



Quarterly Statement

3rd Quarter 2016

Aves One AG

ISIN DE000A168114

PERFORMANCE OF THE BUSINESS IN THE FIRST NINE MONTHS OF THE BUSINESS YEAR 2016

In the first nine months of the current business year compared with the same period of the previous year, the Aves One AG Group (hereafter Aves Group) generated increasing sales revenues across all business divisions amounting to EURk 18,312 (previous year: EURk 16,551). This revenue growth resulted from portfolios acquired in the course of 2015, especially from the Container und Rail Equipment business divisions. The total rise in the EBITDA (before currency effects) compared to the same period in the previous year is 29.0%.

In the third quarter of 2016 the Aves Group acquired 177 used tank containers with a capacity of between 24,000 and 35,000 litres per tank container, together with 821 used sea containers. These acquired assets with a total investment volume of around EURk 3,705 are managed by renowned asset managers and have been rented out to lessees with a high degree of creditworthiness. Furthermore, project development, general contracting, rental and marketing agreements and financing were entered into for the first Storage Project with a value totalling around EUR 4,165k. The project is scheduled to be completed at the end of the fourth quarter 2016. Moreover, 714 used and rented swap bodies amounting to around EURk 3,811 were acquired, and these are rented out through a leading European swap body manager to renowned logistics service providers.

On 22 August 2016, the Company signed purchase agreements with regard to the acquisition of all the shares in the ERR Rail Rent Vermietungs GmbH, Vienna, Austria (hereafter "ERR Vienna"), together with 33.3% of the shares in ERR European Rail Rent GmbH, Duisburg (hereafter "ERR Duisburg"), and these were completed in October 2016. The purchase price for the acquisition of the ERR Group amounted to EUR 33.5m.

As of 30 June 2016, ERR Vienna, the asset owning company, held 3,881 freight wagons. In addition to the portfolio encompassing 3,881 freight wagons, 418 wagons (of which the Aves Group holds 331) are managed for third party investors. This corresponds to a total fleet size of 4,299 freight wagons, which are commercially and technically managed by ERR Duisburg. Moreover, ERR Duisburg is actively engaged in the trading of freight wagons. With the acquisition of the shares in the ERR companies, the medium-term goal of the development of the Rail Equipment segment and its strengthening in relation to the Container Equipment segment has already been attained. The closing of this significant transaction carried out in October 2016 almost doubled the total volume of the assets managed by the Aves Group to in excess of EUR 430m. Furthermore, the purchase of a share in the asset manager not only generated significant synergies and enabled the acquisition of a long-standing extensive expertise in the Rail segment but also allowed the value generation capabilities of the Aves Group to be extended through the integration for the first time of an operational entity.

In addition to the discharge of liability of the Management Board and Supervisory Board for the 2015 business year as well as the election of the auditor of the financial statements for the 2016 business year, following further resolutions were adopted.

A resolution was passed in the ordinary general meeting to increase the issued share capital by cash contribution of a maximum nominal amount of up to EUR 2,970,000.00 by issuing up to 2,970,000 new bearer shares with a proportional share in the company's issued capital of EUR 1.00 per share. The liquid funds are to be applied to the financing of the growth of the Aves Group, essentially to the increase in assets under management by means of the purchase of portfolios of mobile logistics equipment. Furthermore, the increase in the level of equity capital employed is aimed at further optimising financing costs and increasing the share of standard bank financing within the overall volume of finance.

The Company was entitled to issue convertible bonds, warrant bonds and participating rights, with or without conversion or subscription right(s), and to exclude subscription rights, with a nominal value of up to EUR 50,000,000.00. Conversion or subscription rights for up to 2,970,000 of the company's bearer shares with a proportional share in the issued capital of the company of up to EUR 2,970,000.00 may be granted to the holders of the bonds set out in the previous sentence. Correspondingly, conditional share capital of EUR 2,970,000.00 was approved, to be raised by means of the issuing of 2,970,000 new bearer shares with a profit entitlement as of the beginning of the business year of issue (Bedingtes Kapital 2016).

Furthermore, the remuneration of the Supervisory Board was amended so that each supervisory board member receives an ongoing fixed annual remuneration of EUR 15,000.00 for each full year of membership of the supervisory board, starting with the 2016 business year. The deputy chairman receives 1.5 times this amount annually. The chairman receives an annual remuneration of EUR 50,000.00.

The Management Board was furthermore empowered, with the Supervisory Board's consent, to increase the Company's issued share capital in the period up to 4 September 2021 by a total of up to EUR 1,485,000.00 by one-off or multiple issues of new bearer shares in return for cash contributions and/or contributions in kind (Authorized Capital 2016/II).

At the same time, the Company was empowered to acquire own shares totalling 10% of the Company's issued capital at the time of the general meeting dated 5 September 2016. In addition to this empowerment, the purchase of shares may also take place by means of the use of certain derivatives.

Subsequent to the general meeting, the Management Board resolved to carry out the capital increase in return for cash contributions already in the current year. Shareholders are granted a subscription entitlement in a ratio of 2:1.

In its meeting on 21 September 2016, the Supervisory Board of Aves One AG resolved a partial change in the composition of the Management Board. With effect from 21 September 2016, Mr. Peter Kampf and Mr. Jürgen Bauer were appointed as members of the Management Board of Aves One AG for a period of three years. At the same time, Mr. Daniel L. Grosch ceases to be a member of the Management Board. In addition to the two new members of the Management Board, Mr. Henrik Christiansen will remain as the Management Board member responsible for the finance function of Aves One AG.

The Company was able to recruit to the Management Board of Aves One AG Mr. Peter Kampf (50), a manager with great expertise in the Container Equipment business area, which is relevant to the company. He possesses many years of international professional experience. Before his move to Aves One AG, Mr. Kampf was Managing Director of CAI Deutschland GmbH, the German subsidiary of the container management company CAI International Inc.

The Management Board reorganisation is also associated with the acquisition of the shares in the ERR Group. Mr. Jürgen Bauer (54), Managing Director and co-founder of the ERR Group, will in future be responsible within the Management Board for the Rail Equipment business division. Mr. Bauer has many years of operational experience in the international wagon hire market, as well as an excellent network. Mr. Bauer has been an active member of the governing bodies of national and international associations for many years, and since 2010 he has also been an elected Executive Board member in the industry's European umbrella association, the International Union of Wagon Keepers (UIP).

FINANCIAL POSITION, NET ASSETS AND RESULTS OF OPERATIONS

Compared to the same period in the previous year, the Aves Group generated sales revenues in the first nine months of this year amounting to EURk 18,312 (previous year: EURk 16,551) together with other operating income of EURk 2,912 (previous year: EURk 21,305). The decline in Other Operating Income results from the special feature that accounting in accordance with IFRS is carried out in the currency in which the bulk of the business operations takes place, which in the Container Equipment area is US dollars (the functional currency concept). This leads to a portrayal of currency effects. In the previous year, due to the EUR/USD trend being favourable for the Company, extensive currency exchange rate effects that were positive for the Aves Group were generated by the valuation as of the balance sheet date in the individual IFRS statements (which have USD as the presentation currency).

Costs incurred in the period under review were attributable essentially to mainly unrealised and thus non-cash-flow-effective exchange rate effects amounting to EURk 5,809 (previous year: EURk 9,782). These result from the special features described above, and represent a partial reversal of the effect described above. Further development depends directly on the EUR/USD exchange rate trend, and effects arising from this will not be realised until a final repayment of liabilities without any corresponding follow-up financing.

Moreover, the costs include interest expenditure amounting to EURk 9,335 (previous year: EURk 7,830) together with costs of purchased services amounting to EURk 5,765 (previous year: EURk 6,568). Other operating expenses totalled EURk 11,141 (previous year: EURk 14,265). In the general view in the reporting period, the companies jointly achieved a shortfall of EURk 10,775 (previous year: profit of EURk 2,992). The shortfall arose essentially not from ongoing operating activities but rather due to the effects of the functional currency arising from the valuation as of the balance sheet date of EUR liabilities, and in this respect has only a slight impact on the Aves Group's cash flow.

Selected key financial figures

In EURk	30 Sept. 2016	30 Sept. 2015
Sales revenues	18,312	16,551
Other operating income	2,912	21,305
<i>of which currency exchange rate gains</i>	2,407	21,263
Other costs	-18,534	-21,758
<i>of which currency exchange rate losses</i>	-5,809	-9,782
EBITDA	2,841	16,322
<i>EBITDA adjusted for currency effects</i>	6,244	4,841
Depreciation and amortisation	-5,209	-3,458
EBIT	-2,368	12,865
Financial result	-8,852	-7,022
Taxes on income and revenue	444	-2,850
Consolidated net loss (previous year: net profit)	-10,775	2,992
<i>Consolidated net loss adjusted for currency effects</i>	-7,373	-8,488

The cash flow from ongoing business operations amounted to EURk 10,827 in the reporting period (following EURk 1,804 in the comparison period). Cash flow from investment activity in the reporting period was EURk -7,642 (previous year: EURk -54,937). Only small investments of EURk 8,480 (previous year: EURk 38,992) in fixed assets were made in the first to the third quarter of 2016. A considerable part of the cash outflow for investments in the previous year resulted from payment of the purchase price of a previous year's acquisition. The cash flow arising from financing activity amounted to EURk -7,303 (in the comparison period: EURk 51,869). This results mainly from the repayment of financial liabilities, whereas extensive new loans were raised in the comparison period to enable new asset portfolios to be financed.

The key aspects of the asset side of the Group's balance sheet as of 30 September 2016 were property, plant and equipment amounting to EURk 227,328 (previous year: EURk 232,600), cash equivalents totalling EURk 7,311 (previous year: EURk 11,484), trading accounts receivable amounting to EURk 5,845 (EURk 4,690) and intangible assets totalling EURk 5,495 (previous year: EURk 5,639).

On the liabilities side, the equity capital in the consolidated balance sheet compared to 31 December 2015 decreased from EURk 19,145 to EURk 8,145 due to the earnings trend. While financial liabilities totalled EURk 242,007 (31.12.2015: EURk 238,113), trade accounts payable amounted to EURk 6,602 (31.12.2015: EURk 2,668). Non-current liabilities developed from EURk 173,785 as of 31 December 2015 to EURk 156,455 as of 30 September 2016. Current liabilities, on the other hand, rose from EURk 74,221 to EURk 96,897.

The previous year's comparative figures include the figures of the former BSI Logistics GmbH Group (formerly Aves Logistics AG), which was brought into Aves One AG in December 2015. Therefore the previous year's comparative figures do not coincide with the published interim financial statement as of 30 September 2015.

SUPPLEMENTARY STATEMENT

After the balance sheet date of 30 September 2016, Aves One AG concluded loan contracts with an institutional investor for a total of approx. EUR 40m regarding the acquisition of all the shares in ERR Rail Rent Vermietungs GmbH, Vienna, and to repay a shareholder loan. The financing of the purchase price and all the suspensive conditions that were a precondition for closing the transaction were fulfilled according to plan by the end of October 2016. Thus Aves One AG currently has at its disposal a freight wagon fleet of 4,212 units and manages a total volume of assets exceeding EUR 430m. In addition to the property-holding company, Aves One AG also holds 33.3% of the shares in the asset manager ERR European Rail Rent GmbH, Duisburg. Through the acquisition of the stake in the asset manager, Aves One AG secures coverage of the entire added-value chain from owner to commercial and technical management of the freight wagons.

552 essentially new swap bodies amounting to a total of EURk 4,478 have been acquired so far in the fourth quarter of 2016. The swap bodies are managed by a renowned asset manager and have been rented out to highly creditworthy lessees.

On 26 October 2016, with the Supervisory Board's consent, the Management Board of Aves One AG, in the context of its meeting concerning the capital increase against cash contribution resolved in the Shareholders' General Meeting of 5 September 2016, determined the subscription price for the new shares at EUR 6.00. The securities prospectus required in order to carry out the capital increase had already been approved by the BaFin (German Federal Financial Supervisory Authority), and may be inspected on the web site at www.avesone.com/capital-increase.

In the context of the capital increase, the major shareholders of the SUPERIOR Group and the Company's management committed themselves to a voluntary 24-month lock-up period. Their intention in doing this is to express the fact that the investment in shares of Aves One AG is a strategic investment.

In addition to the 2,970,000 shares from the capital increase against cash contributions, the additional over-allotment option was also fully allocated. Allocation of the shares to the subscribers to the capital measures has already been carried out. Thus the gross proceeds of the capital increase against cash contributions, including the over-allotment, amounts to around EUR 19.6m.

Aves One AG's capital increase against cash contributions was entered in the Commercial Register on 23 November 2016. Thus the share capital amounts to EUR 8,910,000.00 and is divided into 8,910,000 no-par-value shares each with a proportionate share in the equity capital of EUR 1.00 per share.

Among other things, the aim of the capital increase is to optimise the financing structure. The issue proceeds are to be used to finance the growth of the Aves Group, and essentially to increase the volume of managed assets through the additional purchase of portfolios of mobile logistics equipment. Its purpose is also to further optimise financing costs through the increased use of equity capital, and to increase classical bank financing as a proportion of the overall financing volume.

The listing of Aves One AG shares under ISIN DE 000 A16 811 4 (WKN A16 811) in the Regulated Market (Prime Standard) on the Frankfurt Stock Exchange and on the Regulated Market of the Hamburg and Hannover Stock Exchanges took place on 28 November 2016. The shares listed on the unofficial (over-the-counter) market of the Düsseldorf Stock Exchange with the previous ISIN DE 000 A2A AFU 1 (WKN A2A AFU) were already introduced into the Regulated Market of Hamburg and Hannover Stock Exchanges with effect as of 1 November 2016, and the unofficial Düsseldorf market listing terminated.

The Supervisory Board member Mr. Florian Kühl resigns his seat with effect as of 31 October 2016. Following the Management Board's application for judicial completion, the Hamburg Local Court appointed Mr. Rainer Baumgarten, businessman from Hamburg, as a member of the Supervisory Board with effect as of 7 November 2016. Mr. Baumgarten is to be duly confirmed as a member of the Supervisory Board by election at the forthcoming general meeting.

OUTLOOK REPORT

Through the considerable build-up in the Rail Equipment division, an equally significant business area of the Aves Group that has major strategic importance for the Aves Group and is moreover almost independent of currency influences now exists in addition to Container Equipment. This leads to further diversification of the asset portfolio. The Aves Group plans significant further expansion of business operations in the stable freight wagon market. Moreover, a further strategic cornerstone lies in expanding the Special Equipment business segment, above all in the swap bodies area, and in enlarging business activities in the area of Storage Parks.

In the medium term, the positive trend in the container leasing market is expected to have a positive effect on the Aves Group's earnings position. Thus, according to current market opinion, container rental rates have not only achieved the formation of a stable basis but have even risen significantly in recent weeks. Among other things, this is the result of the high demand for containers in China, leading to an outright scarcity and consequently to rising daily rates and increasing utilisation of the worldwide container fleet. Furthermore, orders for new containers have grown significantly and have led to higher prices for new containers and used containers. Increasing consolidation of the shipping market helps to further stabilise the container leasing market and contributes to an increase in prices.

For the current business year 2016, as a consequence of acquiring the ERR Group and based on the full effectiveness of the mobile logistics equipment acquisitions made during 2016, the Management Board expects distinctly higher sales revenues in the Aves Group compared to the previous year, and a markedly improved exchange rate adjusted EBITDA. The Aves Group still remains on a growth path and will also continue the high level of investment in mobile logistics equipment in the future, with the expectation of large operating margins and stable cash flows. The optimisation of financing costs already noticeably achieved in 2016 will be driven forward further in the future in order to grow the Aves Group's profitability continuously by this means as well.

Hamburg, 30 November 2016

The Management Board

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