

7C SOLARPARKEN ANNOUNCES 9M FIGURES 2017

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- 21% INCREASE IN ELECTRICITY PRODUCTION COMPARED TO 9M 2016
- 9M- CLEAN-EBITDA ROSE BY 11% TO EUR 25.4m YEAR-ON-YEAR

OPERATIONAL ACTIVITY

POWER PRODUCTION

In the first nine months of 2017 electricity production rose by 21% to 92 GWh compared to the same period last year, underpinned by an expansion of the weighted average capacity base by 18% and an increase in production per unit of installed capacity (i.e. specific yield) by 2%, due to slightly better weather conditions.

		2017 9M	2016 9M	Δ
Weighted average capacity	MWp	103	88	18%
Production	GWh	92	76	21%
Specific yield	kWh/kWp	884	865	2%

Although weather conditions in the first half of 2017 were very positive (+11 % period on period), the very poor irradiation during September 2017 has plunged the production in the third quarter of 2017 by 9% compared to the third quarter of 2016. As a result the specific yield over the full nine months of 2017 went up only slightly by 2% when compared to the first three quarters of 2016.

		2017Q3	2016Q3	Δ	2017H1	2016H1	Δ
Weighted average capacity	MWp	106	90	18%	103	86	20%
Production	GWh	36	33	8%	56	42	35%
Specific yield	kWh/kWp	337	372	-9%	547	492	11%

ASSET PORTFOLIO

At the time of the publication of this trading update, the capacity of the solar asset portfolio has reached 118.8 MWp (year-end 2016: 100.5 MWp). In the first half of 2017, the group has commissioned the solar asset in Großfurra (4.082 kWp) and acquired the Belgian rooftop portfolio 'Swan Energy' with a capacity of 1.236 kWp.

INVESTMENTS		2017 9M	2016 9M	
Project	Capacity (kWp)		Projekt	Capacity (kWp)
Q1 Großfurra	4.082		Fahrenholz	2.005
Q2 Swan Energy	1.236		Wandersleben	1.423
			Groß-Stieten	1.434
			Neubukow	857
Q3 Grafentraubach III	746		Halberstadt	240
Nettgau (under construction)	750		Goldberg (under construction)	1.750
Goldberg 2 (under construction)	257		Schönebeck	3.496
Bitterfeld (under construction)	4.606			
Q4 Rüsselsheim	6.661		Mühlgrün	1.000
			Ludwigsfelde (under construction)	1.316
			Großfurra (ready-to-build)	4.082

In the third quarter an additional solar asset at the site in Grafentraubach (746 kWp) was taken into operation, whereas the new-build project Nettgau (750 kWp), Goldberg 2 (257 kWp) and Bitterfeld (4,606 kWp) were under construction during the third quarter 2017. The projects Nettgau and Goldberg have been commissioned at the time of this publication. In the last quarter of 2017, the group has also acquired the largest solar project in its history, the rooftop installation in Rüsselsheim with a capacity of 6,661 kWp.

The group has not made any divestments during the first nine months of 2017, whereas in 2016 the solar asset Blumenthal (3.1 MWp) was divested.

OPERATIONAL RESULTS

The revenues of the nine months of 2017 reached EUR 29.4m, which is a 11% increase compared to the same period in 2016 (EUR 26.5m). The strong revenue growth was due to the slightly better weather conditions as well as the full period effect of the investments made during 2016 and additions in the first nine months of 2017. During the first half of 2016 revenues still included sales of services by Sonnenbatterie Center Franken GmbH (EUR 0.4m). This company did not contribute any revenues to the reporting period, as it was deconsolidated in the financial year 2016. When excluding the revenues of Sonnenbatterie Center Franken GmbH over the first half year of 2016, revenues in the reporting period, would have increased by 13% compared to the first nine months of 2016.

in TEUR	2017 9M	2016 9M	Δ
Sales	29.410	26.502	11%
EBITDA	26.878	24.878	8%

The earnings before Interest, taxes, depreciation and amortization (EBITDA) for the reporting period were EUR 26.9m, which is a 8 % increase compared to the first nine months of 2016.

EUR Mio.	2017 9M	2016 9M
EBITDA	26.9	24.9
Transaction & Restructuring costs	0,1	0,1
Damages received	-0,9	-0,0
Gain from sale of assets	-0,1	-0,4
Gain from bargain purchases (Badwill)	-0,5	-1,7
Balance of provisions	-0,1	0,0
Clean EBITDA	25,4	22,9

The reported EBITDA of EUR 26.9m contains an one-off other operating income in the amount of EUR 0.9m related to settlements within the context of the Optimization 2.0 program. In the previous year, EBITDA has been positively impacted by a gain of the deconsolidation of Solarpark Sonnenberg GmbH & Co. KG, which held the Blumenthal solar asset (EUR 0.4m), whereas during the reporting period a plot of land in Grafentraubach was sold off, leading to an exceptional gain from the sale of assets of EUR 0.1m.

In executing two business combinations during the first nine months of 2017, one-off gains from bargain purchases (badwill) in the amount of EUR 0.5m were earned, compared to exceptional gains from business combinations of EUR 1.7m in the first three quarters of 2016. As a result the clean EBITDA in the reporting period amounted to EUR 25.4m, which is an increase of 11% compared to the first three quarters of 2016.

FINANCIAL POSITION

Compared to December, 31st 2016, the liquidity position went up by 33.2% to EUR 39.8m at the end of the third quarter 2017. Group financial debt in the amount of EUR 181.4 Mio. was down by 2.8%. As a result net debt of EUR 141.6 Mio. came in 9.6% lower compared to the end of the financial year 2016.

NET DEBT (in TEUR)	30.09.17	31.12.16	Δ
Financial debt	181.393	186.548	-2,8%
Cash & Cash Equivalents	39.836	29.896	33,2%
Net Debt	141.557	156.652	-9,6%

OTHER MAJOR EVENTS AFTER THE THIRD QUARTER 2017

ACQUISITION OF 6.7 MWP SOLAR ASSET

In November 2017, 7C Solarparken acquired a rooftop solar asset in Rüsselsheim, which was commissioned in 2011. In normal weather conditions, the PV installation will add an annual EBITDA of EUR 1.4m to the group. The installation was financed by multiple project finance loans amounting to EUR 9m with interest rates between 1.95% and 3.49%.

PRIVATE PLACEMENT OF EUR 4.63 MIO

In November 2017, 7C Solarparken AG increased the capital by issuing 2.0m shares at an issue price of EUR 2.35 per share, thereby adding total funds of EUR 4.63m.

OUTLOOK

The management board continues to see a positive development of the group. This trading update presents group financial statements (IFRS), but has not been reviewed by an auditor.

Bayreuth, 20.11.2017

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