

## Windfarm Anneberg Completed

### 3 Months December 2018 – February 2019

- Net sales 370.2 (139.4) MSEK.
- EBIT 25.9 (30.0) MSEK. Profit before tax 31.2 (27.8) MSEK. Net profit 38.7 (35.9) MSEK.
- Earnings per share, before and after dilution equals 1.55 (1.44) SEK.
- During the three month period 3 (2) wind turbines were taken into operations with a total installed capacity of 10.8 (4.4) MW.
- During the three month period the equivalent of 3.0 (3.1) wind turbines with an installed capacity of 10.8 (6.8) MW was handed over to customers.
- At the end of the period Eolus had 421 (350) MW under asset management.
- Electricity production from wind farms owned was 3.1 (9.3) GWh with an average revenue of 632 (437) SEK/MWh.
- In January 2019, wind farm Anneberg (11 MW) in Tidaholm municipality was completed and handed over to KGAL. Anneberg is the first wind farm in Sweden commissioning Vestas V136 wind turbines.

Financial summary	Q2	Q2	Q1- Q2	Q1- Q2	Full year
	Dec 2018 - Feb 2019	Dec 2017 - Feb 2018	Sep 2018 - Feb 2019	Sep 2017 - Feb 2018	Sep 2017 - Aug 2018
Net sales, MSEK	370,2	139,4	477,9	157,5	1 366,0
EBIT, MSEK	25,9	30,0	35,5	33,0	202,4
Profit before tax, MSEK	31,2	27,8	33,3	37,6	198,9
Changes in market valuation of financial derivatives, MSEK	-24,8	-5,9	-21,2	4,5	2,5
Net profit, MSEK	38,7	35,9	39,7	43,3	194,3
Earnings per share before and after före dilution, SEK	1,6	1,44	1,6	1,74	7,81
Equity per share, SEK	32,0	26,64	32,0	26,64	32,68
Cashflow from operating activities, MSEK	277,5	-201,4	-25,7	-288,9	241,7
Total assets, MSEK	1 708,5	1 095,7	1 708,5	1 095,7	1 895,0
Net debt - /net cash +, MSEK	209,6	-159,1	209,6	-159,1	371,1
Signed customer contracts, MSEK	3 116,8	3 885,0	3 116,8	3 885,0	2 887,5
No of turbines taken into operation, amount	3,0	2,0	3,0	2,0	25,0
No of turbines handed over to customers,	3,0	3,1	4,0	3,4	30,8
Turbines taken into operation, MW	10,8	4,4	10,8	4,4	83,8
Turbines handed over to customers, MW	10,8	6,8	12,8	7,5	93,3
Managed turbines, MW	421	350	421	350	415
Electricity generation, GWh	3,1	9,3	7,0	18,9	30,2
Equity/assets ratio, %	46,7	60,7	46,7	60,7	43,1
Return on equity after tax, %	26,1	7,7	26,1	7,7	26,4

## Priority projects

The market conditions change rapidly when it comes to technological development, electricity prices and investors. Eolus's strategic focus will therefore concentrate on the development, establishment and divestment of a number of high-priority projects in the coming years, i.e. those with the best conditions to be realized at the lowest cost per megawatt-hour. With fewer, but larger, established wind farms fluctuations between individual quarters will be greater in terms of constructed wind turbines, tied up capital, turnover and results. At the same time the fluctuations will decrease due to usage of the percentage of completion method.

To highlight information about the status of these high-priority projects, they will be given a separate heading in Eolus's interim reports. The same information will be presented on Eolus's website. The website will be updated following the publication of interim reports, or due to other significant project events announced via press release.

The following are currently our high-priority projects for the coming years. However, the summary does not rule out establishment of other projects from Eolus's high-quality project portfolio that meet investors demands and requirements.

Project	Location	Number of WTG	Capacity, MW	Estimated production, GWh	Planned commissioning	Comment
Nylandsbergen	Sundsvall, Sweden, SE2	18	68	230-250	2019	The wind farm is sold to Aquila Capital who will take over the facility upon completion which is expected to be in the second half of 2019. Construction of roads and foundations are ongoing and delivery of wind turbines from Vestas to site is also ongoing.
Kråktorpet	Sundsvall, Sweden, SE2	43	163	550-590	2019	The wind farm is sold to Aquila Capital who will take over the facility upon completion which is expected to be in the second half of 2019. Construction of roads and foundations are ongoing and delivery of wind turbines from Vestas to site is also ongoing.
Wind Wall	Tehachapi, California, USA	11 to 12	38-40	135-145	2020	Repowering project. Full-value production tax credit granted for the project.
Stigafjellet	Bjerkheim, Norway, NO2	7	30	110-130	2020	The wind farm is sold to ewz who will take over the facility upon completion which is expected to be in the second half of 2020. Grid capacity reserved and construction of the grid connection has started. Turbine supply agreement signed with Siemens Gamesa.
Sötterfällan	Jönköping, Sweden, SE3	10	36	125-135	2019	The wind farm is sold to KGAL who will take over the facility upon completion which is expected to be in the summer of 2019. Turbine supply agreement signed with Vestas. Construction of roads and foundations are ongoing.
Bäckhammar	Kristinehamn/Degerfors, Sweden, SE3	30	130	400	2020	The wind farm is sold to KGAL who will take over the facility upon completion which is expected to be in the summer of 2020. Turbine supply agreement signed with Vestas. Construction of roads and foundations has started.
Öyfjellet	Vefsn, Norway, NO4	70-90	400	1,400	2021	Fully concessioned. Grid capacity reserved. 15 year PPA signed with Alcoa. Sales process initiated.

<b>Consolidated income statement</b>	<b>Q2</b>	<b>Q2</b>	<b>Q1- Q2</b>	<b>Q1- Q2</b>	<b>Full year</b>
	<b>Dec 2018</b>	<b>Dec 2017</b>	<b>Sep 2018</b>	<b>Sep 2017</b>	<b>Sep 2017</b>
<b>KSEK</b>	<b>- Feb 2019</b>	<b>- Feb 2018</b>	<b>- Feb 2019</b>	<b>- Feb 2018</b>	<b>- Aug 2018</b>
Net sales	370 154	139 383	477 927	157 522	1 365 977
Other operating income	7 418	1 455	15 162	15 662	22 533
	<b>377 572</b>	<b>140 838</b>	<b>493 090</b>	<b>173 184</b>	<b>1 388 511</b>
<b>Operating expenses</b>					
Change in inventories of wind turbines, wind turbines under construction and projekts under development	-137 319	31 475	3 552	129 683	171 724
Cost for goods and project development	-164 310	-116 965	-387 110	-225 247	-1 248 858
Other external costs	-14 144	-11 475	-26 746	-20 952	-51 542
Employee benefits expenses	-9 686	-8 084	-18 777	-15 740	-32 702
Depreciation/amortization and impairment of property, plant and equipment and intangible	-1 435	-4 553	-2 588	-6 760	-14 765
Result from participations in associated companies	-	-	-	-	-4 589
Other operating expenses	-24 824	-1 266	-25 910	-1 210	-5 367
<b>Operating profit</b>	<b>25 855</b>	<b>29 970</b>	<b>35 511</b>	<b>32 958</b>	<b>202 411</b>
Profit/loss from financial items	5 370	-2 148	-2 165	4 614	-3 532
<b>Profit before tax</b>	<b>31 225</b>	<b>27 822</b>	<b>33 346</b>	<b>37 573</b>	<b>198 879</b>
Tax on profit	7 461	8 062	6 333	5 727	-4 566
<b>Net profit for the period</b>	<b>38 687</b>	<b>35 884</b>	<b>39 680</b>	<b>43 299</b>	<b>194 313</b>
Whereof related to the shareholder of the parent company	38 710	35 924	39 725	43 386	194 460
Whereof related to minority stakeholders	-24	-41	-46	-86	-147
<b>Net profit for the period</b>	<b>38 687</b>	<b>35 884</b>	<b>39 680</b>	<b>43 299</b>	<b>194 313</b>
Total shares	24 907	24 907	24 907	24 907	24 907
Profit per share before/after dilution (SEK)	1,55	1,44	1,59	1,74	7,81

#### Consolidated statement of comprehensive income

<b>KSEK</b>					
<b>Net profit for the period</b>	<b>38 687</b>	<b>35 884</b>	<b>39 680</b>	<b>43 299</b>	<b>194 313</b>
<b>Other comprehensive income</b>					
Translation differences	-106	17	-242	-129	-538
<b>Other comprehensive income for the period net after tax</b>	<b>-106</b>	<b>17</b>	<b>-242</b>	<b>-129</b>	<b>-538</b>
<b>Total comprehensive income for the period</b>	<b>38 581</b>	<b>35 901</b>	<b>39 438</b>	<b>43 170</b>	<b>193 775</b>
Whereof related to the shareholder of the parent company	38 559	35 973	39 443	43 171	193 582
Whereof related to minority stakeholders	22	-72	-5	-1	193
<b>Total comprehensive income for the period</b>	<b>38 581</b>	<b>35 901</b>	<b>39 438</b>	<b>43 170</b>	<b>193 775</b>

<b>Consolidated balance sheet</b>	<b>Feb 28</b>	<b>Feb 28</b>	<b>Aug 31</b>
<b>KSEK</b>	<b>2019</b>	<b>2018</b>	<b>2018</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	71 090	-	96 162
Property, plant and equipment	39 792	91 136	52 024
Participations in associated companies	-	3 763	37
Deferred tax asset	1 770	3 309	3 095
Other financial assets	20 721	32 763	25 953
<b>Total fixed assets</b>	<b>133 373</b>	<b>130 971</b>	<b>177 271</b>
<b>Current assets</b>			
Inventories, work in progress	675 033	481 593	574 666
Advance payment to suppliers	309 420	416 497	307 225
Account receivable - trade	22 664	26 172	53 018
Derivative instruments	-	2 296	-
Current tax assets	8 863	-	-
Other receivables	27 115	12 027	37 023
Prepaid expenses and accrued income	169 169	7 263	5 973
Cash and bank balances	362 833	18 851	739 825
<b>Total current assets</b>	<b>1 575 097</b>	<b>964 699</b>	<b>1 717 730</b>
<b>TOTAL ASSETS</b>	<b>1 708 470</b>	<b>1 095 670</b>	<b>1 895 002</b>
<b>KSEK</b>			
	<b>Feb 28</b>	<b>Feb 28</b>	<b>Aug 31</b>
	<b>2019</b>	<b>2018</b>	<b>2018</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity related to the share holders of parent company	796 091	663 603	814 013
Equity related to minority stake holders	1 907	1 718	1 912
<b>Total equity</b>	<b>797 999</b>	<b>665 320</b>	<b>815 924</b>
<b>Non-current liabilities</b>			
Non-current interest bearing liabilities	152 667	14 340	81 780
Provision, non current	1 577	3 323	2 107
Deferred taxes	36 468	54 231	39 994
Other liabilities	268	826	264
<b>Total non-current liabilities</b>	<b>190 980</b>	<b>72 720</b>	<b>124 145</b>
<b>Current liabilities</b>			
Current interest bearing liabilities	533	163 646	286 960
Bills payable	126 386	32 049	140 806
Derivative instruments	33 859	12 866	12 647
Current tax liabilities	95	7 587	35 099
Accrued expenses and deferred income	59 563	17 762	61 606
Advance payment from customers	496 626	122 013	318 782
Other liabilities	2 430	1 708	99 031
<b>Total current liabilities</b>	<b>719 491</b>	<b>357 630</b>	<b>954 932</b>
<b>Total equity and liabilities</b>	<b>1 708 470</b>	<b>1 095 670</b>	<b>1 895 002</b>

<b>Consolidated cash flow statement</b>	<b>Q2</b>	<b>Q2</b>	<b>Q1- Q2</b>	<b>Q1- Q2</b>	<b>Full year</b>
	<b>Dec 2018</b>	<b>Dec 2017</b>	<b>Sep 2018</b>	<b>Sep 2017</b>	<b>Sep 2017</b>
<b>KSEK</b>	<b>- Feb 2019</b>	<b>- Feb 2018</b>	<b>- Feb 2019</b>	<b>- Feb 2018</b>	<b>- Aug 2018</b>
<b>Operating activities</b>					
Operating profit	25 855	29 970	35 511	32 958	202 411
Non cash items	30 140	11 613	26 105	4 499	15 399
	<b>55 995</b>	<b>41 583</b>	<b>61 616</b>	<b>37 457</b>	<b>217 810</b>
Interest received	1 534	659	1 823	1 573	2 667
Interest paid	-1 519	-1 956	-4 275	-3 071	-7 174
Income tax paid	-9 556	-2 824	-39 774	-6 487	-3 424
<b>Net cash flow from operating activities before changes in working capital</b>	<b>46 454</b>	<b>37 461</b>	<b>19 390</b>	<b>29 473</b>	<b>209 879</b>
Adjustments of working capital	231 071	-238 907	-45 113	-318 389	31 845
<b>Cash flow from operating activities</b>	<b>277 525</b>	<b>-201 446</b>	<b>-25 723</b>	<b>-288 917</b>	<b>241 724</b>
Acquisition of intangible assets	-	-	-96 162	-	-
Acquisition of property, plant and equipment	-472	-	-1 139	-1 104	-1 388
Sales of property, plant and equipment	276	365	310	432	437
Acquisition of participations in subsidiaries/asset acquisition	-13	-	-1 681	-	-
<b>Cash flow from investing activities</b>	<b>-209</b>	<b>365</b>	<b>-98 672</b>	<b>-672</b>	<b>-952</b>
Borrowings	75 000	160 325	75 000	160 325	360 000
Repayment of loans	-30 133	-10 842	-290 540	-16 272	-25 807
Paid dividends	-37 361	-37 360	-37 361	-37 360	-37 361
<b>Cash flow from financing activities</b>	<b>7 506</b>	<b>112 123</b>	<b>-252 901</b>	<b>106 693</b>	<b>296 832</b>
<b>Cash flow for the year</b>	<b>284 823</b>	<b>-88 957</b>	<b>-377 296</b>	<b>-182 895</b>	<b>537 604</b>
Cash and cash equivalents at beginning of year	77 638	107 853	739 825	201 509	201 509
Exchange-rate differences in cash and cash equivalents	373	-45	304	237	712
<b>Cash and cash equivalents at year-end</b>	<b>362 833</b>	<b>18 851</b>	<b>362 833</b>	<b>18 851</b>	<b>739 825</b>

## Consolidated statement of changes in equity

KSEK	Share capital	Additional paid-in capital	Reserves	Retained earnings	Total, Eolus's shareholders	Non-controlling interests	Total equity
<b>At 1 September 2017</b>	<b>24 907</b>	<b>190 843</b>	<b>369</b>	<b>441 673</b>	<b>657 791</b>	<b>1 719</b>	<b>659 510</b>
Net profit for the year				43 386	43 386	-86	43 299
Other comprehensive income			-215		-215	85	-129
<b>Total comprehensive income</b>			<b>-215</b>	<b>43 386</b>	<b>43 171</b>	<b>-1</b>	<b>43 170</b>
<b>Transactions with shareholders</b>							
<b>At 28 February 2018</b>	<b>24 907</b>	<b>190 843</b>	<b>154</b>	<b>447 697</b>	<b>663 601</b>	<b>1 718</b>	<b>665 320</b>
Net profit for the year				151 074	151 074	-61	151 014
Other comprehensive income			-650	-14	-664	255	-409
<b>Total comprehensive income</b>			<b>-650</b>	<b>151 060</b>	<b>150 411</b>	<b>194</b>	<b>150 605</b>
<b>At 31 August 2018</b>	<b>24 907</b>	<b>190 843</b>	<b>-496</b>	<b>598 759</b>	<b>814 013</b>	<b>1 912</b>	<b>815 924</b>
<b>At 1 September 2018</b>	<b>24 907</b>	<b>190 843</b>	<b>-496</b>	<b>598 759</b>	<b>814 013</b>	<b>1 912</b>	<b>815 924</b>
<u>Adjustment for changed accounting principle:</u>							
IFRS 15 Income from agreements with customers				-20 000	-20 000		-20 000
<b>Justerat per 1 september 2018</b>	<b>24 907</b>	<b>190 843</b>	<b>-496</b>	<b>578 759</b>	<b>794 013</b>	<b>1 912</b>	<b>795 924</b>
Net profit for the year				39 725	39 725	-46	39 680
Other comprehensive income			-294	11	-283	41	-242
<b>Total comprehensive income</b>			<b>-294</b>	<b>39 736</b>	<b>39 443</b>	<b>-5</b>	<b>39 438</b>
<b>Transactions with shareholders</b>							
Dividend				-37 361	-37 361		-37 361
<b>At 28 February 2019</b>	<b>24 907</b>	<b>190 843</b>	<b>-789</b>	<b>581 134</b>	<b>796 091</b>	<b>1 907</b>	<b>797 999</b>