for income taxes is composed as follows:

in T€	31.12.2002	31.12.2001
Current taxes	10,370	5,866
Deferred taxes		
– from stage of completion accounting	0	923
– from consolidation of debt	200	0
– from setting off capital increase costs	568	2,097
	11,138	8,886

The following table shows the transition between the calculated tax expense to that reported in the Group income statement:

in T€	31.12.2002
Group earnings before income taxes	22,228
Tax rate	40.00 %
Income tax expenditure – calculated	8,891
Permanent differences	
Amortisation of goodwill	1,789
Addition of interest on permanent debt (trading tax)	552
Non-deductible expenses	109
Write-off of deferred taxes included as assets	190
Other differences (primarily tax rate differences)	–393
Reported tax expense according to income statement	11,138

11. Net profit and retained earnings

The net income of the Group increased to 11,133 T€ (prior year 10,684 T€). Taking into consideration the appropriation of profit resolved at the General Meeting of Shareholders on May 17th, 2002 the Group reports retained earnings in the amount of 13,237 T€ (prior year 12,818 T€).

12. Net income per share

a) Basic net income per share

The average number of shares during 2002 amounted to 13,511,564 registered shares. In June 2002 there was a capital increase from conditional capital I. The number of shares increased by 63,000 to a total of 13,563,000 from this source. This capital increase was entered into the Commercial Register on October 25th, 2002. The “basic net income per share” thus amounts to EUR 0.82 per share.

	31.12.2002	31.12.2001
Group net income (in EUR)	11,132,793	10,684,186
Weighted average of the shares issued	13,511,564	12,119,178
Net income per share (in EUR)	0.82	0.88

b) Diluted net income per share

It is not necessary for the Company to show details of the “diluted net income per share” since the exercising of the convertible bonds is linked to certain conditions (change in quoted price), the fulfilment of which cannot be valued at the present time (see also V. No. 11 “Loans”).

VII. Cash flow statement

1. Cash and cash equivalents

The cash and cash equivalents as at January 1st, 2002 and December 31st, 2002 each equate the item shown in the balance sheet “Cheques, cash on hand, cash in banks, etc.”.

2. Explanations of the individual cash flows

The cash flows for the operating business activities shown in the cash flow statement include the following amounts for interest and tax payments:

in T€	31.12.2002	31.12.2001
Interest received	2,437	3,368
Interest paid	1,791	710
Tax payments	345	2,705

3. Payments within the scope of corporate mergers and establishment of companies

For the increase of equity participations in companies as well as capital increases undertaken, the following payments were made during 2002:

	Former shareholding %	New shareholding %	Increase in shareholding in T€	Capital increase in T€
Plambeck Neue Energien Solar Technik GmbH	50.00	100.00	14	800
Nova Solar GmbH	50.00	100.00	7	0
Plambeck New Energy Sp. z o.o., Poland	50.00	100.00	55	0
			76	800

During the fiscal year 2002 payments were made for the establishment of new companies in the amount of 801 T€. The amount is composed of the payment for the establishment of Plambeck Neue Energien Biomass AG (250 T€), Plambeck Neue Energien Bauregie GmbH (250 T€) and Plambeck Portugal Novas Energias, Lda. (301 T€).

2,189 T€ was paid during the fiscal year for new participations in companies. Of this an amount of 28 T€ is attributable to the 100 % participation in Plambeck Neue Energien Netzprojekt GmbH and an amount of 1,761 T€ to the 80 % participation in Ventura S.A. (this amount includes a capital increase in the amount of 239 T€ and a subsidy in the amount of 810 T€).

VIII. Segment report

The Company dispensed with segment reporting in accordance with IAS 14 for the fiscal year 2002, since, apart from the sector of electricity generated by onshore wind power, Plambeck Neue Energien AG including its Group companies was only active in other business segments during this period (offshore wind power, biomass, solar energy), where the sales and profit contributions in each case and also cumulatively did not exceed 10 % of the Group sales or the Group profit.

Segment reporting on a regional basis was also not undertaken in the year under report since the Group companies carried out their activities almost exclusively in Germany.

IX. Other information

1. Contingent liabilities

a) Outstanding capital payments for associated companies and participation

Capital payment obligations exist for the following companies:

in T€	31.12.2002	31.12.2001
Nova Solar GmbH, Neulußheim	13	6
Norderland Forschungs- und Entwicklungs GmbH, Hamburg	25	25
Norderland Verwaltungs GmbH, Hamburg	25	25
	63	56

b) Other financial obligations

Contingent liabilities exist at the balance sheet date in connection with the granting of guarantees for:

in T€	31.12.2002	31.12.2001
Silbitz biomass power station	16,065	13,011
Various wind power projects	3,143	9,475
Others	3,261	1,108
	22,469	23,594

Other financial obligations are from leasing contracts with leasing instalments in the amount of 257 T€ per annum (prior year 444 T€) as well as rental expenses for office buildings amounting to 476 T€ per annum (prior year 437 T€). Moreover there are obligations from the order commitments for wind power turbines, transformer stations and heating power station components for current projects in the amount of 168,551 T€ (prior year 86,081 T€). The order commitments cover an expected delivery period of 12 to 18 months. Obligations from placement guarantees for the solicitation of shareholders' equity participations for two projects now being sold amount to 11,000 T€.

2. Relationships to affiliated companies and persons

The members of the Board of Directors received total remuneration for their activity during the fiscal year 2002 in the amount of 757 T€. The total remuneration of the Board of Directors was composed of a fixed amount of 501 T€ and a variable amount of 256 T€. The members of the Supervisory Board of Plambeck Neue Energien AG were paid emoluments totalling 79 T€ (prior year 51 T€). Shares in the Company were held as follows by the members of the boards of the Company as at December 31st, 2002:

	Number of shares
Supervisory Board	
Norbert Plambeck	1,229,400
Johann Eisenhauer	3,500
	1,232,900
Board of Directors	
Dr. Wolfgang von Geldern	15,000
Gerd Kück	9,360
Hartmut Flügel	6,100
	30,460

At the balance sheet date the Board of Directors (after share split) held 65,500 conversion rights for convertible bonds (prior year 66,000).

No accounts receivable or liabilities exist vis-à-vis members of the Board of Directors and the Supervisory Board or vis-à-vis other important shareholders.

Transactions with affiliated persons or companies are undertaken exclusively on terms conforming to market conditions.

3. Details of the Supervisory Board and Management

Supervisory Board

Norbert Plambeck, Cuxhaven, businessman (Chairman)

Martin Billhardt, Bermerhaven, businessman (Vice Chairman)

Johann Eisenhauer, Westerholt, businessman

Dr. Peter Fischer, Cuxhaven, member of the Parliament of Lower Saxony

Dieter Gehrke, Hüllhorst, tax consultant

Timm Weiß, Cuxhaven, lawyer

Norbert Plambeck is still a member of the Supervisory Board or a member of another controlling body of the following companies within the meaning of Article 125, paragraph 1, item 3 of the German Stock Corporation Law (AktG):

- Plambeck Energiekonzept AG, Cuxhaven
- Flughafen-Betriebsgesellschaft Cuxhaven/Nordholz mbH, Nordholz
- Stadtparkasse Cuxhaven, Cuxhaven (member of the Administrative Council)
- PrivAG Aktiengesellschaft für Privatisierungsprojekte, Bonn

Martin Billhardt is still a member of the Supervisory Board or member of another controlling body of the following companies within the meaning of Article 125, paragraph 1, item 3 of the German Stock Corporation Law:

- ASR Auto-Stern von Rußland AG, Moscow
- Bremische Annoversche Eisenbahn AG, Frankfurt am Main
- Portum AG, Frankfurt am Main
- Softline AG, Offenburg
- SSW Fähr- und Spezialschiffbau GmbH i. l., Bremerhaven
(Vice Chairman of the Advisory Committee; until February 2003)
- Plambeck Norderland AG, Hamburg
- Plambeck Neue Energien Biomasse AG, Cuxhaven
- Plambeck Energiekonzept AG, Cuxhaven

Dr. Peter Fischer is still a member of the Supervisory Board or member of another controlling body of the following companies within the meaning of Article 125, paragraph 1, item 3 of the German Stock Corporation Law:

- Volkswagen AG, Wolfsburg (up to April 16th, 2002)
- Biz Tec AG, Hanover (up to December 2002)
- Studio Hamburg GmbH, Hamburg
- NDR Media GmbH, Hamburg

Board of Directors

Dr. Wolfgang von Geldern, Nordholz (Chairman)

Dipl.-Ing. Hartmut Flügel, Cuxhaven

Gerd Kück, Cuxhaven

Arne Lorenzen, Cremlingen (since February 1st, 2002)

Dr. Wolfgang von Geldern is still a member of the Supervisory Board or member of another controlling body of the following companies within the meaning of Article 125, paragraph 1, item 3 of the German Stock Corporation Law:

- Plambeck Energiekonzept AG, Cuxhaven (up to June 26th, 2002)
- Plambeck Norderland AG, Hamburg
- Plambeck Neue Energien Biomasse AG, Cuxhaven
- Deutsche Fischwirtschafts AG i.A., Rostock (up to June 28th, 2002)
- PrivAG Aktiengesellschaft für Privatisierungsprojekte, Bonn (up to August 7th, 2002)

Hartmut Flügel is still a member of the Supervisory Board or member of another controlling body of the following company within the meaning of Article 125, paragraph 1, item 3 of the German Stock Corporation Law:

- Plambeck Norderland AG, Hamburg (up to May 31st, 2002)

Gerd Kück is still a member of the Supervisory Board or member of another controlling body of the following company within the meaning of Article 125, paragraph 1, item 3 of the German Stock Corporation Law:

- Plambeck Norderland AG, Hamburg (up to June 1st, 2002)

Arne Lorenzen is still a member of the Supervisory Board or member of another controlling body of the following company within the meaning of Article 125, paragraph 1, item 3 of the German Stock Corporation Law:

- Plambeck Neue Energien Biomasse AG, Cuxhaven (since April 24th, 2002)

4. Announcements in accordance with Article 21 paragraph 1 of the Securities Trading Law (WpHG)

On April 19th, 2002 the Company published the following announcement in the Frankfurter Allgemeinen Zeitung:

1. Mr. Norbert Plambeck, Cuxhaven, has informed us in accordance with Article 21 paragraph 2 of the Securities Trading Law that he owned on April 1st, 2001 30.71 % of the voting rights in Plambeck Neue Energien AG.

Of these, 21.61 % of the voting rights must be attributed to him via Plambeck Contra-Con AG in accordance with Article 22 paragraph 1 No. 1 of the Securities Trading Law.

2. Plambeck ContraCon AG, Cuxhaven, has informed us in accordance with Article 41 paragraph 2 of the Securities Trading law that it controlled on April 2nd, 2002 21.61 % of the voting rights in Plambeck Neue Energien AG.

Cuxhaven, April 2002

Plambeck Neue Energien AG
The Board of Directors

5. Corporate governance code

The Supervisory Board and the Board of Directors of Plambeck Neue Energien AG made the following declaration on December 17th, 2002 in accordance with Article 161 of the German Stock Corporation Law and Article 15 of the EEC Stock Corporation Law concerning the corporate governance code as follows:

"Plambeck Neue Energien AG will conform with the target recommendations of the Government Commission of the German Corporate Governance Code without reservations."

This declaration can be found on the homepage of Plambeck Neue Energien AG under www.plambeck.de Investor Relations, Corporate Governance Code.

6. Details of personnel levels

The average number of employees in the Group amounted to a total of 234 employees during the fiscal year (prior year 113 employees). The level of employees developed continuously throughout the whole fiscal year 2002.

7. Proposed appropriation of retained earnings

The Board of Directors proposes to transfer the full amount of the retained earnings of Plambeck Neue Energien AG amounting to EUR 16,764,528.53 to the other earnings reserves.

Cuxhaven, March 12, 2002

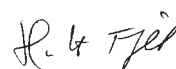
Plambeck Neue Energien Aktiengesellschaft



Dr. Wolfgang
von Geldern
Chairman of the
Board of Directors



Gerd Kück
Member of the
Board of Directors,
Financial Director



Harmut Flügel
Member of the
Board of Directors,
Technical Director



Arne Lorenzen
Member of the
Board of Directors,
International Business

Auditors' report for Plambeck Neue Energien AG, Cuxhaven

We have audited the Group financial statements prepared for Plambeck Neue Energien AG, Cuxhaven, consisting of the balance sheet, the income statement, net equity statement, cash flow statement and notes to the Group financial statements for the fiscal year from January 1st to December 31st, 2002. The content and preparation of the Group financial statements are the responsibility of the Board of Directors of the Company. It is our task to assess whether the Group financial statements meet the International Accounting Standards (IAS). We have conducted our audit of the Group financial statements in accordance with German auditing regulations and by observing the generally accepted principles of auditing standards issued by the Institut der Wirtschaftsprüfer (IDW). Accordingly, the audit must be planned and conducted so that it can be assessed with sufficient certainty whether the Group financial statements are free from important erroneous statements. Within the scope of the audit the verifications for the values used and the information in the Group financial statements are assessed on the basis of random checks. The audit consists of the evaluation of the accounting principles used and the essential assessments of the Board of Directors as well as the appraisal of the overall view of the Group financial statements. We are of the opinion that our audit provided a sufficiently reliable basis for our assessment.

It is our belief that the Group financial statements prepared in accordance with IAS give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group as well as the cash flow of the fiscal year.

Our audit, which also covered the Group Management Report drawn up by the Board of Directors for the fiscal year from January 1st to December 31st, 2002, did not lead to any objections. It is our firm belief that the Group Management Report gives an overall true and fair view of the state of affairs of the Group and appropriately presents the risks of future development. In addition we confirm that the Group financial statements and the Group Management Report for the fiscal year from January 1st to December 31st, 2002 fulfil the prerequisites for release of the Company from preparing Group financial statements and a Group management report in accordance with German Law. We have audited the harmony of the Group accounting with the 7th EC Directive as required for release from the commercial law Group-invoicing obligation on the basis of the interpretation of the Directive in accordance with DRS 1 of the German Accounting Standards Committee.

Munich, March 13th, 2003

Dr. Ebner, Dr. Stolz und Partner GmbH
Auditing Firm
Tax Consultants

Dr. Wolfgang Russ
Auditor

Claudia Weinhold
Auditor

Report of the Supervisory Board

During 2002 the Supervisory Board of Plambeck Neue Energien AG met for a total of four meetings. The Personnel Committee met a total of two times. The newly established Audit Committee also met twice.

At its meetings as well as in other individual discussions the Board of Directors provided the members of the Supervisory Board with detailed information about the current development of the business and the assets, earnings and financial situation of the Company as well as the intended business policy and fundamental corporate planning matters, especially with respect to financial, investment and personnel planning. The Supervisory Board discussed these complex topics with the Board of Directors. The Supervisory Board assures that it has continuously monitored the Board of Directors on the basis of the Board's reports as well as the joint meetings held. The co-operation and co-ordination has been strengthened further by the Audit Committee.

The Supervisory Board checked in detail all measures requiring its consent under the legal regulations and according to the articles of association and made the relevant resolutions.

Major emphasis among those topics was the strategic direction of the Group for the successful continuation of the development of the Company.

The acquisitions of the 100 % participations in SET Solar-Energie Technik GmbH and Nova Solar GmbH were discussed in detail and subsequently resolved at the Supervisory Board meeting held on August 23rd, 2002.

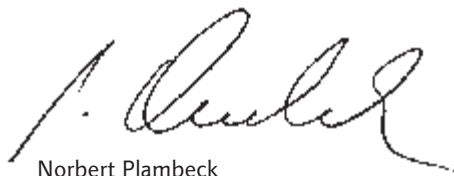
At the same meeting the acceptance without reservation of the German Corporate Governance Code was resolved. Within the context of the implementation of these transparency requirements, the creation of an Audit Committee was approved. Members of this committee are Messrs. Norbert Plambeck, Martin Billhardt and Timm Weiß.

The Board of Directors has prepared the annual financial statements of Plambeck Neue Energien AG, the Group financial statements and the condensed report on the situation of Plambeck Neue Energien AG and the Group for the relevant period. The Auditors chosen by the Ordinary General Meeting of Shareholders held on May 17th, 2002, Dr. Ebner, Dr. Stolz und Partner GmbH, firm of Auditors and Tax Consultants, Munich Branch, have audited these documents together with the accounting and have given their unqualified auditors' opinion.

The annual financial statements for Plambeck Neue Energien AG and for the Group as well as the Group management report and the auditors' report were made available to all members of the Supervisory Board. The documents, including a proposal for the appropriation of the retained earnings, were checked by us and discussed in detail together with the auditors at today's balance sheet meeting. There were no objections. The Supervisory Board agrees with the result of the audit. The annual financial statements are thus approved and adopted. At the same time, the Supervisory Board decided to accept the Board of Directors' proposal for the appropriation of the retained earnings.

The Supervisory Board thanks the members of the Board of Directors and all employees for their particularly dedicated and responsible work during the financial year 2002. The Company's continuing positive development would not have been possible without the personal commitment of each individual involved.

Cuxhaven, March 17th, 2003

A handwritten signature in black ink, appearing to read 'N. Plambeck', with a stylized, flowing script.

Norbert Plambeck

Chairman of the Supervisory Board

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