CAPITAL STAGE
RENEWABLE ENERGIES

Quarterly Report
Q1

2013

Dear Shareholders, Ladies and Gentlemen,

The first quarter of 2013 was another highly eventful one for Capital Stage AG. After the finalisation of their respective contracts, Polesine I and II located near Parma italien solar parks and Lettewitz solar park located in Saxony-Anhalt were added to the Capital Stage AG portfolio during January. Furthermore, at the end of February, we executed a capital increase which generated proceeds of around TEUR 15,800; these funds will now be available for the continuing expansion of our solar park and wind farm portfolio. At the beginning of March, Capital Stage AG moved onto Deutsche Börse's Prime Standard segment, thus joining the most strongly regulated market segment. This move means that we now meet the requirements for listing on one of the Deutsche Börse's selection indices. At the end of March, the management Board and supervisory board decided to propose to the Annual General Meeting, which takes place on 18 June, the distribution of a 60% higher dividend of eight* cents per share for the 2012 financial year. And at the end of March, Capital Stage also published its forecast results for 2013.

Capital Stage AG is Germany's largest solar park operator. The first quarter of any year has the lowest sunshine figures and naturally is therefore the weakest quarter of the year. In a normal year, the first quarter accounts for just 15% of total annual turnover – and to cap that, the first quarter of 2013 recorded the lowest sunshine figures since nationwide records began in 1951. In view of that, our business figures are very encouraging. Revenues rose 35% to TEUR 8,451, and EBIT increased to TEUR 6,135 (Q1 2012: TEUR 508). Meanwhile, the pre-tax result (EBT) increased to TEUR 3,189 (Q1 2012: TEUR –1,705), the balance sheet total accumulated to almost EUR 500 million and the equity ratio climbed to 30%. All these figures demonstrate our company's positive performance.

Capital Stage AG has taken care to position itself in the downstream section of the value chain – namely, in the operation of assets for the production of regenerative energy in the solar and wind segments. With 193 MW of installed capacity, we are now Germany's largest solar park operator. During the coming quarters of 2013, we shall continue to expand our solar park and wind farm portfolio, focusing on existing installations both in Germany and abroad. To this end, we continuously assess a range of attractive investment opportunities. Pursuing this policy, at the beginning of April, Capital Stage AG acquired a further solar park in Mecklenburg-West Pomerania with a capacity of 9 MWp, followed in May by a wind farm in Thuringia with a capacity of 8 MW. In mid-May, Berenberg Equity Research began covering the Capital Stage AG share, giving the share a 'Buy' rating and setting a price target of EUR 5 per share.

Overall, Capital Stage AG is well on its way to achieving the targets we set ourselves for 2013, and thus maintaining our profitable growth. Furthermore, we are continuing to give high priority to transparently and reliably conveying our successful equity story to the capital markets. We are of course looking forward to a good attendance at our Annual General Meeting on 18 June in Hamburg, and a lively and constructive exchange of views with our shareholders. The Capital Stage share will continue to constitute an attractive option for private and institutional investors alike, offering attractive returns combined with limited risk.

Hamburg, March 2013

Management board

Felix Goedhart
CEO

Dr Zoltan Bognar

*per dovidend entitled share

The Capital Stage Share

Key information	
Listed since	28.07.1998
Share capital	53,073,158 EUR
Number of shares	53,07m
Stock exchange segment	Prime Standard
2011 dividend per share	0.05 EUR
2012 dividend (e) per share	0.08 EUR
52-week high	3.95 EUR
52-week low	2.85 EUR
Share price (May 24, 2013)	3.85 EUR
Market capitalisation (May 24, 2013)	204.33m EUR
Indices	HASPAX, RENIXX; PPVX
Trading centres	XEXTRA, Frankfurt/Main, Hamburg
ISIN	DE 0006095003
Designated Sponsor	Close Brothers Seydler Bank AG

Market environment slightly optimistic

Equity markets were carried by a slight optimism of the investors during the first quarter of 2013. This resulted in a stabile development of the DAX, which traded with a low volatility throughout the first quarter. On 14 March 2013 it reached its year-high to date of 8,058 points. Though this level was not sustainable for the time being and the DAX closed at 7,795 points on 28 March 2013, which is still an improvement of 2.4 percent compared to the end of the previous year. The sector-index ÖkoDAX of the Frankfurt Stock Exchange gained 3.7 per cent during the same period.

The global renewable-energy-index Renixx showed a positive development as well. It gained 14.27 per cent in the reporting period. In addition to the HASPAX, the stock index for the biggest listed companies in Hamburg, and the PPVX, the solar index of the special interest magazine Photon, the shares of Capital Stage AG are also listed in the Renixx since the beginning of this year.

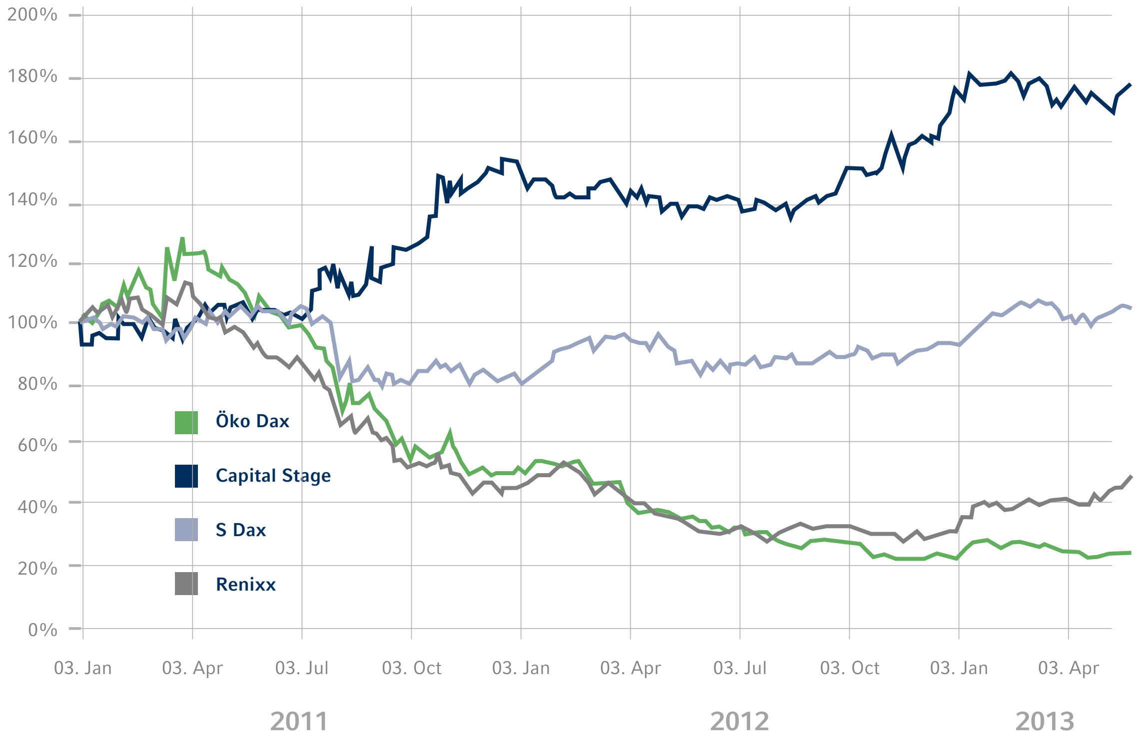
Stable performance leads to a 10 year high of the Capital Stage share

The Capital Stage share showed a stable development on a high level during the reporting period. There was no news published about the development of the operational business and the publication of the very strong annual results, which were in line with the expectations, but did not result in any significant share price momentum. After having closed with a price of 3.79 Euros at the end of 2012, the share traded around a price of about 3.90 Euros throughout the first quarter of 2013. The 10-year-high of 3.95 Euros was reached on 13 February 2013. Despite the positive results for the financial year 2012, the share price slightly declined at the end of March 2013. The share price reached its low of 3.70 Euros during the reporting period on 25 March 2013 and closed at 3.76 Euros on 28 March 2013 – a decline of 0.79 per cent compared to the beginning of the year.

Capital increase and listing in Prime Standard

On 28 February 2013 the share capital increased by 4,163,58 Euros from 48,810,000 euros to 52,973,158 euros, due to the issuing of 4,163,158 new no-par value bearer shares, priced at 3.80 Euros.

On 5 March 2013 the shares were admitted to the Prime Standard of the Frankfurt Stock Exchange. The listing in the stock market segment with the highest transparency standards is connected to additional compulsory reporting requirements. In addition, Capital Stage AG creates the preconditions for the admission into the selective indices of the Frankfurt Stock Exchange.



Positive recommendations from analysts

Warburg Research and the WGZ Bank continued to provide coverage of the Capital Stage share during the reporting period. The share price targets are currently 4.50 Euros and 4.90 Euros respectively. In addition, Berenberg Equity Research started the coverage of the share after the end of the reporting period. Their initial share price target is 5.00 Euros.

Dividend of 0.08 planned

For 2013 the Management Board and the Supervisory Board plan to propose a dividend payment of 0.08 Euros per share for the 2012 financial year, an increase of 60 percent compared to 2011, to the Annual General Meeting (AGM) on 18 June 2013. The dividend will be paid after the AGM and is subject to the approval of the AGM.

Dialogue with the capital markets

Capital Stage shareholders and the financial community at large are continuously provided with all information on Capital Stage´s current situation and significant events affecting the company. For this purpose the company attended various industry and capital market conferences. Furthermore, the management is on site at roadshows in regular intervals within Europe. All relevant information, including analysts' reports, are provided on the website under www.capitalstage.com. Please use the following telephone number (+49) 040 – 378562-0 for further contact and support.

Consolidated management report for Capital Stage AG, Hamburg, for the first quarter of the 2013 financial year

Macroeconomic framework

Overall economic and sectoral prospects

According to the Federal Statistical Office (Destatis), the German economy has been slow to get on the move again, with the gross domestic product (GDP) during the first quarter of 2013 – adjusted for price, season and the number of working days – just 0.1% up on the previous quarter. However, the severe winter weather did play a role in this weak early-year performance. The latest figures show that the German economy experienced a sharp setback during the closing quarter of 2012, with GDP down 0.7%. For 2012 as a whole, the figures show no change from those previously published, whereby GDP was up +0.7%, or +0.9% after adjusting for the number of working days.

According to the German Federal Network Agency (Bundesnetzagentur), newly installed photovoltaic capacity during the first quarter of 2013 came to 776 MWp, which represents a 60% fall as compared with the same period last year (1.97 GWp). However, the figure for that period was distorted by the pre-emptive effect of the anticipated fall in feed-in tariffs from the second quarter of 2012 onwards.

Newly installed capacity in Italy during the first quarter of 2013 came to 572 MW. The total Italian solar power output being fed into the national grid thus amounts to around 17 GW, at an annual cost in subsidies of EUR 6.6 billion. That means the end of Italian solar subsidies is now in sight: once an upper limit of EUR 6.76 billion a year in feed-in tariffs is reached, new photovoltaic installations will no longer be subsidised.

The German Wind Energy Association (Bundesverband WindEnergie – BWE) is currently forecasting a 2013 increase in newly installed capacity from onshore wind energy installations of around 2,900 MW. This will entail investments in Germany totalling over EUR 3.5 billion. Statistics for the first quarter of 2013 were not yet available.

By an annual average of around 1 gigawatt of installed wind power in Italy in the last five years, an additional construction corridor of 250-400 MW is expected in 2013. The lower rates promote exclusively wind power projects with strong wind resources and cause a total funding allocation more efficient than in previous years.

Weather

Last winter, Germany experienced the lowest sunshine figures since nationwide records began in 1951. The German Meteorological Service (Deutscher Wetterdienst) recorded an average of just 96 hours during the months December 2012 to February 2013, with the first two months of 2013 particularly lacking sunshine. This represented only 60% of the standard rate of 160 hours for the quarter from December to February.

The year 2013 began rather poorly for wind energy.

Legal and political factors

German Renewable Energy Act (Erneuerbare-Energien-Gesetz – EEG)

The first quarter of 2013 was dominated by the debate initiated by the German federal government at the beginning of the year on the issue of electricity price protection and the need for the amendment of the EEG. Among the controversial suggestions raised for discussion was the possibility of cuts in the subsidies already granted for existing photovoltaic installations as well as short-term reductions in EEG remuneration. This led to widespread uncertainty within the industry and consequent delays in the execution of domestic projects.

However, the Energy Summit on 21 March 2013 made clear that there would be no retroactive cuts in subsidies for existing installations, nor would there be any amendment of the EEG or changes to the statutory feed-in tariffs for renewable energy projects before the German general election in September 2013.

Since the introduction of monthly EEG remuneration reductions, the capacity-dependent cuts in tariffs for larger free-standing photovoltaic installations during [late 2012 and] 2013 have progressed as follows:

Year Remuneration in cents/kWh	2012		2013						
	Nov.	Dec.	Jan.	Feb.	Mrz.	Apr.	May	Jun.	Jul.
Converted and other land up to 10 MW	12.39	12.08	11.78	11.52	11.27	11.02	10.82	10.63	10.44
Reduction per month	2.5	2.5	2.5	2.2	2.2	2.2	1.8	1.,8	1.8

From July 2013 onwards, new installations will be subsidised at a rate of 10.44 cents/kWh, thus receiving only slightly more than onshore wind farms, which attract the lowest remuneration rate of 9 cents/kWh. This indicates that electricity produced from solar energy is well on its way to becoming competitive on the open market.

Italy – Conto Energia

In Italy, too, the solar boom of recent years has led to a rethink of the subsidies available. The outcome was the passing on 27 August 2012 of Conto Energia V, which brought in major cuts in the feed-in tariffs. From 2013 onwards, the resultant subsidy system involves a unitary tariff for the volume of energy fed into the grid plus a premium for the supplier's own consumption. For example, during the first six-month period, the following remuneration rates will apply for installed solar capacities in excess of 1 MW:

in EUR/kWh	Building-mounted installations		Other installations	
Capacity class	Unitary tariff EUR/kWh	Own consumption EUR/kWh	Unitary tariff EUR/kWh	Unitary tariff EUR/kWh
1000 < P < 5000	0.126	0.44	0.120	0.120
P > 5000	0.119	0.37	0.113	0.113

Altogether EUR 6.6 billion of the preset subsidy ceiling of EUR 6.76 billion had already been used up by March 2013. Once this ceiling is reached, only installations subject to the registration requirement will receive remuneration under the Conto Energia, provided they are already in operation when the discontinuation of subsidies comes into force and the plant operators apply for the feed-in tariffs within 30 days of that date.

Since the aim is to continue supporting the sector's future development through solid, steady growth, with the long-term aim of achieving grid parity, it came as no surprise in March when the Italian Ministry of Economic Development presented a draft plan for a new national energy strategy which stresses the importance of photovoltaic in meeting Italy's future energy needs. Furthermore, the Italian Ministry of the Economy is forecasting that, irrespective of the solar subsidies programme, photovoltaic plants with a total capacity of 1 GW will be installed each year, so that they will account for 10% of national electricity production by 2020.

In the medium term, photovoltaics in the Mediterranean region will benefit from falling system prices, given that higher sunshine figures mean the power output per installation is around 25% higher in Italy than in Germany. As a result, despite falling subsidies, the investment environment remains attractive and more and more projects without subsidies but still attractive returns will come to the market.

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Capital Stage business performance

Overview of business progress

Closing of the transactions for three parks we acquired during 2012 took place during the first quarter of 2013. Meanwhile, the Group has generated the funds necessary for the expansion of our business activities through the capital increase carried out in February 2013.

The lack of sunshine last winter had a negative impact on our first quarter sales revenues.

The principle highlights of the first quarter of 2013 were:

The lack of sunshine last winter had a negative impact on our first quarter sales revenues.	
26. February	Capital Stage decides on capital increase with no subscription rights by 4,163,158 shares
28. February	Successful completion of capital increase, gross proceeds from issue come to EUR 15.82 million
5. March	Move to the Deutsche Börse Prime Standard Segment
21. March	Publication of 2012 results and recommendation to the Annual General Meeting for the distribution of a dividend of EUR 0.08 for each share bearing dividend rights
25. March	Publication of forecast for 2013 results

Portfolio developments

Photovoltaic parks segment

At the end of the first quarter of 2013, the solar park portfolio as a whole was about 20% below target. Experience has shown that the first quarter contributes around 15% of annual revenues. In almost all cases, operation of the installations ran smoothly.

Solar parks in Germany	Size	Group share	Revenue as at 31.03.2013
Brandenburg, Brandenburg	18.64 MWp	51%	Below target
Köthen, Saxony-Anhalt	14.8 MWp	100%	Below target
Roitzsch, Saxony-Anhalt	13.5 MWp	100%	Below target
Lettewitz, Saxony-Anhalt	12.6 MWp	100%	Below target
Neuhausen, Brandenburg	10.6 MWp	100%	Below target
Stedten, Saxony-Anhalt	9.1 MWp	100%	Below target
Rassnitz, Saxony-Anhalt	7.0 MWp	100%	Below target
Rödgen, Saxony-Anhalt	6.8 MWp	100%	Below target
Glebitzsch, Saxony-Anhalt	3.9 MWp	100%	Below target
Halberstadt, Saxony-Anhalt	3.8 MWp	100%	Below target
Lochau, Saxony-Anhalt	3.3 MWp	100%	Below target
Krumbach I, Bavaria	3.0 MWp	100%	Below target
Krumbach II, Bavaria	2.0 MWp	100%	Below target
Bad Harzburg, Lower Saxony	1.9 MWp	100%	Below target
Solarpark PVA, Brandenburg	0.9 MWp	100%	Below target
CS Göttingen, Lower Saxony	0.5 MWp	100%	Below target

Solar parks in Italy	Size	Group share	Revenue as at 31.03.2013
Parma, Emilia-Romagna	6.24 MWp	100%	Below target
Polesine I and II, Emilia-Romagna	4.64 MWp	100%	Below target
Cesena, Emilia-Romagna	3.97 MWp	100%	Below target
Resina I and II, Umbria	1.7 MWp	100%	Below target
Suvereto, Tuscany	1.5 MWp	100%	Below target
Fresa, Abruzzo	1.5 MWp	100%	Below target
Cupello, Abruzzo	1.0 MWp	100%	Below target
Forli, Emilia-Romagna	0.99 MWp	100%	Below target

Wind farms segment

Wind power output in Germany was below the long-term average due to unfavourable weather conditions:

Wind farms in Germany	Size	Group share	Revenue as at 31.03.2013
Windpark Greußen, Thuringia	22 MW	71.4%	Below target
Windpark Sohland, Saxony	6 MW	74.3%	Below target
Windpark Gauaschach, Bavaria	6 MW	100%	Below target

Wind farms in Italy	Size	Group share	Revenue as at 31.03.2013
Windpark Vitalba, Tuscany	6 MW	85,0%	Above target

Parks acquired in 2012 where transaction was completed during the first quarter of 2013

Solarpark Polesine I and II, Group share 100%

On 21 December 2012, the contracts for the acquisition of two solar parks in the Parma area were signed. Because the transfer of the shares did not come into effect until 17 January 2013, the park has been included in the consolidated financial statements since January 2013. The park will be operated by our subsidiary Capital Stage Solar Service GmbH, Halle.

The parks were completed in March 2012 and have been feeding electricity into the national grid since then. Their annual revenue amounts to around EUR 1.4 million. The solar parks are situated in the province of Parma in the Emilia-Romagna region, in close proximity to another solar park acquired in 2012 by Capital Stage. Furthermore, thanks to 100% equity financing, it yields attractive cash flows right from the initial stages.

Solarpark Lettewitz, Group share 100%

On 18 June 2012, the contracts for the acquisition of Solarpark Lettewitz GmbH in Saxony-Anhalt were signed, although this was under conditions precedent – as a result of which the transaction was eventually completed on 15 January 2013. The solar park, which has a capacity of 12.6 MWp, came into operation at the end of 2012. The park was built on land belonging to the operating company, in view of which operation of the park can continue after the 20-year feed-in remuneration period expires.

Photovoltaic Services Segment

CAPITAL STAGE
SOLAR SERVICE GMBH

Capital Stage Solar Service GmbH, Group share 100%
The total Group-internal operated volume currently amounts to over 135 MWp. The Asperg solar parks have been operated by Capital Stage Solar Service since their completion in 2008 and 2009, along with the Brandenburg, Lochau and Rassnitz parks since their acquisition in 2011, followed by Krumbach, Bad Harzburg, Roitzsch and Glebitzsch in 2012. During the first quarter of 2013, we took over the operational management of the Lettewitz and Polesine I and II parks, and in the second quarter that of Ramin Solar Park.

In May, October and December 2012, the company took over contracts for the technical operation of parks not belonging to the Capital Stage Group. The parks in question are located in Saxony-Anhalt, Thuringia and Brandenburg. The Group-external operated volume comes to around 13 MW, and we aim to further expand our technical operations for external third parties.

The company's business progress during the first quarter of 2013 was highly satisfactory, with a result on 31 March 2013 of TEUR 338.

eneri
energia rinnovabile

Eneri PV Service, Group share 49%
Capital Stage Solar Service GmbH holds a 49% share in Eneri PV Service Srl, Bolzano, Italy. Eneri PV Service Srl specialises in the technical operation and commercial management of solar power stations in Italy. The company currently operates the five photovoltaic parks acquired by the Capital Stage Group in Tuscany, Umbria and Abruzzo. During the first quarter of 2013, its business progressed according to plan.

Financial Participation Segment

HELVETIC ENERGY
SOLARWÄRME + SOLARSTROM

Helvetic Energy GmbH, Group share 100%
Helvetic Energy is a leading supplier of roof-mounted solar thermal energy and photovoltaic systems in Switzerland. In 2013, the company celebrated its 25th anniversary. As a developer and supplier of solar energy systems for hot water, heating and electricity, Helvetic Energy GmbH offers a comprehensive range of products and complete systems. It sells its systems via installation and retail partners throughout Switzerland.

Business performance during the first quarter was weaker than during the same period of 2012. The principal reason for which was the long, hard winter, which led to the postponement of installation work.

Results of operations, financial and assets position

Capital Stage Group

Results of operations
During the first quarter of 2013, the Group achieved sales of TEUR 8,451 (Q1 2012: TEUR 6,257). The sales figures break down into electricity fed into the grid worth TEUR 7,174 (Q1 2012: TEUR 4,235), the operational management for third park of 74 thousand (previous year: 0), and proceeds from the sale of solar thermal energy and photovoltaic installations amounting to TEUR 1,203 (Q1 2012: TEUR 2,022). The associated material costs came to TEUR 636 (Q1 2012: TEUR 957). The material cost of electricity for the operation of the solar parks was TEUR 90 (Q1 2012: TEUR 66,7). Capital Stage Solar Service GmbH's material costs were TEUR 27 (Q1 2012: TEUR 0,3).

The Group registered other income totalling TEUR 6,408 (Q1 2012: TEUR 128). Pursuant to IFRS 3, at the times of acquisition of the two Italian solar parks and Lettewitz solar park, Capital Stage Group carried out a purchase price allocation in order to incorporate the acquired assets and debts into the consolidated financial statements. In connection with this purchase price allocation process, all acquired assets and debts were identified and their fair value was determined. This yielded a differential of TEUR 6,331 (Q1 2012: TEUR 0), which was carried as income for the first quarter of 2013.

Other income also included insurance payouts received by the solar parks and income from the reversal of provisions.

The personnel costs were TEUR 1,694 (Q1 2012: TEUR 1,251). This increase was mainly due to the expansion of the teams at Capital Stage AG and salary adjustments. In the first quarter of 2013, TEUR 9 (Q1 2012: TEUR 7) from the share option programme was carried as personnel costs. This item arose from the valuation of the options at their fair value on their respective dates of issue; it covers both the 4th and 5th tranches.

On 31 March 2013, the Capital Stage Group was employing 63 people (Q1 2012: 53) excluding the management board.

Other expenses amounted to TEUR 1,431 (Q1 2012: TEUR 1,228). The costs of ongoing business management mainly comprise the costs of the solar parks and wind farms (TEUR 911). This includes the general cost of erecting the installations, repair and maintenance costs, insurance premiums and land leases. Also included here is the cost of wind farm commercial management and technical operation services provided by companies not forming part of the Group. The item also includes the other operating expenses of Helvetic Energy (TEUR 272) and costs of ongoing business management (TEUR 373) as well as auditing participating interests and advice, together totalling TEUR 140.

During the first quarter of 2013, the Group thus achieved EBITDA of TEUR 10,981 (Q1 2012: TEUR 2,882).

The depreciation and amortisation of TEUR 4,845 (Q1 2012: TEUR 2,374) mainly comprises scheduled depreciation of the photovoltaic and wind power installations as well as the amortisation of intangible assets (electricity feed-in contracts).

Earnings before interest and tax (EBIT) totalled TEUR 6,135 (Q1 2012: TEUR 508).

Further financial income came mainly from a time deposit of TEUR 354 (Q1 2012: TEUR 155) and the valuation of interest rate swaps amounting to EUR 155 thousand (previous year: TEUR 0). The financial expenses totalling TEUR 3,259 (Q1 2012: TEUR 2,368) mainly comprise the interest payable on non-recourse loans to finance the solar park companies' photovoltaic installations and effective interest rate calculations and expenses (EUR 169 thousand).

The resultant EBT came in at TEUR 3,189 (Q1 2012: TEUR -1,705).

The taxes on income disclosed in the consolidated income statement are due both to our ongoing tax burden, which mostly accrues from the Italian solar parks and wind farms (TEUR 345; Q1 2012: TEUR 195) and Helvetic Energy (TEUR 52; Q1 2012: TEUR 14) as well as a deferred tax asset of TEUR 493 (Q1 2012: TEUR 118). Deferred tax revenue and liabilities are shown net. A large part of the deferred tax came about because the solar park companies had claimed special depreciation allowances pursuant to Section 7g of the German Income Tax Act (Einkommensteuergesetz – EStG). This, in turn, led to loss carry-overs on the parks that could then be set off against tax.

The total consolidated net profit as at 31 March 2013 came to TEUR 2,320 (Q1 2012: TEUR -2,032).

The consolidated net profit comprises both the results registered by the parent company shareholder and third-party shareholdings.

When calculating the consolidated comprehensive income, the currency differences shown on the balance sheet of TEUR 28 (Q1 2012: TEUR 14) were taken into account. The consolidated comprehensive income thus stood at TEUR 2,348 (Q1 2012: TEUR -2,018).

Financial position and cash flow

The change in cash funds during 2012 came to TEUR 6,693 (Q1 2012: TEUR 25,108). This broke down as follows:

The cash flow from operating activities was TEUR -517 (Q1 2012: TEUR -913). This sum was mainly generated from the operating activities of the solar parks and the payments received from them. Also included are changes in assets and liabilities not imputable to investment or financing activities.

The cash flow from investment activities came to TEUR -3.115 (Q1 2012: TEUR -19,998), a figure mainly made up of payments for the acquisition of solar parks in Germany and Italy.

The cash flow from financing activities ran to TEUR 10,325 (Q1 2012: TEUR 46,018). During the first quarter of 2013, a capital increase against cash deposits and a capital increase from the conditional capital were carried out. The resulting receipts totalled TEUR 16,653 (Q1 2012: TEUR 30,855). Expenses of TEUR 69 (Q1 2012: TEUR 118) were incurred during the execution of the capital increase. During the first quarter of 2013, long-term loans to finance solar parks were also paid out. Interest payments and repayments of the principal were made in accordance with the loan contracts concluded for the solar parks and wind farms.

Assets position

On 31 March 2013, Capital Stage's equity stood at TEUR 148,968 (31/12/2012: TEUR 130,262), having been increased due mainly to the net profit for the year and the capital increase carried out during the course of the year. The equity ratio was 30.15% (Q1 2012: 28.62%).

On 31 March 2013, the Group held liquid assets worth TEUR 40,859 (31/12/2012: TEUR 34,179). These include the solar parks' debt servicing and project reserves of TEUR 11,756, which are not freely available to the Group.

During the purchase price allocation process in relation to the German and Italian solar parks and wind farms acquired in 2012, the power purchase agreements between the parks and the energy supply companies were valued, leading to the recognition of an intangible asset worth TEUR 11,709 (31/12/2012: TEUR 37,421). This asset will be amortised over the lifetime of the parks (between 15 and 30 years). In 2012, this entailed scheduled straight-line amortisation of TEUR 838 (2012: TEUR 364).

The goodwill was unchanged during the first quarter of 2013. It includes a pro rata differential amount in goodwill arising from the capital consolidation of previous years. The goodwill amounts to TEUR 6,888.

The increase in the value of property, plant and equipment to TEUR 341,383 (31/12/2012: TEUR 317,127) was mainly achieved through newly acquired or erected photovoltaic installations in solar parks (TEUR 24,388).

The participating interests carried under financial assets are the companies BlueTec GmbH & Co. KG and Eneri PV SRL. The participating interest in BlueTec GmbH & Co. KG as per 31 March 2013 was carried at its fair value on the balance sheet date. Its value has not changed since 2012.

On 31 March 2013, the Group had bank and leasing liabilities of TEUR 295,132 (31/12/2012: TEUR 280,743). These comprise loans and leases to finance the solar parks and wind farms. In all our loans, non-recourse financing agreements ensure that the liability risk is limited to the parks in question.

The rise in deferred tax liabilities derives from the intangible assets as well as the recognition of property, plant and equipment at fair value in connection with the purchase price allocation undertaken during 2012.

The trade payables of TEUR 2,982 (31/12/2012: TEUR 2,107) mainly comprise invoices for the erection of solar parks and Helvetic Energy GmbH's supplier invoices. These invoices were settled within the second quarter of 2013.

The balance sheet total rose from TEUR 455,107 to TEUR 494,094.

The undiluted earnings per share (after third-party shares) came to EUR 0.05 (Q1 2012: EUR -0.05). The diluted earnings per share were EUR 0.05 (Q1 2012: EUR -0.05).

Supplementary report

On 9 April 2013, a 9 MWp solar park was acquired in Mecklenburg-Western Pomerania.

The park was recently completed and commissioned in line with the EEG in March 2013. It was built on a 25-hectare open field site in Mecklenburg-Western Pomerania by an experienced general contractor, using inverters and polycrystalline modules produced by top-class manufacturers. The non-recourse financing was provided by a reputable German bank. In future, the park will generate annual revenues of over EUR one million and an average return on equity of approximately 15%. Capital Stage Solar Service GmbH will be responsible for the park's operational management. Completion of the contract is subject to various conditions precedent, and is expected to take place on 17 May 2013.

On 23 May 2013, an 8 MW wind farm in Thuringia was acquired. The wind farm commenced operations in December 2012. The seller of this installation is Boreas Energie GmbH, from whom the Group had already acquired wind farms in Greußen and Sohland. Boreas Energie GmbH is a highly experienced project planner which has erected over 300 wind farms. The wind turbines and installations were manufactured by market leader Vestas. Completion of these contracts is also subject to various conditions precedent. The non-recourse financing was provided by a reputable German bank. In future, the park will generate annual revenues of EUR 1.8 million.

There were no other significant occurrences after the end of the Q1 reporting period.

Personnel

An average of 62 people were employed by the Group during the first quarter of 2013, of whom an average of 45 work for Helvetic Energy GmbH. Capital Stage Solar Service employed an average of eight people; at Capital Stage AG, the average, excluding the management board, was nine people.

Opportunities and risks

The risks and opportunities facing the Capital Stage Group were discussed in detail in the 2012 consolidated financial statements.

There have been no subsequent changes to the state of affairs set out therein.

The management board of Capital Stage AG is not currently aware of any risks which could jeopardise the continuing existence of the company or the Group.

Overview of business prospects

In its report on the outlook for 2013 (Prognosebericht), which formed part of the combined management report and consolidated management report for 2012, the management board stated that it expected the Capital Stage Group to continue the positive revenue performance of 2012 and further improve its consolidated result. The management board forecasts an increase in predictable regular income from the solar parks and wind farms. For our current portfolio, the Group was planning for sales of over EUR 60 million, with EBITDA rising to over EUR 44 million, EBIT to over EUR 26 million and EBT to over EUR 14 million.

Exits in relation to the financial assets were not anticipated.

Based on its corporate planning, the management board of Capital Stage AG was expecting the 2013 result to be significantly better than the 2012 result. Capital Stage AG acts as a holding company which bears the Group's administrative costs. The 2012 result was adversely affected by the loss on the sale of our entire shareholding in Inventux Technologies AG. This negative effect on the result will not be repeated. In 2012, the resultant cost block was offset by the income from the profit transfer agreement with Capital Stage Solar Service GmbH and interest income from the loans to and payables receivable from affiliated companies.

Administrative costs will undergo modest rises over the coming years.

Both the Group and Capital Stage AG possess a sound balance sheet structure and ample liquidity thanks to the recent capital increase. The Group and Capital Stage AG are pursuing the goal of exploiting any opportunities which may arise to expand the photovoltaic park and wind energy segments by taking on further commitments.

The Group is well positioned to achieve that goal. The solar park and wind acquisition pipeline contains projects totalling over 200 MWp in Germany and abroad. Our short, direct decision-making channels facilitate rapid responses and the swift execution of wide-ranging, complex transactions.

After the completion of the first quarter of 2013, the management board sees no reason to make any changes to these assessments. Accordingly, the management board hereby reaffirms the forecasts for 2013 set out in the combined management report and consolidated management report for 2012.

Hamburg, May 2013

Capital Stage AG

Management board

Felix Goedhart
CEO

Dr Zoltan Bognar

Consolidated statement of comprehensive income

of Capital Stage AG for the period from 1 January to 31 March 2013
according to International Financial Reporting Standards (IFRS)

in TEUR		31 March 2013	31 March 2012
Sales		8,451	6,257
Other income		6,409	128
Material costs		-753	-1,024
Personnel costs of which TEUR 9(previous year: TEUR 7) in share-based remuneration		-1,694	-1,251
Other expenses		-1,431	-1,228
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**10,981**	**2,882**
Depreciation or amortisation		-4,845	-2,374
Earnings before interest and taxes (EBIT)		**6,135**	**508**
Financial income		546	155
Financial expenses		-3,492	-2,368
Earnings before taxes on income (EBT)		**3,189**	**-1,705**
Taxes on income		-868	-327
Consolidated profit for the year (EAT)		**2,320**	**-2,032**
Currency differences		28	14
Consolidated comprehensive income		**2,348**	**-2,018**
Consolidated profit for the year, of which due to:			
Shareholders of Capital Stage AG		2,477	-1,909
Minority shareholders		-157	-123
Comprehensive income, of which due to:			
Shareholders of Capital Stage AG		2,505	-1,895
Minority shareholders		-157	-123
Earnings per share			
Average shares issued during reporting period		50,172,492/ 50,522,885	41,886,165/ 42,060,466
Earnings per share in EUR, undiluted		0.05	-0.05
Earnings per share in EUR, diluted		0.05	-0.05

Consolidated balance sheet

as of 31 March 2013
according to International Financial Reporting Standards (IFRS)

Shares in TEUR		31 March 2013	31 Dec. 2012
Intangible assets		81,173	69,323
Goodwill		6,888	6,888
Property, plant and equipment		341,383	317,127
Financial assets		3,049	3,049
Other accounts receivable		2,368	1,983
Active deferred taxes		2,621	2,750
Non-current assets, total		**437,482**	**401,120**
Inventories		3,146	2,451
Trade receivables		6,877	3,150
Non-financial assets		2,070	1,355
Other current receivables		3,419	12,703
Cash and cash equivalents		41,100	34,238
Current assets, total		**56,612**	**53,897**
Total assets		**494,094**	**455,017**

Liabilities and equity in TEUR		31 March 2013	31 Dec. 2012
Share capital		52,973	48,400
Capital reserves		49,697	37,666
Reserve for employee remuneration payable in equity instruments		128	119
Currency reserves		-131	-159
Retained earnings		3,705	3,705
Distributable profit/loss		34,610	32,388
Minority shareholders		7,986	8,143
Equity, total		**148,968**	**130,262**
Minority shareholders (KG)		2,905	2,649
Non-current financial liabilities		259,788	243,772
Non-current leasing liabilities		17,644	17,871
Other provisions		1,998	1,694
Deferred tax liabilities		35,817	32,010
Non-current liabilities, total		**318,152**	**297,996**
Tax provisions		903	913
Current financial liabilities		15,938	17,354
Current leasing liabilities		1,762	1,746
Trade payables		2,982	2,107
Other current debts		5,389	4,639
Current liabilities, total		**26,974**	**26,759**
Total liabilities and equity		**494,094**	**455,017**

Consolidated cash flow statement

of Capital Stage AG, Hamburg,
for the period from 1 January to 31 March 2013

in TEUR		Q1/2013	Q1/2012
Net profit/loss for the period		2,320	-1,836
Cash flow from current activities		**-517**	**-913**
Cash flow from investment activities		**-3,115**	**-19,998**
Cash flow from financing activities		**10,325**	**46,018**
Liquidity changes due to fluctuating exchange rates		**-13**	**14**
Changes in cash and cash equivalents		**6,693**	**25,107**
Cash and cash equivalents			
As of 1 January 2013 (1 January 2012)		34,179	34,238
As of 31 March 2013 (31 March 2012)		40,859	59,345

Capital Stage AG consolidated statement of changes in equity

in TEUR	Subscribed Capital	Capital reserve	Currency reserve
As of 1 January 2013	**48,400**	**37,666**	**-159**
Consolidated comprehensive income for the period			28
Profit attributable to prior periods			
Dividend paid			
Income and expenses recorded directly in equity			
Receipts from corporate actions	4,573	12,080	
Underwriting costs		-69	
Revenues of retained erarnings			
Taxes on items recorded directly in equity		21	
Minority shareholders' shares			
As of 31 March 2013	**52,973**	**49,697**	**-131**

Retained earnings	Reserve for equity-based employee remu-neration	Distributable profit/loss	Minority shareholders	Total
3,705	**119**	**32,388**	**8,143**	**130,262**
		2,477	-157	2,348
		-255		-255
				0
	9			9
				16,653
				-69
				0
				21
				0
3,705	**128**	**34,610**	**7,986**	**148,968**

Notes to the Condensed Interim Consolidated Financial Statements as at March 31, 2013

1. Corporate Information

Capital Stage AG (hereinafter referred to as the 'Company' or together with its subsidiaries the 'Group'), is a German stock corporation registered in Hamburg. The group's principal activities are described in detail in section 1 of the Notes to the consolidated financial statements for the financial year ended December 31, 2012.

2. The Reporting Company

The subject of the Condensed Interim Consolidated Financial Statements is Capital Stage AG and its affiliates. A list of the consolidated entities is given in subsection 3.1.

The Group's parent company Capital Stage AG was entered in the Lower Court Company Register in Hamburg on 18 January 2002 with the register number HRB 63197 and the registered office is Große Elbstraße 45, 22767 Hamburg.

Intra-Group business transactions are conducted on the same conditions as ones with external third parties.

3. Main Accounting Policies, Measurement Criteria and Consolidation Principles

These consolidated and not audited interim financial statements were prepared in accordance with § 37w Abs. 2 no 1 and 2, Abs. 3 and 4 Wertpapierhandelsgesetz (WpHG) and in accordance with the International Standard IAS 34 'Interim Financial Reporting'.

They do not contain all of the disclosures and explanations required in the annual financial statements and should therefore be read in conjunction with the consolidated financial statements as at December 31, 2012.

The interim financial statements have been prepared in conformity with International Financial Reporting Standards (IFRS) as applicable within the European Union. With the exception of the accounting standards being applied for the first time during the current financial year and amendments to the accounting policies, the explanations in the Notes to the 2012 consolidated financial statements apply correspondingly with respect to the main accounting policies and measurement criteria.

The following new accounting standards have been applied for the first time with effect from 1 January 2013:

Standard / Interpretation	Coming into force acc. IASB/IFRIC	Date of EU-Endorsement	Date of practice
Amendments to IAS 1 'Presentation of financial statements'	01/07/2012	05/06/2012	01/07/2012
Amendment to IFRS 1, "First-time Adoption: Government Loans".	01/01/2013	04/03/2012	01/01/2013
Amendments to IFRS 1 'Severe hyperinflation and removal of fixed dates for first-time adopters'	01/07/2011	11/12/2012	01/01/2013
IFRS 13 'Fair value measurement'	01/01/2013	11/12/2012	01/01/2013
Amendment to IAS 12 'Deferred tax: Recovery of underlying assets'	01/01/2012	11/12/2012	01/01/2013
IFRIC 20 'Stripping costs in the production phase of a surface mine'	01/01/2013	11/12/2012	01/01/2013

IFRS 7 'financial instruments: disclosure'	01/01/2013	13/12/2012	01/01/2013
Annual Improvements to IFRSs 2009 - 2011 Cycle	01/01/2013	27/03/2013	01/01/2013

Except for IFRS 13, the amendments had either no affect at all or no material effect on the presentation of our results of operations, financial and assets position or on the result per share.

In May 2011 the IASB published IFRS 13, "Fair Value Measurement", which brought together the different provisions relating to the measurement of fair value, previously contained in various individual IFRS, under a single standard which replaces these earlier provisions. IFRS 13 is to be used for financial years beginning on or after 1 January 2013. Its first-time use will not have any significant impact on the valuation of assets or liabilities. The principal changes will be found in the notes to the consolidated financial statements, where information on the market value and categorisation of financial instruments, which hitherto only had to be disclosed in the annual financial statements, will now also be required in the interim financial statements. Further details can be found in subsection 4.12 of the notes to the consolidated financial statements.

In conformity with IAS 7 the cash flow statement has been drawn up according to the indirect method.

To improve clarity, various income statement and balance sheet items have been combined. These items are shown separately and explained in the Notes. The income statement has been drawn up according to the nature of expense method.

The reporting currency and also the functional currency for all consolidated companies is the Euro (EUR) with the exceptions of Helvetic Energy GmbH and Calmatopo Holding AG, for whom the reporting currency is the Swiss Franc (CHF). The figures in the notes are given in Euros (EUR), thousands of Euros (TEUR) or millions of Euros (EUR Mill.).

The reporting date for the condensed interim consolidated financial statements is 31 March 2013.

3.1 Consolidation Principles

The consolidated financial statements include Capital Stage AG plus all the significant subsidiaries controlled by Capital Stage AG both in Germany and abroad. Control exists if the Company has the power to determine an entity's financial and business policies and can derive economic benefitfrom so doing. Such a controlling interest derives from holding a majority of the voting rights.

In conformity with IAS 28.1, in view of their designation as well as the portfolio management within the Group, shares in associates are not valued according to the equity method but rather at their fair value in accordance with IAS 39.

Loans and other receivables and also liabilities between consolidated entities are offset. In the consolidated income statement income between consolidated entities is offset against corresponding expenses. Intra-Group debts and contingent liabilities are offset, and Intra-Group profits and losses, expenses and income are eliminated.

The group of consolidated companies includes further companies in addition to those listed in Note 3.1 to the consolidated financial statements from 31 December 2012:

	subscribed capital in EUR	share in %
Solarpark Lettewitz GmbH, Halle [1]	25.000,00	100
Polesine Energy 1 SrL, Italy [2]	10.000,00	100
Polesine Energy 2 SrL, Italy [2]	10.000,00	100

[1] Purchase contract with the notary on June 18, 2012 through Capital Stage Solar IPP GmbH (signing) – closing on January 15, 2013

[2] Purchase contract with the notary on December 21, 2012 through Capital Stage Solar IPP GmbH (signing) – closing on January 10, 2013

The financial year for all companies included in the condensed interim consolidated financial statements ends on 31 December 2013. The unaudited interim financial statements for the individual companies from 31 March 2013 were used to prepare the unaudited and condensed interim consolidated financial statements from 31 March 2013.

3.2 Business combinations

Business combinations are accounted for as described in the Notes to the consolidated financial statements from 31 December 2012.

In the first quarter of 2013, the group of consolidated companies grew as a result of the closing of the following solar parks acquired in the financial year 2012: Lettewitz GmbH, Polesine Energy 1 SrL and Polesine Energy 2 SrL.

Pursuant to IFRS 3 B65, as the business combinations during the first quarter of 2013 were individually immaterial but material collectively, the details were aggregated as required by IFRS 3 B64(e)-(f).

We have refrained from giving specific details of the purchase prices due to a contractual agreement that they should remain confidential.

The badwill arising from the company acquisitions, totalling 6.331 Mill. EUR, is carried in the income statement under other operating income, while the acquisition-related overheads are carried in other operating expenses.

Corporate acquisitions often require participation in a public sale process whereby the purchase price is significantly influenced by the bids made by rivals. However, the Group's corporate acquisitions arose solely from exclusive negotiations with the various sellers.

The purchases of Solarpark Lettewitz GmbH, Polesine Energy 1 SrL and Polesine Energy 2 SrL were acquired for a price below the net market value of the individual assets and liabilities.

Thus the difference arises both from the block discount achieved and the avoidance of costly sales processes.
The holdings of non-controlling shareholders were valued proportionately to their overall share of the net values of the identifiable net assets.

The following acquisitions were included in the consolidated financial statements for the first time:
Solarpark Lettewitz GmbH, Halle
Polesine Energy 1 SrL, Italy
Polesine Energy 2 SrL, Italy

The identified assets and debts of the companies were valued for initial consolidation purposes as follows:

Solarpark Lettewitz GmbH, Halle	Book value before purchase price allocation in TEUR	Fair Value TEUR
Intangible assets	0	5,488
Property, plant and equipment	19,168	19,194
Short-term assets	274	274
Long-term assets	0	52
Cash and cash equivalents	60	60
Debts and provisions	18,291	18,298
Deferred tax assets	0	15
Deferred tax liabilities	0	1,627

The transaction involved the acquisition of a solarpark in Lettewitz in the German state of Saxony-Anhalt. The park's initial consolidation took place on 15 January 2013. The business combination was carried out under application of the partial good will method. The value of the newly measured equity on the date of initial consolidation came to TEUR 5,281. The fair value of the receivables taken over as a result of the transaction, chiefly comprising tax receivables, came to TEUR 229. The best estimate at the time of acquisition put the anticipated unrecoverable portion of the contractual payment streams at zero, and there were no contingent receivables or liabilities.

The transaction overheads came to TEUR 16. Since the date of initial consolidation of Solarpark Lettewitz GmbH sales of TEUR 245 and a loss of TEUR 37 have been registered by the entity acquired. Had the entity been part of the group for the entire first quarter of 2013, it would have contributed sales of TEUR 245 and a loss of TEUR 58 to the consolidated financial statements.

Polesine Energy 1 SrL, Parma (Italy)	Book value before purchase price allocation in TEUR	Fair Value TEUR
Intangible assets	0	3,546
Property, plant and equipment	4,763	4,822
Short-term assets	531	531
Long-term assets	0	37
Cash and cash equivalents	90	90
Debts and provisions	5,276	5,276
Deferred tax assets	0	11
Deferred tax liabilities	0	1,056

The transaction involved the acquisition of an Italian solar park in Parma in the region of Emilia Romagna. The park's initial consolidation took place on 10 January 2013. The business combination was carried out under application of the partial good will method. The value of the newly measured equity on the date of initial consolidation came to TEUR 2,666. The fair value of the receivables taken over as a result of the transaction, chiefly comprising tax receivables, came to TEUR 531. The best estimate at the time of acquisition put the anticipated unrecoverable portion of the contractual payment streams at zero, and there were no contingent receivables or liabilities. The transaction overheads came to TEUR 40. Since the date of initial consolidation of Polesine Energy 1 SrL sales of TEUR 71 and a loss of TEUR 105 have been registered by the entity acquired.

Polesine Energy 2 SrL, Parma (Italy)	Book value before purchase price allocation in TEUR	Fair Value TEUR
Intangible assets	0	3,513
Property, plant and equipment	4,491	4,596
Short-term assets	490	490
Long-term assets	0	36
Cash and cash equivalents	105	105
Debts and provisions	4,939	4,977
Deferred tax assets	0	11
Deferred tax liabilities	0	1,060

The transaction involved the acquisition of an Italian solar park in Parma in the region of Emilia Romagna. The park's initial consolidation took place on 10 January 2013. The business combination was carried out under application of the partial good will method. The value of the newly measured equity on the date of initial consolidation came to TEUR 2,715. The fair value of the receivables taken over as a result of the transaction, chiefly comprising tax receivables, came to TEUR 490. The best estimate at the time of acquisition put the anticipated unrecoverable portion of the contractual payment streams at zero, and there were no contingent receivables or liabilities. The transaction overheads came to TEUR 40. Since the date of initial consolidation of Polesine Energy 2 SrL sales of TEUR 69 and a loss of TEUR 96 have been registered by the entity acquired.

Overall effect of the acquisition on the results for the Group

Net profit for the quarter ending 31 March 2013 shows losses of TEUR 238 from the companies that, for the period of 1 January to 31 March 2013, were included in the consolidated financial statements for the first time. Revenue for the first quarter 2013 includes TEUR 397 from the initial consolidation of the solar parks. If the business combinations had taken place on 1 January 2013, Group revenue in these divisions would not have changed and net profit would have been TEUR 22 lower.

Sale of Subsidiaries

In the first quarter 2013 no subsidiaries have been sold.

Corporate acquisitions after the balance sheet date

On 9 April 2013, Capital Stage AG announced the signing of a contract for the acquisition of one already operational solar park in Mecklenburg-West Pomerania, with a total capacity of 9 MWp.

On that date the contract was subject to a series of conditions precedent, as a result of which completion was not until 17 May 2013.

The transaction involved the acquisition of a solar park in Ramin in Mecklenburg-West Pomerania. A 100% shareholding was acquired. The park's initial consolidation took place on 17 May 2013. The business combination was carried out under application of the partial goodwill method. Due to a lack of final information, no purchase price allocation could be made before the condensed interim consolidated financial statements were published on 31 March 2013, and as a result the effect on the 2013 consolidated financial statements cannot be foreseen.

On 23 May 2013, Capital Stage AG, Hamburg has acquired a 74.9% stake in an 8 MW wind farm in the German federal state of Thuringia, extending its IPP Portfolio (Independent Power Producer) to around 193 MW. The wind farm has been in operation since December 2012. The stake was acquired by Boreas Energie GmbH. Having constructed already more than 300 wind plants, Boreas Energie GmbH is a very experienced project developer. Market leader Vestas supplied the generators of the wind farm. The closing of contracts is yet subject to conditions precedent. A renowned German bank provided the non-recourse financing. The farm will generate annual revenues of more than 1.8 million Euros.

Due to a lack of final information, no purchase price allocation could be made before the condensed interim consolidated financial statements were published on 31 March 2013, and as a result the affect on the 2013 consolidated financial statements cannot be foreseen.

The acquisitions will lead to an expansion of existing business activities.

3.3 Foreign Currency Translation

Differences arising from the translation of the functional currency of foreign entities into the Group's reporting currency (the euro) are recorded in the consolidated financial statements directly under 'Other results' and cumulatively in the foreign currency translation reserve. Conversion differences previously recorded in the foreign currency translation reserve are transferred to the income statement if part or all of the foreign entity is sold.

The currency translation was therefore done at the historic exchange rate in the case of shareholders' equity, at the exchange rate on the balance sheet date in the case of other balance sheet items and at the mean exchange rate for the year in the case of income and expenses as well as the consolidated result. Pursuant to IAS 21 currency differences were recognized directly in equity. The exchange rate on the balance sheet date between the Swiss Franc (CHF) and the Euro (EUR) was CHF/EUR 1.2195 (31 March 2012: CHF/EUR 1.2045), while the mean exchange rate for the first quarter 2013 came to CHF/EUR 1.2266 (first quarter 2012: CHF/EUR 1.2061).

3.4 Significant Discretionary Leeway and Principal Sources of Estimation Uncertainties

The Company only avails itself of significant discretionary leeway in the recognition of potential goodwill through the use of either the partial goodwill method or the full goodwill method. In other respects there is no significant discretionary leeway.

Below, we discuss the most important forward looking assumptions as well as the other principal sources of estimation uncertainties as of the end of the reporting period which could give rise to a substantial risk within the coming financial year that a significant adjustment of the stated asset values and debts has to be made.

In some cases the consolidated financial statements include estimates and assumptions which have consequences for the extent of the recognized assets, balance sheet assets, debts, income, expenses and contingent liabilities. The actual values may diverge from these estimates. Any changes will be recognized in the income statement once our knowledge of the items in question improves.

When measuring property, plant and equipment and intangible assets the expected useful life of the assets must be estimated, in so doing taking into account contractual provisions, knowledge of the industry and management estimates.

The intangible assets recorded during the purchase price allocation process form the basis for the Company's planning, which also takes contractual agreements and management estimates into account. The discounting rate (WACC) applied in connection with the measurement of intangible assets was between 4.37% and 4.38%.

The reader is referred to the discussion in subsection 3.7 of the Consolidated Notes to 31 December 2012 for details of the assumptions made when determining the fair value of financial assets.

In establishing the cash values of lease liabilities and loan capital the contractually agreed interest rates were applied.

At the end of the period the interest rate swaps engaged in for hedging purposes were revalued. Due to continuing falls in interest rates the revaluation yielded interest income of TEUR 163.

Given the above-mentioned uncertainties it is impossible to state the quantitative consequences of estimation uncertainty.

3.5 Segment reporting

During the first quarter 2013 the focus of the Capital Stage Group's business activities had not changed substantially since the previous year, remaining on the acquisition and operation of solar parks and wind farms.

Accordingly, the allocation of the consolidated assets and debts to the various segments remained unaltered. The Group's segments are Administration, PV Parks, PV Service, Wind Farms and Participating Financing.

4. Notes to the Consolidated Statement of Comprehensive Income

4.1 Sales Revenues

		01.01.-31.03.2013
unproved	TEUR	8,451
		(01.01.-31.03.2012
unproved	TEUR	6,257)

This item includes the feed-in tariffs received by the photovoltaic parks and wind farms as well as the revenue for Helvetic Energy GmbH and revenue from external third-party parks and farms generated by Capital Stage Solar Service GmbH for the first quarter of 2013. The breakdown of revenue is shown in the segment reporting.

4.2 Other income

		01.01.-31.03.2013
unproved	TEUR	6,409
		(01.01.-31.03.2012
unproved	TEUR	128)

Other income of TEUR 6,409 mainly consists of income recognised through profit or loss of TEUR 6,331 from the initial consolidation of the Italian solar parks. Pursuant to IFRS 3, the Capital Stage Group carried out a preliminary purchase price allocation on the acquisition date in order to incorporate the acquired assets and liabilities into the consolidated financial statements. The 'partial goodwill' method was applied.

4.3 Financial result

		01.01.-31.03.2013
unproved	TEUR	2,947
		(01.01.-31.03.2012
unproved	TEUR	-2,213)

Financial income stems from interest on time deposits and current accounts. Financial expenses include interest on non-current loans. Interest expenses were therefore attributed to cash flows from financing activities in the group's cash flow statement.

4.4 Goodwill

		31.03.2013
unproved	TEUR	6,888
		(31.12.2012
proved	TEUR	6,888)

Goodwill is subjected to regular (at least annual) impairment testing. Goodwill still stands at TEUR 6,888 unchanged compared with 31 December 2012.

4.5 Financial assets

		31.03.2013
unproved	TEUR	3,049
		(31.12.2012
proved	TEUR	3,049)

The participating interests carried under financial investments (TEUR 3,049) are the companies BlueTec GmbH & Co. KG and Eneri PV SRL. The participating interests are carried at their fair value on the balance sheet date.

4.6 Trade receivables

		31.03.2013
unproved	TEUR	6,877
		(31.12.2012
proved	TEUR	3,150)

For seasonal reasons, trade receivables were higher on 31 March 2013 than on 31 December 2012, since receivables from feed-in tariffs were higher in March than in December. Payments are usually made in the following quarter.

4.7 Cash and cash equivalents

		31.03.2013
unproved	TEUR	41,100
		(31.12.2012
proved	TEUR	34,238)

The cash and cash equivalents are exclusively made up of cash and bank balances. They include EUR 11,8 m (31 December 2012: EUR 15.8 m) held in capital servicing and project reserves which have been pledged as security to the solar parks' creditor banks and are not freely available in the short term. Pursuant to IAS 7, movements in cash and cash equivalents are shown in the cash flow statement.

4.8 Equity

		31.03.2013
unproved	TEUR	148,968
		(31.12.2012
proved	TEUR	130,262)

Changes in equity are detailed in the consolidated statement of changes in equity.

Equity capital came to TEUR 52,973 on 31 March 2013 (31 December 2012: TEUR 48,400) and the capital reserve to TEUR 49,697 (31 December 2012: EUR 37,666).

Two capital increases from contingent and authorized capital were completed successfully in February 2013 and the gross proceeds of TEUR 16,653 were recognized in shareholders' equity. Equity capital of TEUR 48,400 was increased by TEUR 4,573 to TEUR 52,973. The increase was entered in the Company Register on 27 February 2013.

Retained earnings of TEUR 3,704 correspond to other retained earnings in the condensed interim consolidated financial statements for Capital Stage AG from 31 March 2013.

The currency reserve of TEUR 131 represents exchange rate differences between the Euro and the Swiss franc which arose in connection with the consolidation of Helvetic Energy GmbH and Calmatopo AG.

4.9 Earnings per share

Undiluted earnings per share as of 31 March 2013 (after third-party shares) came to EUR 0.05 (31 March 2012: EUR -0.05). Diluted earnings per share were EUR 0.05 (31 March 2012: EUR -0.05).

4.10 Non-current financial liabilities

These consist of non-current borrowing from banks. Financial debt is recognized at the amount required to settle the obligation. It is carried exclusively at acquisition cost or amortized cost, applying the effective interest method.

4.11 Depreciation and amortization

Depreciation of TEUR 4,845 (31 March 2012: TEUR 2,374) consists mainly of depreciation on the photovoltaic parks and wind farms and amortization of intangible assets (electricity feed-in contracts).

4.12 Additional Details of Financial Assets and Liabilities

The financial assets held are assigned to the following category on the basis of their risk structure, term or recoverability, as well as their treatment for risk management purposes and the nature of their measurement:

Financial assets, interest rate swaps, other financial assets, credits and receivables, financial liabilities.

Financial Assets

The financial assets measured at fair value in the balance sheet comprise the participating interests in BlueTec GmbH & Co. KG and Eneri PV Service SrL. The participating interests were assigned to the IAS 39 category 'measured at fair value in the balance sheet' due to the unified monitoring of the financial instruments via the risk management system and the appraisal of their performance on the basis of fair value. With the exception of the interest rates, the financial assets carried at fair value in the consolidated balance sheet, as well as the stated fair values of financial instruments, are based on the Level Three information and input factors referred to in subsection 3.10. Changes in value are recognized in the income statement under the item No 6. The applied evaluation methods and the input factors are the same as on 31 December 2012.

Using the above-mentioned measurement procedures yielded no changes in fair values as of 31 March 2013 (31 December 2012: TEUR 6,752).

Interest rate swaps

The mentioned interest rate swaps are the unaltered interest rate swaps which have been acquired during 2012 along with the corporate acquisitions and they are carried at their fair values.

The conditions are the same as on 31 December 2012. They were classified as financial assets held for trading purposes, since they are derivatives which were not designed as hedging instruments, but are effective as such and do not offer any financial guarantee.

The interest rate swaps carried in the consolidated balance sheet at their fair values, as well as the details of the fair values of financial instruments, are founded on the Level Two information as described in the income statement under the item No 6. Changes in value are recognised in the income statement under the items 'other income' or 'other expenses'.
In interest rate swaps the Group exchanges fixed and variable interest payments calculated on the basis of agreed nominal amounts. Such agreements enable the Group to reduce the risk posed by changing interest rates on the fair value of issued fixed-interest debt instruments and the payment stream risk posed by issued variable-interest debt instruments. The fair value of the interest rate swaps on the balance sheet date is determined by discounting future payment streams, through application of the interest structure curves on said date, as well as the credit risk posed by the contracts.

The revaluation to 31 March 2013 of the interest rate swaps engaged in during 2012 yielded interest income to 31 March 2013 of TEUR 163.

Other financial assets

The other short-term financial assets [and liabilities] carried in the consolidated balance sheet have been assigned to the categories trade payables, cash and cash equivalents and other short-term receivables, as well as trade payables, loan capital and other current liabilities. The carrying values of the current financial assets or liabilities in question correspond to the costs of acquisition. These risk classes do not include any credit or default risks of significance for an appraisal of the Group's assets and financial position given that none of the receivables was either overdue or impaired, and indeed they were either already largely settled or securely invested (in the form of time deposits) at the time of [drawing up] the consolidated financial statements.

Credits and receivables

With the exception of the loan capital, the financial instruments measured at their amortised cost do not contain any hidden reserves or encumbrances, in view of which the carrying value of all other financial instruments shown in the balance sheet corresponds to their fair value. There are no material credit or default risks, and no security for credits or receivables is held.

Financial liabilities

The financial liabilities did not pose any liquidity risk since the Group holds cash or cash equivalents of EUR 41.1 Mill. (31. December 2012: EUR 34.2 Mill.), as well as ongoing income streams from the solar parks and wind farms which can be expected to continue with a high degree of certainty, and which are ample to service the interest payments, principle repayments and financial liabilities. The Management Board has final responsibility for liquidity risk management. To this end it has established a suitable system for controlling short-, medium and long-term financing and liquidity requirements. The Group manages liquidity risks by maintaining suitable reserves and through the continual monitoring of forecast and actual payment streams, as well as coordinating the maturity profiles of financial assets and liabilities.

During the first quarter of 2013 repayments on existing long-term financial liabilities were made according to plan.

5. Contingent and other obligations

Obligations of TEUR 179 exist for rental contracts expiring within one year.

There are also standard leases, which are classified pursuant to IAS 17.8 as operating leases. The leased items are capitalized by the lessor rather than the lessee.

The sum of future minimum lease payments due in one to five years for non-terminable operating leases is TEUR 105. No lease payments are due after five years because the last contract expires in March 2016. These disclosures are made in accordance with IAS 17.35.

Leasing payments of TEUR 22 were made in the first quarter of 2013 (first quarter of 2012: TEUR 22).

The companies in which the photovoltaic or wind power plants are operated have in some cases signed long-term land leases corresponding to the service life of the equipment (20 to 30 years). Total future payments for land leases running for more than five years come to TEUR 13,456.

	Other obligations one year TEUR	Other obligations one to five years TEUR	Other obligations over five years TEUR
Rental agreements	174	917	57
Leases	63	104	0
Commercial leases	612	2.796	13.456

6. Dividend proposal

At the annual general meeting of Capital Stage AG to be held on 18 June 2013, the management board and supervisory board will propose the distribution of a dividend totalling TEUR 3,913 for the year 2012 (EUR 0.08 per share with dividend entitlement).

7. Employees

The Group had an average of 62 employees in the period from 1 January to 31 March 2013. The average figures were determined using the number of employees at the end of each month. On 31 March 2013, and apart from the members of the management board, the Group had ten employees at Capital Stage AG, eight at Capital Stage Solar Service GmbH and 45 at Helvetic Energy GmbH.

8. Share option plan

In the period 1 January to 31 March 2013, staff expenses of TEUR 9 were recognized in the income statement for option program (1 January to 31 March 2013: TEUR 7).

9. Related party disclosures (IAS 24)

In 2012, a lease was concluded on normal market terms with Albert Büll, Dr Cornelius Liedtke in GbR Holzhafen for office premises which Capital Stage AG moved into during the second quarter of 2013. Contracts were also signed for underground car parking spaces in the building where the offices are situated.

10. Events after the reporting date

On 9 April 2013, Capital Stage AG announced the signing of a contract for the acquisition of one already operational solar park in Mecklenburg-West Pomerania, with a total capacity of 9.0 MWp.

On 23 May 2013, Capital Stage AG, Hamburg has acquired a 74.9% stake in an 8 MW wind farm in the German federal state of Thuringia, extendingits IPP portfolio (Independent Power Producer)to around 193 MW.

11. Management board and supervisory board

There were no changes in the management board or supervisory board compared with 31 December 2012.
On 31 March 2013, the members of the management board were as follows:
Mr Felix Goedhart
(Chairman)
Dr Zoltan Bognar

On 31 March 2013, the members of the supervisory board were as follows:
Dr Manfred Krüper
(Chairman)
Alexander Stuhlmann,
(Vice-chairman)
Dr Cornelius Liedtke
Albert Büll
Dr Jörn Kreke
Professor Fritz Vahrenholt

12. Duties of Disclosure

During the period from 1 January 2013 to 29 May 2013, Capital Stage AG received the following disclosures pursuant to Section 21 paragrap 1 or paragraph 1a WpHG:

Pursuant to Section 21 paragraph 1 WpHG, WGZ BANK AG Westdeutsche Genossenschafts-Zentralbank, has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany held by WGZ BANK AG Westdeutsche Genossenschafts-Zentralbank, Düsseldorf, Germany on 27 February 2013 exceeded the thresholds of 3% and 5%, on that date amounting to 7.859% (4,163,160 voting rights).

Pursuant to Section 21 paragraph 1 WpHG, WGZ BANK AG Westdeutsche Genossenschafts-Zentralbank, has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany held by WGZ BANK AG Westdeutsche Genossenschafts-Zentralbank, Düsseldorf, Germany on 7 March 2013 fell short of the thresholds of 5% and 3 %, on that date amounting to 0% (two voting rights).

Pursuant to Section 21 paragraph 1 WpHG, Dr. Liedtke Vermögensverwaltung GmbH has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany held by Dr. Liedtke Vermögensverwaltung GmbH, Hamburg, Germany, on 7 March 2013 exceeded the 10% threshold, on that date amounting to 10.32% of the voting rights (5,469,186 voting rights).
Pursuant to Section 21 paragraph 1 WpHG, Albert Büll Beteiligungsgesellschaft mbH has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany held by Albert Büll Beteiligungsgesellschaft, Hamburg, Germany on 7 March 2013 fell short of the thresholds of 15%, 10% and 5%, on that date amounting to 4.61% of the voting rights (2.442.981 voting rights).

Pursuant to Section 21 paragraph 1 WpHG, Albert Büll Holding GmbH & Co. KG has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany held by Albert Büll Holding GmbH & Co. KG, Hamburg, Germany on 7 March 2013 fell short of the 15, 10, and 5% thresholds, on that date amounting to 4.61% of the voting rights (2.442.981 voting rights), with 4.61% of the voting rights being assignable pursuant to Section 22 paragraph 1 No. 1 WpHG.

Assigned voting rights were held by the following controlled company, whose share of the voting rights in Capital Stage AG comprises 3% or more: Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to Section 21 paragraph 1 WpHG, Albert Büll GmbH has notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany held by Albert Büll GmbH, Hamburg, Germany on 7 March 2013 fell short of the 15, 10, and 5% thresholds, on that date amounting to 4.61% of the voting rights (2,442,981 voting rights), with 4.61% of the voting rights being assignable pursuant to Section 22 paragraph 1 No. 1 WpHG.

Assigned voting rights were held by the following controlled companies, whose share of the voting rights in Capital Stage AG each comprises 3% or more: Albert Büll Holding GmbH & Co. KG, Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to Section 21 paragraph 1 WpHG, in a letter dated 13 March 2013 Capital Stage AG was notified that the share of the voting rights in Capital Stage AG, Hamburg, Germany held by Albert Büll, Hamburg, Germany on 07 March 2013 exceeded the thresholds 15, 10, and 5% of the voting rights, on that date amounting to 4.61% of the voting rights (2,442,981 voting rights), with 4.61% of the voting rights being assignable pursuant to Section 22 paragraph 1 No. 1 WpHG.

Assigned voting rights were held by the following controlled companies, each of whose shares of the voting rights in Capital Stage AG comprises 3% or more: Albert Büll GmbH, Albert Büll Holding GmbH & Co. KG, Albert Büll Beteiligungsgesellschaft mbH.

Pursuant to Section 21 paragraph 1 WpHG, AMCO Service GmbH have notified us that the share of the voting rights in Capital Stage AG, Hamburg, Germany held by AMCO Service GmbH, Hamburg, Germany on 7 March 2013 exceeded the 20% and 25% thresholds, on that date amounting to 27.19% of the voting rights (14,401,250 voting rights).

13. Forward-looking statements and forecasts

This report includes forward-looking statements based on current expectations, assumptions and forecasts by the management board, and the information available to it. Known or unknown risks, uncertainties or influences may mean that the actual results, the financial position or the company's performance differ from the estimates provided here. We assume no obligation to update the forward-looking statements made in this report.

Hamburg, 30 May 2013

The management board

Felix Goedhart
CEO

Dr. Zoltan Bognar

14. Consolidated statement of changes in fixed assets

in TEUR	Other intangible assets	Electricity feed-in contracts/project rights goodwill	Goodwill
Costs of acquisition			
As of 1 January 2013	600	73,263	6,888
Additions	160	0	0
Change to group of consolidated companies	69	14,481	0
Disposals	0	-195	0
Change to fair value	0	0	0
Transfers	0	-1,713	0
Currency conversion	0	0	0
As of 31 March 20123	**829**	**85,836**	**6,888**
Depreciation and amortisation			
As of 1 January 2013	179	4,362	0
Additions	21	930	0
Disposals	0	0	0
Transfers	0	0	0
As of 31 March 2013	**199**	**5,292**	0
Book value 31 December 2012	421	68,901	6,888
Book value **31 March 2013**	**630**	**80,544**	**6,888**

Other property, plant and equipment	Assets under construction	Energy systems	Financial assets	Total
824	1,795	341,365	10,817	435,553
35	0	193	5,268	5,657
0	0	28,055	-5,268	37,336
-132	-1	0	0	-327
0	0	0	0	0
0	-1,794	1,795	0	-1,713
-2	0	0	0	-1
725	**0**	**371,408**	**10,817**	**476,505**
320	0	26,538	7,768	39,167
34	0	3,860	0	4,845
0	0	0	0	0
-1	0	0	0	-1
353	**0**	**30,398**	**7,768**	**44,011**
503	1,795	314,828	3,049	396,387
372	**0**	**341,010**	**3,049**	**432,494**

15. Consolidated Segment Reporting

for the consolidated statement of comprehensive income
from 1 January to 31 March 2013 (from 1 January to 31 March 2012)

in TEUR	Administration	PV Parks	PV Services
Sales	**0**	**5,083**	**532**
(previous year)	(0)	(3,965)	(222)
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**-841**	**10,229**	**344**
(previous year)	(-421)	(3,271)	(16)
Earnings before interest and taxes (EBIT)	**-852**	**6,362**	**337**
(previous year)	(-426)	(1,000)	(13)
Financial result	**230**	**-2,778**	**0**
(previous year)	(175)	(-2,116)	(-11)
Earnings before taxes on income (EBT)	**-622**	**3,585**	**338**
(previous year)	(-250)	(-1,116)	(2)

Assets including financial investments	**109,059**	**385,681**	**2,006**
(As of 31 December 2012)	(93,740)	(363,974)	(1,731)
Investments (net)	**-14**	**-3,073**	**-10**
(previous year)	(0)	(-19,997)	(-1)
Debts	**925**	**348,683**	**883**
(As of 31 December 2012)	(985)	(323,159)	(1,635)

Windfarms	Financial investments	Reconciliation	Total
2,091	**1,203**	**-458**	**8,451**
(270)	(2,022)	(-222)	(6,257)
1,856	**-607**	**0**	**10,981**
(216)	(-200)	(0)	(2,882)
916	**-628**	**0**	**6,135**
(142)	(-222)	(0)	(508)
-358	**-41**	**0**	**-2,947**
(-72)	(7)	(0)	(-2,017)
558	**-669**	**0**	**3,189**
(70)	(-215)	(0)	(-1,509)
64,629	**6,610**	**-73,891**	**4964,094**
(65,553)	(14,271)	(-84,252)	(455,017)
0	**-18**	**0**	**-3,115**
(0)	(0)	(0)	(-19,998)
60,562	**7,964**	**-73,891**	**345,126**
(63,701)	(7,732)	(-72,457)	(324,755)

Financail Calender of Capital Stage AG 2013/2014	
Date	Financial event
18 June 2013	Annual shareholders meeting 2013
30 August 2013	Interim Report II/2013
11 -13 November 2013	EK-Forum Frankfurt a. M.
29 November 2013	Interim Report III/2013
31 March 2014	Consolidated financial statement online
30 May 2014	Interim Report I/2014

Current financial events are announced on the website www.capitalstage.com in the area of investor relations.

Contact:

Capital Stage AG
Große Elbstraße 45
D-22767 Hamburg

Fon: +49 (0) 40. 37 85 62-0
Fax: +49 (0) 40. 37 85 62-129

info@capitalstage.com
www.capitalstage.com

The financial report is also available in an English version. In case of doubt the German version shall prevail.

photos: istock,

Konzept & Gestaltung: www.sop-hamburg.de

CAPITAL STAGE
RENEWABLE ENERGIES

Große Elbstraße 45
D-22767 Hamburg

Fon: +49 (0) 40. 37 85 62-0
Fax: +49 (0) 40. 37 85 62-129

info@capitalstage.com
www.capitalstage.com