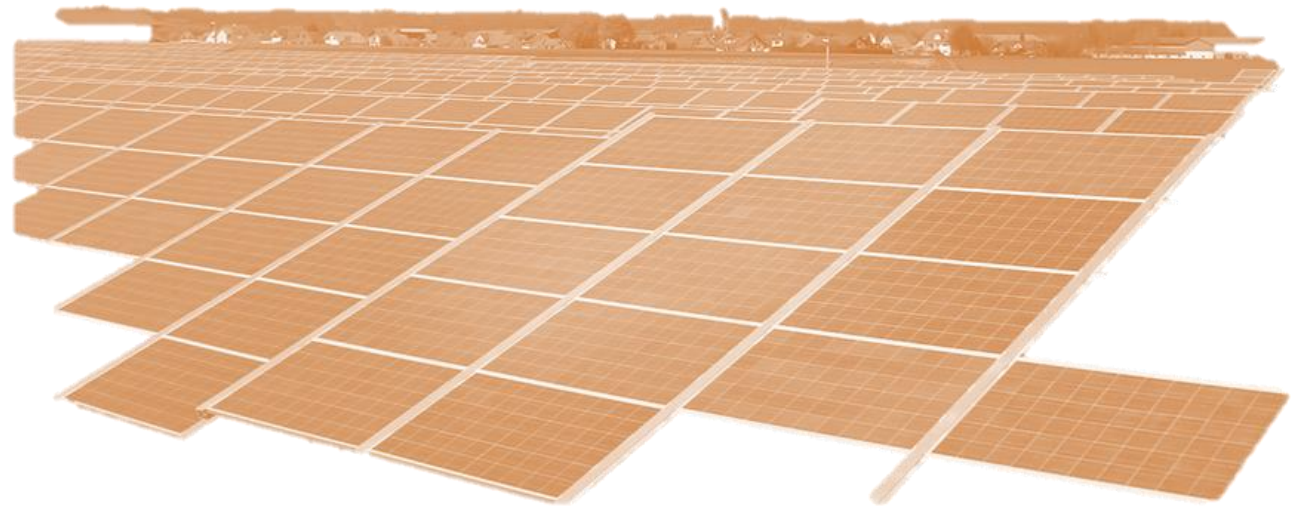


# Management Analysis

## 2014 Q3 RESULTS



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## Key events

### Q3'14 realisations

Date	Event
19.08.2014	Issuance of € 1.5mio option loan with 12 months maturity and fixed rate of 3%
19.08.2014	Completion of the re-location of the Astenhof rooftop installation (3MWp)
02.09.2014	Acquisition and immediate re-financing of solarpark Pflugdorf (4.4 MWp)
09.09.2014	Date of acquisition of Colexon Energy AG after registration of the capital increase in the Commercial Register
29.09.2014	Capital Markets Presentation 2014-'16
30.09.2014	Refinancing of the Kettershhausen plant

- 7C Solarparken NV fully consolidated for the full year
- Colexon Energy AG entered into the P&L as from 09.09.2014
- Pflugdorf park (4.4 MWp) entered into the P&L as from 02.09.2014
- De-consolidation of Italian operations included under JV Solar SRL
  - Although Colexon holds a legal interest in JV Solar SRL of 70%, the economic interest amounts only to 50% and the statutory articles as well as the joint venture agreement do not provide control under IFRS 11 for 2014 nor under IAS 28 for previous years.
  - Therefore JV Solar SRL has been restated under the equity method as from founding the company in 2010.
  - JV Solar (100%) holds 4x1MWp across Italy, and is planned to generate annual EBITDA of € 1.4mio and annual net cash flow of € 0.9mio and has project loans of € 9.3mio (31.12.2014)



**The decision to exclude JV Solar from the consolidation perimeter has theoretically a direct effect on the guidance (which included 50% of their respective EBITDA, debt and cash flow) but nevertheless we decide to reiterate our EBITDA and CFPS guidance given a strong outlook for savings, optimisation and growth.**

# First nine-months 2014 P&L

## Results are distorted through the purchase price allocation

IFRS in € mio	Consolidated	Comment	jan-sep/13 2013	Δ 2013 %
Revenues	12,0	Almost exclusively power production	9,3	28,4%
Other income	6,9	incl. badwill	1,3	411,5%
Opex incl cost of sales	-2,0		-2,5	-22,6%
EBITDA	16,9		8,1	108,0%
EBITDA margin		EBITDA margin 7CSP nv: 89,0% in 2014	87,2%	
Amortisation	-4,5		-3,7	21,2%
EBIT	12,4		4,4	180,4%
Interest income	1,5	Capital gain on own Colexon shares	0,0	n.r.
Interest expenses	-2,6		-2,6	-1,0%
Taxes	-0,3	Non-cash / changes in deferred taxes	-0,1	n.r.
Minorities	-0,1		0,0	141,0%
Net profit	10,9		1,7	552,8%

**Note:**

These figures include nine-months results for 7C Solarparken NV and one month for Colexon Energy AG (09.09.2014 – 30.09.2014).

Comparative figures for 2013 include only 7C Solarparken NV.

**EBITDA improves from € 8.1mio to € 16.9mio, but it includes positive effects related to the Purchase Price Allocation of the reverse acquisition of Colexon and the investment in the Pflugdorf park.**

# First nine-months 2014 P&L

## Pro-forma accounts include 9 months of “old“ Colexon

in € mio	Consolidated	Comment	jan-sep/13 2013	Δ 2013 %
Revenues	19,4	Almost exclusively power production	9,3	108,1%
Other income	4,7	incl. badwill & revaluations	1,3	247,0%
Opex	-7,4	Incl. one-time costs	-2,5	189,6%
EBITDA	16,7		8,1	105,7%
EBITDA margin	86,2%	EBITDA margin 7CSP nv: 89,0% in 2014	87,2%	
Amortisation	-6,4		-3,7	74,1%
EBIT	10,3		4,4	132,0%
Interest income	1,5	Book gain on own Colexon shares	0,0	n.r.
Interest expenses	-5,1		-2,6	93,3%
Taxes	-0,8	Non-cash / changes in deferred taxes	-0,1	n.r.
Minorities	-0,1		0,0	141,0%
Net profit, part group	5,8		1,7	247,6%

**Note:**

These figures include nine-months results for 7C Solarparken NV and nine months for Colexon Energy AG (01.01.2014 – 30.09.2014).

Comparative figures for 2013 include only 7C Solarparken NV.

**EBITDA on pro-forma basis increased to € 16.7mio. Aside from badwill and revaluation effects, these figures also include one-time expenses incurred in the first nine-months at the side of “old“ Colexon**

# First nine-months 2014 P&L

## Pro-forma accounts: From EBITDA to Clean EBITDA

in € mio	Consolidated	Comment
<b>EBITDA</b>	<b>16,7</b>	<b>&gt; guidance FY'14: € 13,4mio</b>
<b>One-off items (1) + (2)</b>	<b>-1,9</b>	
1. "Other income" (1)	-4,0	
_ Old receivable cash-in	-0,3	
_ Badwill	-6,7	<i>From purchase price allocations Pflugdorf and Colexon transaction</i>
_ Revaluation Colexon assets/liabilities	3,0	
2. "Opex" (2)	2,2	
_ Astenhof relocation	1,3	
_ Lay-offs / restructuring	0,4	<i>Personnel reductions</i>
_ Merger transaction costs	0,5	<i>Business combination expenses</i>
<b>Clean EBITDA</b>	<b>14,8</b>	<b>&gt; guidance FY'14: € 15,4mio</b>

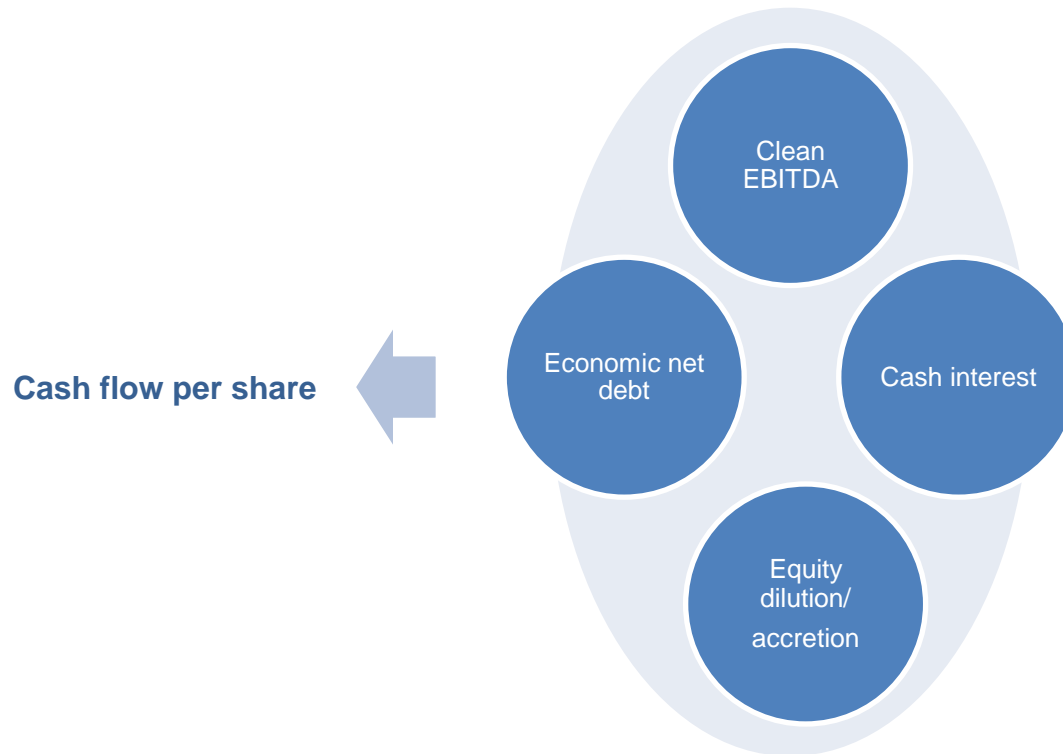
**Note:**

(\*) : Guidance provided in the Capital Markets Presentation, Sep ,14

Clean EBITDA for the first nine-months (including nine-months of Colexon Energy AG) rose to € 14.8mio. Guidance for the full year was set at € 15.4mio but still included 50% of the JV in Italy which has been de-consolidated and now is accounted under the equity method.

# Cash flow per share

Key performance indicator of the group



$$\text{Net cash flow} = \text{Clean EBITDA} - \text{cash interests paid} - \text{Taxes paid}$$



## Cash flow per share

### First nine-months 2014 on pro-forma basis

in € mio	Consolidated	Comment
<b>Clean EBITDA</b>	<b>14,8</b>	<b>&gt; guidance FY'14: € 15,4mio</b>
- Cash interests	-5,1	
- Taxes paid	0,0	P&L taxes are deferred
<b>= Net cash flow</b>	<b>9,7</b>	
/Outstanding shares	33,6	mio shares
<b>CFPS</b>	<b>0,29</b>	<b>&gt; guidance FY'14: € 0,26/share</b>

**Note:**

(\*) : Guidance provided in the Capital Markets Presentation, Sep ,14

**Cash flow per share € 0.29 in the first nine months, but anticipated to drop slightly for the full year due to seasonally thin EBITDA in Q4 and hefty year-end cash interest payments.**

# Balance sheet 30.09.2014

## Overview consolidation, IFRS

IFRS in € mio	Consolidated 30.09.2014	Breakdown	Comment	7CSP NV 31.12.2013	Δ 2013 %
<b>Long-term Assets</b>	<b>195,6</b>	85%		<b>100,9</b>	<b>94%</b>
Solarparks	177,4	77%	Amortised values	92,3	92%
Land & buildings	3,6	2%	Reflects PV Estate properties	0,2	1857%
Participations	1,5	1%	Value of 50% stake in Italian JV (4 x 1 MWp)	1,8	-17%
Others	13,1	6%	Mainly deferred tax assets	6,6	97%
<b>Short-term assets</b>	<b>33,5</b>	15%		<b>11,1</b>	<b>201%</b>
Receivables	6,3	3%		0,7	810%
Cash	22,5	10%	Half reflects restricted cash	9,4	139%
Others	4,7	2%	Mainly accruals	1,0	369%
<b>Total assets</b>	<b>229,1</b>	<b>100%</b>		<b>112,0</b>	<b>104%</b>
<b>Equity</b>	<b>41,1</b>	18%	Reconciliation of business combination	<b>22,4</b>	<b>84%</b>
<b>Long-term liabilities</b>	<b>167,0</b>	73%		<b>81,2</b>	<b>106%</b>
Long-term financial debt	141,0	62%	Market value of debt > economic debt	72,7	94%
Provisions	10,1	4%	Provisions for demolition of parks, risks & warranties	2,5	300%
Others	15,9	7%	Mainly deferred tax liabilities	6,1	163%
<b>Short-term liabilities</b>	<b>21,0</b>	9%		<b>8,4</b>	<b>150%</b>
Payables	4,3	2%		0,7	498%
Short-term financial debt	11,5	5%	Market value of debt > economic debt	7,1	62%
Others	5,2	2%		0,6	780%
<b>Total liabilities</b>	<b>229,1</b>	<b>100%</b>		<b>112,0</b>	<b>104%</b>

Balance sheet of € 229.1 mio built upon long-life assets. An increase of 104% versus year-end 2013

# Balance sheet 30.09.2014

## From IFRS debt to net economic debt

in € mio	7CSP	Colexon	30.09.2014	Comment
<b>ECONOMIC DEBT (a)</b>	<b>90,2</b>	<b>59,9</b>	<b>150,1</b>	Nominal values of debt to be reimbursed
Germany	77,8	57,0	134,8	
Belgium	9,4	-	9,4	
France	2,9	-	2,9	
Italy	-	2,9	2,9	
+ Value of swaps	-	3,4	3,4	Market value differences of loans with swap rate
+ Valuation changes	-0,4	-0,7	-1,1	Market value differences of other loans
<b>= Financial debt IFRS</b>	<b>89,8</b>	<b>62,6</b>	<b>152,4</b>	
Long-term	82,2	58,8	141,0	
Short-term	7,6	3,9	11,5	
<b>CASH POSITION (b)</b>	<b>12,2</b>	<b>10,2</b>	<b>22,5</b>	
Restricted cash	6,7	4,1	10,8	Mainly DSRA that becomes free after full repayment of loan
Available liquidity	5,5	6,2	11,7	Usable for operations/investments/debt repayments
<b>=&gt; Net economic debt (a-b)</b>	<b>77,9</b>	<b>49,7</b>	<b>127,6</b>	

Net economic debt € 127.6 mio excludes the value of own shares and the equity participation of 50% in the Italian JV which holds 4x1MWp.

Date	Event
<b>25.11.2014</b>	Management will present at the Eigenkapital Forum in Frankfurt
<b>12.12.2014</b>	<p>Extraordinary General Meeting to be held as from 10h CET in the Mercure Hotel in Belfortstraße 9, 50668 Köln.</p> <p>The General Meeting will decide on :</p> <ul style="list-style-type: none"><li>✓ Change of corporate seat from Hamburg to Bayreuth.</li><li>✓ Change of corporate name from Colexon Energy AG into 7C Solarparken AG</li><li>✓ Appointment of KPMG as new auditor</li><li>✓ Cancellation of own shares, previously held by 7C Solarparken NV in Colexon Energy AG</li><li>✓ Authorisation to buy back shares up to 10% of issued capital</li><li>✓ Introduction of an allowed capital</li></ul>
<b>31.12.2014</b>	Expiration date for the owners of the Option Loans to exercise their options at € 1.56/share. As from 01.01.2015, the exercise price is lifted to € 1.76/share