Quarterly report Q1/2014

Dear Shareholders,
Ladies and Gentlemen,

After a successful financial year 2013, Capital Stage AG made a very good start to the first quarter of 2014. Revenue rose year on year by more than 42% to EUR 12.1 million, and consolidated EBITDA as defined by IFRS came to EUR 15.8 million – an increase of over 43%. EBIT and EBT climbed disproportionately by more than 68% and 90% respectively to EUR 10.3 million and EUR 6.1 million. After income taxes, the Group's net income came to EUR 5.3 million.

The portfolio of solar parks and wind farms in Germany, Italy and France has now attained a capacity of 300 MW. In March, the company successfully completed the biggest transaction in its history with the acquisition of a 40 MWp solar park portfolio. The volume of the transaction was over EUR 140 million, including assumption of existing debt.

The annual general meeting of Capital Stage AG takes place on 26 June 2014. Shareholders will of course participate to an appropriate extent in the success of their company. The management board and supervisory board are therefore proposing to increase the dividend by 25% to EUR 0.10. In an innovative step this year, all shareholders can for the first time choose to receive the dividend in cash, in shares or in a combination of the two. With this flexible dividend payment, the company is best able to meet the different interests and expectations of its shareholders.

The Capital Stage share remains an attractive investment for private and institutional investors alike, offering attractive returns combined with limited risk.

Hamburg, May 2014

The management board

Felix Goedhart
CEO

Dr. Zoltan Bognar

Große Elbstraße 45 • D-22767 Hamburg • Fon: +49 (0) 40 37 85 62-0
Fax: +49 (0) 40 37 85 62-129 • www.capitalstage.com

Group-Key-Figures

IFRS (in EUR mill.)	Q1/2014	Q1/2013	+/-
Revenues	12.1	8.5	+42.4%
EBITDA	15.8	11.0	+43.6%
EBIT	10.3	6.1	+68.8%
EBT	6.1	3.2	+90.6%
EAT	5.3	2.3	+130.4%
Cash flow from operating activities	6.7	-0.5	n.a.
FFO* per share (in EUR)	0.05	0.03	+66.7%
Earnings per share (basic / EUR)	0.08	0.05	+60.0%
	Mar. 31, 2014	Dec. 31, 2013	+/-
Equity**	229.4	207.4	+10.6%
Liabilities	406.6	385.8	+5.4%
Balance sheet total	636.0	593.2	+7.2%
Equity ratio in %	36.07	34.96	+3.2%

* FFO: Funds From Operations | ** Incl. non-controlling interests in equity

The Capital Stage share

Key information	
Listed since	07/28/1998
Share capital (May 2014)	72,439,406.00 EUR
Number of shares (May 2014)	72.44m
Stock exchange segment	Prime Standard
2012 dividend per share	0.08 EUR
2013 dividend per share (e)*	0.10 EUR
52-week high	4.33 EUR
52-week low	3.30 EUR
Share price (May 9, 2014)	3.70 EUR
Market capitalization (May 9, 2014)	268 m EUR
Indices	SDAX, HASPAX, PPVX
Trading centres	XETRA, Frankfurt/Main, Hamburg
ISIN	DE 0006095003
Designated Sponsor	Close Brothers Seydler Bank AG

* subject to approval by the Annual General Meeting

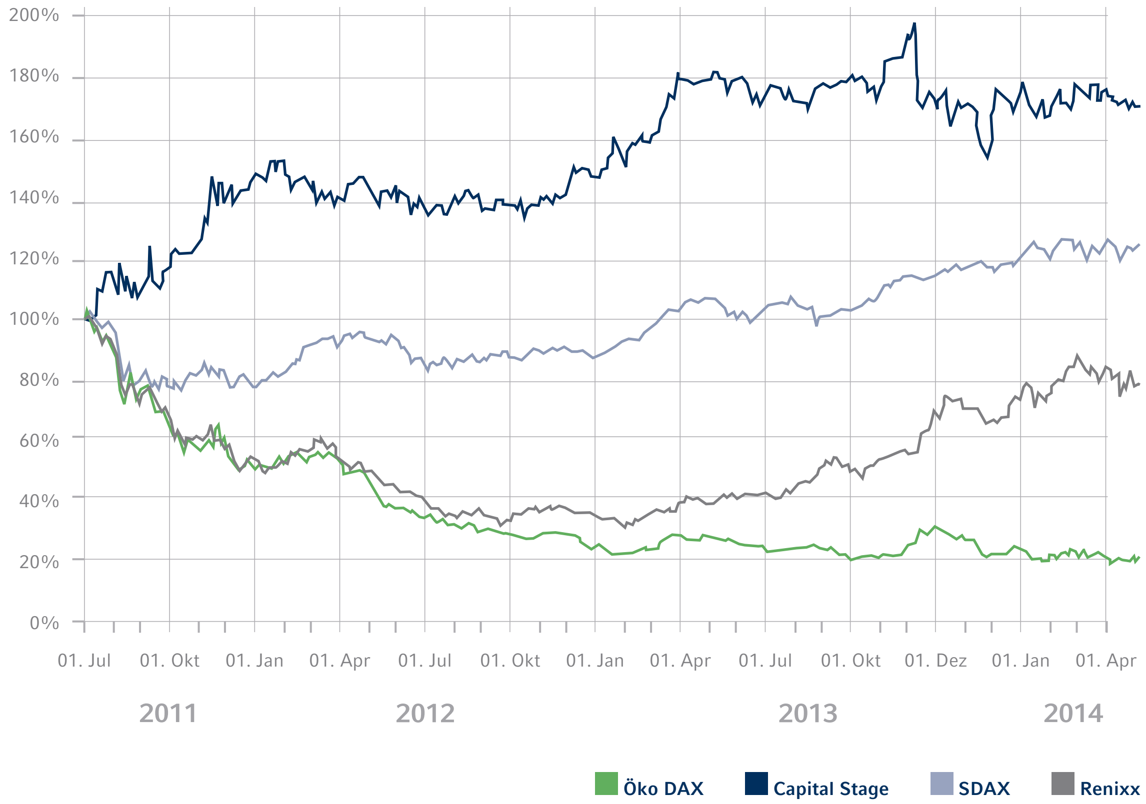
First quarter sees DAX hit record highs

After a strong start to the year, stock markets were marked by geopolitical tensions and an uncertain economic performance during the remainder of the quarter. At the same time, the economy in the eurozone improved. The ECB is maintaining its policy of low interest rates to support this positive trend. The US Federal Reserve announced further tapering of its bond purchases and would not rule out an increase in its prime rate in the medium term. The SDAX index, to which the Capital Stage AG share was added on 24 March, performed well in the first quarter. After starting the year at 6,835 on 2 January 2014, the index reached a high of 7,269 on 17 February 2014 and closed the quarter at 7,169 on 31 March 2014. The DAX was almost unchanged compared with the year end at 9,556 points.

The Capital Stage share initially pursued its upward trend, starting the new year at a price of EUR 3.75. Its high for the reporting period was reached on 16 January 2014 at EUR 3.85. Over the remainder of the quarter, the tension between Russia and Ukraine led to high volatility, causing stock markets to go sideways. The share closed the first quarter of 2014 at a price of EUR 3.78.

SDAX entry in March 2014

Greater liquidity and the rise in market capitalization sharply improved the position of the Capital Stage share in the Deutsche Börse statistics index. With the switch to the most strictly regulated Prime Standard segment in March 2013 and these rankings in the statistics index, the Capital Stage share met all the formal conditions for admission to the SDAX index. On 5 March 2014, the executive board of Deutsche Börse voted to admit the Capital Stage share to the SDAX on the recommendation of the share indices working group. Admission took place as of the next chaining date on 24 March 2014.



Coverage

The Capital Stage share is currently covered by Warburg Research, WGZ Bank Research and Berenberg Equity Research. Quirin Bank also started coverage of the share on 9 May 2014.

Dialogue with the capital markets

Capital Stage's shareholders and the financial community at large are promptly furnished with all information on significant events and the position of Capital Stage AG. In addition, the company has attended various industry and capital market conferences, while the management stages roadshows throughout Europe at regular intervals. You will find all the most important information on us, including analysts' coverage, presented on our website at www.capitalstage.com. If you have any questions or require further information, please call us on +49 (0)40 3785 620, where our expert staff will be pleased to help you.

Financial calender of Capital Stage AG 2014/2015	
Date	Financial event
26 June 2014	Annual general meeting
29 August 2014	Half-yearly financial report
24–26 November 2014	German Equity Forum in Frankfurt am Main
28 November 2014	Quarterly financial report
31 March 2015	Annual financial statements and consolidated financial statements online
29 May 2015	Quarterly financial report

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

Consolidated interim management report

General information

The Capital Stage Group ('the Group' or 'Capital Stage') prepares its consolidated balance sheet according to IFRS accounting principles. The parent company is Capital Stage AG, whose registered offices are in Hamburg. It is responsible for corporate strategy, portfolio and risk management and financing. Share capital is EUR 72,439,406.00, divided into 72,439,406 no-par shares.

The average number of issued shares in the reporting period (basic) was 69,255,099 (previous year: 50,172,492).

Operating principles of the Group

Business model

Capital Stage AG is listed in the Deutsche Börse SDAX index and exploits the multiple opportunities offered by power generation from renewable sources. As an independent operator of environmentally friendly and emissionfree power generation capacities, Capital Stage has continued to expand its generation portfolio since 2009 and is Germany's largest independent operator of solar parks.

Its investment strategy focuses on acquiring turnkey projects or existing installations in geographic regions with a stable political environment and dependable, predictable operating conditions. Capital Stage currently operates 39 solar parks and six wind farms with a total installed capacity of 300 MW in Germany, Italy and France. Solar parks and wind farms generate attractive returns and predictable cash flows.

The subsidiary Capital Stage Solar Service GmbH, Halle, operates in the growing market for technical and commercial operation and management services (O&M) and ensures the smooth operation of the solar parks. As an OEM-independent service provider, Capital Stage Solar Service GmbH, Halle, also increasingly operates solar parks for third parties. Total operated volume currently comes to around 165 MW.

Macroeconomic framework

Economic recovery continues

The global economy picked up speed in the second half of the 2013 calendar year, but weakened again somewhat in the first quarter of 2014. The expectation is, nonetheless, that global economic growth will continue to accelerate this year and next. The International Monetary Fund is forecasting growth of 3.1% in 2014, followed by 3.3% in 2015 (IMF, April 2014).

According to the EU's spring outlook, economic growth in the eurozone should come to 1.2% for the 18 countries in the currency union. Germany's economy is set to grow faster than previously assumed this year, according to the Organisation for Economic Cooperation and Development (OECD). The OECD economic forecast published on 6 May 2014 predicts that gross domestic project should increase by 1.9% in 2014. This replaces the previous growth forecast of 1.7%. The federal government is projecting growth of 1.8%.

Euro stable thanks to economic tailwind

The euro started the new year strongly at USD 1.3765. After rising to USD 1.3934, it fell back again recently to its original level and so to the lower end of its range for 2014. At the same time, this figure is 10 cents higher than its 52-week low. Altogether, the joint currency continues to be buoyed by the good economic data from Europe.

Uneven developments in stock markets

At the beginning of the year, the DAX continued last year's rally, starting at 9,598 and rising quickly to a new all-time high of 9,743 points. The US market did not share the euphoria on Germany's exchanges and was not able to outperform the closing price for the Dow Jones of 16,577 on 31 December 2013, which also represented an all-time high. Subdued by a lack of momentum from abroad and weak emerging markets, the DAX finished the month of March slightly down from the beginning of the year at 9,556. The main American index also closed down slightly at 16,458 points.

The SDAX performed well in the first quarter of 2014; however, after closing 2013 at 6,788 points, it climbed by 381 to 7,169 points as of 31 March 2014, an increase of 5.6%.

Course of business

Selected for the Deutsche Börse SDAX index

Capital Stage AG was included in the Deutsche Börse SDAX index with effect from 24 March 2014. This was announced by the indices working group on 5 March 2014 after its regular meeting. A basic condition for inclusion in the SDAX is a listing in the Prime Standard, the Deutsche Börse market segment in which companies must comply with defined international transparency requirements. Capital Stage switched to the Prime Standard on 5 March 2013.

Biggest investment in the company's history

The issue proceeds of EUR 17.1 million from the capital increase carried out in February 2014 served as one element of the financing structure for the acquisition of a portfolio of solar parks in France with a total capacity of some 40 MWp. The portfolio consists of four solar parks in the Aquitaine region of south-west France. At the same time, the acquisition represents the largest single investment in the company's history. The signing took place on 6 March 2014.

Further highlights in the first three months of the 2014 financial year:	
9 January	First-time consolidation of a solar park in Italy (4.5 MWp) acquired in 2013 and fully equity financed. The closing was subject to conditions precedent. The park is in the province of Parma, which is part of the Emilia-Romagna region.
27 and 28 February	On 27 and 28 February 2014, the management board of Capital Stage AG, with the approval of the supervisory board given the same day, decided to increase the company's share capital by EUR 4,698,158.00, from EUR 67,741,248.00 to EUR 72,439,406.00, by issuing 4,698,158 new bearer shares for subscription in cash without subscription rights for shareholders. The new shares have dividend rights from 1 January 2013 onwards. The capital increase was carried out in full at a price of EUR 3.65 per share. Share capital is now EUR 72,439,406.00, divided into 72,439,406 no-par shares. The capital increase was entered in the commercial register of the Hamburg district court on 3 March 2014.
25 March	Acquisition of a 7.3 MWp solar park in Bad Endbach in Marburg-Biedenkopf, a district of Hesse.
28 March	Sale of the financial investment in BlueTec GmbH & Co. KG. The disposal produced a profit, which was recognized through profit or loss in other income.

Developments of segments

PV Parks segment

The PV Parks segment performed very well in the first three months of 2014. As of the reporting date 31 March 2014, the solar park portfolio was 9% above plan on a cumulative basis. Nearly all the parks exceeded their forecasts by a wide margin, especially in Germany and France.

Actual power fed into the grid in the first three months of 2014 came to 41,002 MWh (previous year: 16,648 MWh). This represents an increase of 146% compared with the previous year. The solar parks in Germany accounted for around 55% of feed-in power (previous year: 79%), those in France for 28% (previous year: 0%) and those in Italy for 17% (previous year: 21%).

Solar parks acquired in the first three months of the 2014 financial year

Solarpark Noceto, Group share: 100%

On 20 December 2013, the Group signed the contract subject to conditions precedent for the acquisition of Solarpark Noceto in the province of Parma, which is part of the northern Italian region Emilia-Romagna. The transaction was completed on 9 January 2014. It was bought from the international photovoltaic specialist Martifer Solar from

Portugal. The park has a capacity of 4.5 MWp, stands on a site of some ten hectares and has been feeding power into the public grid since December 2012. Capital Stage Solar Service GmbH will be responsible for the park's operational management from 2018. The park is fully equity financed, which means that free cash flow is high right from the beginning.

Solarparkportfolio Le Communal Est Ouest SARL, Group share: 100%

On 6 March 2014, the contracts were signed for the acquisition of a solar park portfolio in France with a total capacity of around 40 MWp. The portfolio consists of four solar parks in the Aquitaine region of south-west France, which have been in operation since March 2012. Annual power generation represents the consumption of more than 13,000 average households. The portfolio receives the 2012 feed-in tariff. It will therefore contribute around EUR 15 million to annual Group revenue and meet the Group's return expectations at the same time. The total value of the acquisition is more than EUR 140 million, including the debt assumed from the project company. The closing took place on 21 March 2014. The purchase price allocation is currently underway. However, all the information with a significant influence on the valuation of the financial instruments and intangible assets is not yet available, so the portfolio has not yet been consolidated for the first time. Recognition of the solar park portfolio will increase total Group assets substantially. It is still too early to make any statement on the earnings effects.

Solarpark Bad Endbach, Group share: 100%

On 25 March 2014, the Group expanded its German solar park portfolio with the acquisition of another solar park with a capacity of 7.3 MWp. The site in Bad Endbach, which is situated in the district of Marburg-Biedenkopf, Hesse, has been in operation since late 2011 and generates around seven million kilowatt-hours of electricity a year. As part of the transaction, it was also agreed that Capital Stage Solar Service GmbH, Halle, would take over the commercial and technical operating management.

Wind farms segment

As of 31 March 2014, the Capital Stage wind farm portfolio consisted of four wind farms in Germany with a total capacity of 42 MW and one wind farm in Italy with a capacity of 6 MW. Wind speeds were below the long-term average due to adverse weather conditions, so on a cumulative basis the wind farm portfolio was below plan as of 31 March 2014.

On 16 April 2014, Capital Stage acquired a 51% interest in Windkraft Kirchheilingen IV GmbH & Co. KG in Thuringia. The park has a total capacity of 12 MW and is scheduled for completion in December 2014.

PV Service segment

Capital Stage Solar Service GmbH, Group share: 100%

The company's business performance during the first three months of 2014 was highly satisfactory. The after-tax result as of 31 March 2014 came to TEUR 379 (previous year: TEUR 338).

Financial investments segment

Helvetic Energy GmbH, Group share: 100%

The performance of Helvetic was again below expectations during the first three months of 2014, largely due to the declines in revenue in the solar thermal and photovoltaic divisions.

The financial investment in BlueTec GmbH & Co. KG was sold as of 28 March 2014. The resulting profit on disposal was recognized in other income.

Results of operations, financial and assets position

Results of operations

During the first three months of 2014, the Group generated revenues of TEUR 12,112 (previous year: TEUR 8,451). The German solar parks in particular were able to report substantial year-on-year revenue growth. Higher revenues are also due to the increasing size of the portfolio.

The Group registered other income totalling TEUR 8,282 (previous year: TEUR 6,408). In accordance with IFRS 3, the Capital Stage Group carried out a provisional purchase price allocation as of the acquisition dates for the solar parks in Italy and Germany in order to incorporate the assets acquired and debts assumed into the consolidated balance sheet. In the course of the purchase price allocation, all the assets acquired and debts assumed of which the Group was aware at this time were identified and measured at fair value. This resulted in a difference of TEUR 2,845 (previous year: TEUR 6,331), which was recognized as income for the first three months of 2014. Other income also includes TEUR 4,246 from the adjustment of the preliminary purchase price allocation for the Italian solar park portfolio acquired in December 2013. The financial investment in BlueTec GmbH & Co. KG was sold as of 28 March 2014. The profit on the sale is also included in other income.

Personnel expenses were TEUR 1,527 (previous year: TEUR 1,694). The decline is mainly due to staff reductions at Helvetic Energy GmbH.

Other expenses in the first three months of 2014 came to TEUR 2,325 (previous year: TEUR 1,431). The costs for constructing and operating solar parks and wind farms went up to TEUR 1,279, principally as a result of the parks acquired in 2013 and the first quarter of 2014. Other expenses also include TEUR 370 in costs of current operations.

In the first three months of 2014, the Group reported earnings before interest, taxes, depreciation and amortization (EBITDA) of TEUR 15,836 (previous year: TEUR 10,981).

Depreciation and amortization of TEUR 5,537 (previous year: TEUR 4,845) mainly comprises depreciation of the photovoltaic plants and wind power installations as well as amortization of intangible assets (electricity feed-in contracts and exclusive licences). The increase results almost exclusively from the solar and wind parks acquired in 2013 and in the first quarter of 2014.

Earnings before interest and taxes (EBIT) went up from TEUR 6,136 the previous year to TEUR 10,299.

Financial income amounted to TEUR 712 (previous year: TEUR 546). The financial expenses totalling TEUR 4,923 (previous year: TEUR 3,493) mainly relate to the interest costs payable on non-recourse loans to finance the solar park companies' photovoltaic plants and expenses relating to the measurement of effective interest and interest rate swaps. Interest costs on the non-current loans at the solar parks and wind farms acquired in 2013 are partly responsible for the increase. Financial expenses also rose due to changes in the negative market values of the interest rate swaps in Italy and France.

Earnings before taxes (EBT) came to TEUR 6,088 (previous year: TEUR 3,189).

Tax expenses recognized in the consolidated income statement amounted to TEUR 769 in the first three months of 2014 (previous year: TEUR 869) and relate primarily to deferred taxes and current taxes for the foreign solar parks. The tax ratio was 12.63% and therefore below the forecast tax ratio of 30%, largely due to tax-free other income.

Total consolidated net profit came to TEUR 5,319 (previous year: TEUR 2,320).

Consolidated net profit is made up of earnings attributable to shareholders of the parent company of TEUR 5,452 (previous year: TEUR 2,477) and earnings attributable to non-controlling interests of TEUR -133 (previous year: TEUR -157). Currency translation differences carried in the balance sheet of TEUR -6 (previous year: TEUR 28) were taken into account when calculating consolidated comprehensive income. Consolidated comprehensive income thus stood at TEUR 5,313 (previous year: TEUR 2,348). Basic earnings per share (after non-controlling interests) came to EUR 0.08 (previous year: EUR 0.05). The average number of issued shares in the reporting period was 69,255,099. The diluted earnings per share were EUR 0.08 (previous year: EUR 0.05).

Financial position and cash flow

The change in cash and cash equivalents in the year under review came to TEUR -21,788 (previous year: TEUR 6,693). This broke down as follows:

Cash flow from operating activities came to TEUR 6,744 (previous year: TEUR -517) and stemmed mainly from the operating solar park and wind farm business and the resulting cash inflows. Also included here are changes in assets and liabilities not attributable to investing or financing activities.

Cash flow from investing activities came to TEUR -43,398 (previous year: TEUR -3,115), a figure mainly made up of payments for the acquisition of solar parks in Germany, Italy and France.

Cash flow from financing activities was TEUR 14,866 (previous year: TEUR 10,325). A capital increase was carried out from authorized capital in the first three months of 2014 in exchange for cash contributions and with no shareholders' subscription rights. Expenses of TEUR 462 (previous year: TEUR 69) were incurred for the capital increases.

As of 31 March 2014, the Group held liquid assets worth TEUR 33,872 (previous year: TEUR 40,859). This also includes capital servicing and project reserves of TEUR 18,128 (previous year: TEUR 11,756), which the Group can only use at short notice with the agreement of the financing banks.

Funds from operations (FFO) amounted to EUR 3.5 million as of 31 March 2014 (previous year: EUR 1.3 million).

Assets position

Shareholders' equity amounted to TEUR 229,415 as of 31 March 2014 (31 December 2013: TEUR 207,401). The increase of TEUR 22,014, or 10.61%, is principally due to the capital increase carried out in the first three months of 2014 and to the net profit for the period. The equity ratio was 36.07% (previous year: 34.96%).

Financial investments include shares in affiliates and a loan to affiliates for the acquisition of the solar park portfolio in France, which had not yet been included in the consolidated balance sheet as of 31 March 2014. This also relates to the purchased but not yet consolidated solar park portfolio in France. The financial investment in BlueTec GmbH & Co. KG was sold as of 28 March 2014.

As of 31 March 2014, the Group had bank and leasing liabilities of TEUR 333,154 (previous year: TEUR 326,934). These comprise the loans and leases used to finance the solar parks and wind farms. In all loans, non-recourse financing agreements ensure that the liability risk is limited to the parks in question.

Events after the reporting date

Apart from the matters mentioned below, there have been no significant changes in the operating environment for the Capital Stage Group in the period between the reporting date 31 March 2014 and the time the interim Group financial statements for the first three months of 2014 were drawn up.

Acquisition of a 12 MW wind farm in Thuringia

Capital Stage has acquired a 51% financial investment in Windkraft Kirchheilingen IV GmbH & Co. KG in Thuringia. The purchase contract was signed on 16 April 2014 and is subject to conditions precedent. The seller is BOREAS Energie GmbH from Dresden, which will continue to hold 49% of the operating company. The wind farm in Kirchheilingen, around 40 kilometres north of Erfurt, has a total capacity of 12 MW and is due for completion in December 2014. All the permits and land rights have already been obtained. With this transaction, Capital Stage has expanded the portfolio by over 50%, or 100 MW, in just five months. After the transaction, Capital Stage AG's total portfolio of solar parks and wind farms has a total capacity of around 300 MW.

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

Opportunities and risks

The opportunities and risks facing the Capital Stage Group were discussed in detail in the 2013 consolidated balance sheet. There have been no subsequent changes to the state of affairs set out therein. The management board of Capital Stage AG is currently not aware of any risks which could jeopardize the continued existence of the company or the Group.

Overview of expected development

The management board stands by the forecast published in the combined management report and Group management report for 2013:

in EUR mill.	
Revenues	80
EBITDA	67
EBIT	40
EBT	23

The management board still expects that the positive revenue and earnings performance will continue in 2014.

Dividend policy

Notes to the dividend

As decided at the supervisory board meeting held on 30 April 2014, the management board and supervisory board of Capital Stage AG are proposing to use the distributable profit of EUR 7,925,213.87 for the financial year 2013 to distribute a dividend of EUR 0.10 per share with dividend entitlement (in total EUR 7,243,940.60). The remainder of EUR 681,273.27 is to be brought forward to new account.

The dividend will be paid in cash or in the form of shares in Capital Stage AG. Details of the cash distribution and how shareholders can choose the share option are explained in a document that will be sent to shareholders along with the invitation to the annual general meeting. It includes information on the number and type of shares and the reasons for and details of the offer.

Hamburg, May 2014

Capital Stage AG

Management board

Felix Goedhart
CEO

Dr Zoltan Bognar

Consolidated statement of comprehensive income

in TEUR	Q1/2014	Q1/2013
Sales	12,112	8,451
Other income	8,282	6,408
Cost of Materials	-706	-753
Personnel expenses	-1,527	-1,694
of which in share-based remuneration	*-15*	-9
Other expenses	-2,325	**-1,431**
Earnings before interest, taxes, depreciation and amortization (EBITDA)	**15,836**	**10,981**
Depreciation and amortization	-5,537	-4,845
Earnings before interest and taxes (EBIT)	**10,299**	**6,136**
Financial income	712	546
Financial expenses	-4,923	-3,493
Earnings before taxes on income (EBT)	**6,088**	**3,189**
Taxes on income	-769	-869
Consolidated profit for the year (EAT)	**5,319**	**2,320**
Currency translation differences	-6	28
Consolidated comprehensive income	**5,313**	**2,348**
Consolidated profit for the year, of which attributable to:		
Shareholders of Capital Stage AG	5,452	2,477
Minority shareholders	-133	-157
Comprehensive income, of which attributable to:		
Shareholders of Capital Stage AG	5,446	2,505
Minority shareholders	-133	-157
Earnings per share		
Average shares issued during reporting period	69,255,099/ 69,216,992	50,172,492/ 50,522,885
Earnings per share in EUR, basic	0.08	0.05
Earnings per share in EUR, diluted	0.08	0.05

Consolidated balance sheet

Assets in TEUR	31 March 2014	31 December 2013
Intangible assets	103,157	91,426
Goodwill	6,827	6,827
Property, plant and equipment	424,736	408,120
Financial assets	37,333	7,785
Other accounts receivable	5,591	4,523
Deferred tax assets	6,891	5,564
Total non-current assets	**584,535**	**524,245**
Inventories	2,080	2,055
Trade receivables	8,483	4,517
Non-financial assets	3,718	3,084
Other current receivables	3,296	3,631
Cash and cash equivalents	33,873	55,659
Total current assets	**51,450**	**68,946**
Total assets	**635,985**	**593,191**

Equity and liabilities in TEUR	31 March 2014	31 December 2013
Share capital	72,439	67,741
Capital reserve	97,668	85,680
Reserve for equity-settled employee remuneration	194	179
Currency translation reserves	-112	-106
Distributable profit/loss	51,000	45,548
Minority shareholders	8,226	8,359
Total equity	**229,415**	**207,401**
Minority shareholders (KG)	4,028	4,027
Non-current financial liabilities	291,203	286,145
Non-current leasing liabilities	17,646	17,873
Provisions for restoration obligations	2,978	2,752
Other non-current liabilities	1,858	1,758
Deferred tax liabilities	47,839	42,161
Total non-current liabilities	**365,552**	**354,716**
Tax provisions	945	904
Current financial liabilities	29,409	22,028
Current leasing liabilities	896	888
Trade payables	4,016	2,119
Other current debt	5,752	5,135
Total current liabilities	**41,018**	**31,074**
Total equity and liabilities	**635,985**	**593,191**

Consolidated cash flow statement

in TEUR	01/01/-03/31/2014	01/01/-03/31/2013
Net profit/loss for the period	5,319	2,320
Cash flow from operating activities	**6,744**	**-517**
Cash flow from investment activities	**-43,398**	**-3,115**
Cash flow from financing activities	**14,866**	**10,325**
Changes in cash and cash equivalents	**-21,788**	**6,693**
Changes in cash due to exchange rate changes	3	-13
Cash and cash equivalents		
As of 1 January 2014 (1 January 2013)	55,657	34,179
As of 31 March 2014 (31 March 2013)	33,872	40,859

Capital Stage AG consolidated statement of changes in equity

in TEUR	Subscribed Capital	Capital reserve	Currency translation reserve
As of 1 January 2013	**48,800**	**37,666**	**-159**
Consolidated comprehensive income for the period			28
Dividend paid			
Income and expenses recorded directly in equity			
Receipts from corporate actions	4,573	12,080	
Issuance costs		-69	
Taxes on items recorded directly in equity		21	
As of 31 March 2013	**52,973**	**49,698**	**-131**
As of 1 January 2014	**67,741**	**85,680**	**-106**
Consolidated comprehensive income for the period			-6
Income and expenses recorded directly in equity			
Receipts from corporate actions	4,698	12,450	
Issuance costs		-462	
Taxes on items recorded directly in equity			
As of 31 March 2014	**72,439**	**97,668**	**-112**

Retained earnings	Reserve for equity-settled employee remuneration	Distributable profit	Minority shareholders	Total
3,705	**119**	**32,388**	**8,143**	**130,262**
		2,477	-157	2,348
		-255		-255
	9			9
				16,653
				-69
				21
3,705	**128**	**34,610**	**7,986**	**148,969**
0	**179**	**45,548**	**8,359**	**207,401**
		5,452	-133	5,313
	15			15
				17,148
				-462
				0
0	**194**	**51,000**	**8,226**	**229,415**

Notes and comments

Company purpose

This condensed and unaudited interim consolidated balance sheet was prepared pursuant to section 37w paragraph 3 of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG) and in accordance with the International Standard IAS 34 'Interim Financial Reporting'. It does not include all the information required by IFRS for year-end consolidated balance sheets and should therefore be read in conjunction with the consolidated balance sheet as of 31 December 2013.

The interim balance sheet and the interim management report have not been audited in accordance with section 317 of the German Commercial Code (HGB) or reviewed by an auditor.

The consolidated statement of comprehensive income and the consolidated cash flow statement include comparative figures for the first quarter of last year. The consolidated balance sheet includes comparative figures as of the end of the previous financial year.

The interim balance sheet has been prepared in conformity with International Financial Reporting Standards (IFRS) as applicable within the European Union.

The accounting policies applied are those applied in the last year-end consolidated balance sheet. A detailed description of the policies applied was published in the notes to the consolidated balance sheet for 2013. Any changes to the accounting policies will be explained separately.

The reporting company

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 balance sheet for the financial year ended 31 December 2013.

Subject to the consolidated balance sheet are Capital Stage AG and its affiliates. A list of the consolidated entities is given in note 3.1 to the consolidated balance sheet as of 31 December 2013. The Group's parent company, Capital Stage AG, was entered in the company register of the Hamburg District Court on 18 January 2002 with the register number HRB 63197 and has its registered offices at Grosse Elbstrasse 45, 22767 Hamburg.

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

Significant accounting, valuation and consolidation principles

New standards and amendments to standards and interpretations

Some IAS and IFRS standards and interpretations were amended or revised in the first quarter of 2014. New standards were also introduced. None of the disclosures required by the amended or new standards have any effect on this interim consolidated balance sheet.

In the first quarter of 2014, other companies were consolidated in addition to the group of consolidated companies mentioned in note 3.1 to the consolidated balance sheet as of 31 December 2013:

	Subscribed capital in EUR	Shares in %
MTS4 S.r.l., Italy	10,000	100
Solaire Ille SARL, France	100	85
Centrale Photovoltaique S-Au-S 06 SARL, France	1,000	85
CS Solarpark Bad Endbach GmbH	25,000	100

Business combinations

Business combinations are accounted for as described in the notes to the consolidated balance sheet as of 31 December 2013.

The purchase price allocation (PPA) used for first-time consolidation are provisional, because circumstances may come to light after the PPA has been carried out that may result in adjustments being made up to one year after the acquisition.

We have refrained from providing specific details of the purchase prices due to contractual confidentiality agreements.

The companies Solaire Ille SARL and Centrale Photovoltaique S-Au-S 06 SARL are project companies for the construction of two solar parks in the Languedoc-Roussillon region of France. No purchase price allocation was undertaken for the acquisition of the two companies since the prerequisites for an existing business operation were not met. Thus no material changes to the consolidated balance sheet were involved.

The acquisition of MTS4 S.r.l. and CS Solarpark Bad Endbach GmbH took place at a price below the market value of the individual assets and debts.

The negative difference (badwill) for the business combinations completed in the first three months of 2014 comes to TEUR 2,845 in total.

New information in connection with the profitability of the Italian solar park portfolio acquired in December 2013, which was largely due to the correction of technical defects in the solar panels, meant that the carrying amounts of intangible assets and deferred tax liabilities were adjusted. The impact on earnings amounted to TEUR 4,246.

The holdings of non-controlling shareholders were measured proportionately to their overall shares of the values of the identifiable net assets.

The identified assets and assumed debt of the companies consolidated for the first time are as follows:

MTS4 S.r.l., Bolzano, Italy	**Carrying amount before purchase price allocation in TEUR**	**Fair value according to preliminary PPA in TEUR**
Intangible assets	23	4,620
Property, plant and equipment	6,394	6,264
Other non-current receivables	1,136	1,136
Current assets	936	936
Cash and cash equivalents	38	38
Debt and provisions	8,007	8,214
Deferred tax assets	0	98
Deferred tax liabilities	0	1,333

The transaction involved the acquisition of an Italian solar park in Noceto, in the Emilia-Romagna region. The park's initial consolidation took place on 9 January 2014. The business combination was carried out by applying the partial goodwill method. The newly measured shareholders' equity at the time of initial consolidation was TEUR 3,545. The receivables assumed as a result of the transaction, mainly comprising trade receivables and tax receivables, have a fair value of TEUR 926. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0, and there were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 0. Since the date of initial consolidation, sales of TEUR 162 and a loss of TEUR 156 have been registered by the entity acquired.

CS Solarpark Bad Endbach GmbH, Halle	Book value before purchase price allocation in TEUR	Fair value according to preliminary PPA in TEUR
Intangible assets	0	2,221
Property, plant and equipment	11,380	11,742
Current assets	88	88
Cash and cash equivalents	688	688
Debts and provisions	9,486	9,484
Deferred tax assets	0	0
Deferred tax liabilities	0	750

The transaction involved the acquisition of a solar park in Bad Endbach in Hesse. The park's initial consolidation took place on 31 March 2014. The business combination was carried out by applying the partial goodwill method. The newly measured shareholders' equity at the time of initial consolidation was TEUR 4,505. The receivables assumed as a result of the transaction, mainly comprising trade receivables, have a fair value of TEUR 79. The best estimate, on the acquisition date, of the anticipated unrecoverable portion of the contractual cash flows was TEUR 0, and there were no contingent assets or liabilities. The incidental transaction costs totalled TEUR 22. Since the date of initial consolidation, sales of TEUR 0 and a profit of TEUR 0 have been registered by the entity acquired. Had the entity been part of the Group since the beginning of 2014, it would have contributed sales of TEUR 174 and a loss of TEUR 152 to the consolidated balance sheet.

Overall impact of the acquisitions on the Group's results

The net profit for the period from 1 January to 31 March 2014 includes gains of TEUR 156 from the companies included in the consolidated balance sheet for the first time during this period. The sales revenues recognized as of 31 March 2014 include TEUR 162 from the newly consolidated solar parks. If the business combinations had taken place on 1 January 2014, Group revenues in these divisions to 31 March 2014 would have been TEUR 174 greater and the net profit would have been TEUR 152 lower.

Critical accounting judgements and key sources of estimation uncertainties

Preparing a consolidated balance sheet according to IFRS requires assumptions and estimates to be made concerning various items, and these may have consequences on the extent and disclosure of assets, liabilities, expenses and earnings. The actual amounts may differ from these estimates. Any amendments will be recognized in the income statement once we have better knowledge of the items in question.

The company's only significant area of accounting judgement is 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 area of accounting judgement.

The intangible assets recorded during the purchase price allocation process form the basis for the company's planning, which also takes into account contractual agreements and management estimates. The discount rate (WACC) applied in the reporting period in connection with the measurement of intangible assets was between 4.37% and 4.53%.

The reader is referred to the discussion in note 3.7 to the financial statements as of 31 December 2013 for details of the assumptions made when determining the fair value of financial assets.

In calculating the present values of lease liabilities and financial liabilities, the contractually agreed interest rates were applied.

Financial assets

The financial investment in BlueTec GmbH & Co. KG was sold to ALANOD GmbH & Co. KG as of 28 March 2014.

The investment and the loan plus accrued interest for the French solar park portfolio acquired in March 2014 are still shown in financial investments because the portfolio has not yet been included in the group of consolidated companies.

With the exception of the interest rates, the financial assets carried at fair value in the consolidated balance sheet and the stated fair values of financial instruments are based on the level-three information and input factors referred to in note 3.10 to the consolidated balance sheet as of 31 December 2013. Changes in the fair value of the financial investments are recognized through profit or loss in the financial result. Changes in the fair value of interests in associates are recognized through profit or loss in other operating expenses or other operating income. The measurement methods and input factors applied have not changed since 31 December 2013.

Interest rate swaps

The fair value of the interest rate swaps on the balance sheet date is determined by discounting future cash flows through application of both the interest structure curves on the balance sheet date and the credit risk of the contracts. This present value is given below.

The following table shows the nominal amounts and remaining terms of the interest rate swaps outstanding at the end of the reporting period:

Outstanding 'receive floating/ pay fixed' swaps	Weighted contracted fixed interest rates	Nominal amount	Fair value
	%	in TEUR	in TEUR
Less than one year	-	-	-
One to two years	4.5	816	-61
Two to five years	-	-	-
Over five years	2.61	36,810	-2,476
Total	2.65	37,626	-2,537

Equity

On 27 and 28 February 2014, the management board of Capital Stage AG, with the approval of the supervisory board given the same day and on the basis of authorized capital, decided to increase the company's share capital by EUR 4,698,158.00, from EUR 67,741,248.00 to EUR 72,439,406.00, by issuing new bearer shares from authorized capital for subscription in cash, without subscription rights for shareholders. The new shares have dividend rights from 1 January 2013 onwards.

The capital increase was carried out in full at a price of EUR 3.65 per share. The new shares were sold to international institutional investors and existing core shareholders. Share capital is now EUR 72,439,406.00, divided into 72,439,406 no-par shares. The capital increase was entered in the commercial register of the Hamburg district court on 3 March 2014.

Events after the balance sheet date

The solar park in Wolgast (Mecklenburg-West Pomerania) acquired on 14 November 2013 has not yet been consolidated because the transaction is still subject to conditions precedent.

The solar park acquired in France (Aquitaine region) on 6 March 2014 has not yet been consolidated. The purchase price allocation is currently underway. However, all the information with a significant influence on the valuation of the financial instruments and intangible assets is not yet available, Recognition of the solar park portfolio will increase total Group assets substantially. It is still too early to make any statement on the earnings effects.

On 16 April 2014, the Group acquired a 51% interest in Windkraft Kirchheilingen IV GmbH & Co. KG in Thuringia. The contract with BOREAS Energie GmbH from Dresden, which will retain 49% of the shares in the company, is still subject to conditions precedent. The wind farm in Kirchheilingen, around 40 kilometres north of Erfurt, has a total capacity of 12 MW and is due for completion in December 2014.

Consolidated segment reporting

for the consolidated statement of comprehensive income
from 1 January to 31 March 2014 (from 1 January to 31 March 2013)

in TEUR	Administration	PV Parks	PV Services
Sales	**0**	**8,450**	**695**
(previous year)	(0)	(5,083)	(532)
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**-1,216**	**14,136**	**389**
(previous year)	(-841)	(10,229)	(344)
Earnings before interest and taxes (EBIT)	-1,238	**9,458**	**381**
(previous year)	(-852)	(6,363)	(337)
Financial result	**1,329**	**-5,027**	**-2**
(previous year)	(230)	(-2,778)	(0)
Earnings before taxes on income (EBT)	**-91**	**4,431**	**379**
(previous year)	(-622)	(3,585)	(337)
Earings per share, basic	**-0.00**	**0.06**	**0.01**
(previous year)	**(-0.01)**	**(0.07)**	**(0.01)**
Assets including financial investments	**187,903**	**497,237**	**1,822**
(As of 31 December 2013)	(165,073)	(465,591)	(2,595)
Capital expenditures (net)	**-62**	**-43,327**	**-1**
(previous year)	(-14)	(-3,073)	(-10)
Debt	**7,708**	**441,692**	**657**
(As of 31 December 2013)	(1,667)	(414,317)	(1,810)

Windfarms	Financial investments	Reconciliation	Total
2,453	**1,094**	**-580**	**12,112**
(2,091)	(1,203)	(-458)	(8,451)
1,936	**591**	**0**	**15,836**
(1,856)	(-607)	(0)	(10,981)
1,116	**582**	**0**	**10,299**
(916)	(-628)	(0)	(6,136)
-463	**-48**	**0**	**-4,211**
(-358)	(-41)	(0)	(-2,947)
653	**534**	**0**	**6,088**
(558)	(-669)	(0)	(3,189)
0.00	**-0.01**	**0.00**	**0.08**
(0.00)	**(-0.02)**	**(-0.00)**	**(0.05)**
80,041	**9,315**	**-140,333**	**635,985**
(80,714)	(8,199)	(-128,981)	(593,191)
0	**-8**	**0**	**-43,398**
(0)	(-18)	(0)	(-3,115)
71,678	**7,851**	**-123,016**	**406,570**
(72,372)	(7,263)	(-111,639)	(385,790)

Other statements

Employees

The Group had an average of 68 employees in the period from 1 January to 31 March 2014. The average figures were determined using the number of employees at the end of each month. Excluding members of the management board, on 31 March 2014 the Group employed 20 people at Capital Stage AG, 11 at Capital Stage Solar Service GmbH and 35 at Helvetic Energy GmbH.

Share-based payment

No options were converted into shares in the first three months of 2014. During this period, the share-based compensation programme led to the recognition of TEUR 15 (1 January to 31 March 2013: TEUR 9) of personnel expenses.

Related-party disclosures (IAS 24)

Rental contracts exist with Albert Büll, Dr. Cornelius Liedtke GbR in Holzhafen for office space for Capital Stage AG and underground car parking spaces in the building where the offices are situated.

On 24 March 2014, a short-term loan of EUR 6.0 million was taken out on standard market terms from Lobelia Beteiligungs GmbH, Grünwald, as bridge financing for the acquisition of Capital Stage Solarpark Bad Endbach GmbH.

Notification requirements

The notifications required by section 21 paragraph 1 or 1a of the German Securities Trading Act (WpHG) can be viewed on the website of Capital Stage AG at http://www.capitalstage.com/investor-relations/stimmrechtsmitteilungen.html.

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 and 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.

Assurance of the legal representatives

We declare that, to the best of our knowledge and in accordance with the applicable accounting principles, the report for the first quarter of 2014 provides a full and fair view of the assets, financial and earnings position of the Group and that the Group management report presents the course of business, including the results and the state of the Group, in such a way as to provide a full and fair view and that it describes the main opportunities and risks of the Group's forecast development.

Hamburg, May 2014

Capital Stage AG

The management board

Felix Goedhart
CEO

Dr Zoltan Bognar

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

photos: Capital Stage,

Concept & design: www.sop-hamburg.de

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