W.E.B 2014

WEB Windenergie AG
Integrated Sustainability
and Business Report 2014

Front gatefold cover

Key Figures W.E.B Group

Key Financial Figures	2014	2013	2012	2011	2010
Million EUR					
Sales revenue	54.0	48.1	47.2	40.9	35.9
Operating results	16.5	15.5	16.4	13.2	13.3
Financial results	-7.0	-7.2	-6.5	-5.6	-6.6
Results from normal business activity	9.5	8.3	9.9	7.6	6.7
Group earnings	7.1	6.1	6.4	5.7	4.4
Total assets	387.7	316.9	278.9	261.6	244.1
Equity capital	99.9	86.9	82.8	79.9	76.0
Equity capital ratio **(%)**	25.8	27.4	29.7	30.5	31.1
Cash flow from operations	34.7	38.6	27.2	21.6	21.9
Investments[1]	68.6	58.6	39.9	26.7	23.0
Return on equity **(%)**	7.6	7.2	7.9	7.3	6.4
Profit per share **(EUR)**	25.0	21.7	22.3	19.9	16.0

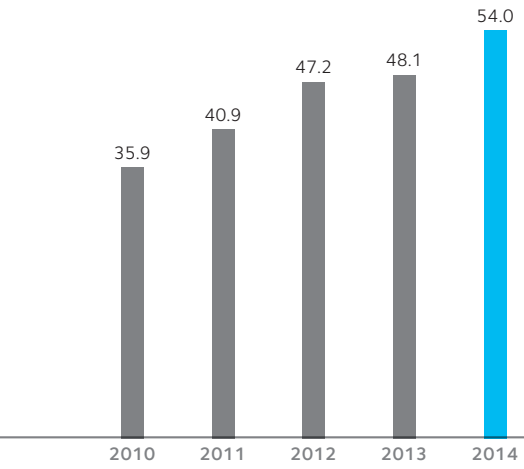
[1] including assets from company acquisitions

Power Generation[2]	2014	2013	2012	2011	2010
MWh					
Power generation total	**616,654**	**558,834**	**547,378**	**474,387**	**444,367**
Wind power	598,119	538,903	528,378	456,737	430,063
Photovoltaic power	11,230	11,150	10,639	9,841	4,741
Hydroelectric power	7,306	8,781	7,612	6,625	8,592
Other	0	0	749	1,184	971

Power Plants	2014	2013	2012	2011	2010
Number as of Dec. 31					
Power plants total	**199**	**189**	**176**	**153**	**141**
Austria	107	103	90	83	76
Germany	58	55	55	55	51
France	21	21	21	6	6
Czech Republic	8	8	8	7	7
Canada	3	0	0	0	0
Italy	2	2	2	2	1

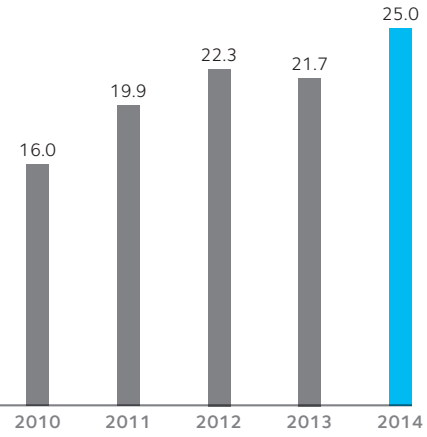
Generating Capacity[2]	2014	2013	2012	2011	2010
MW as of Dec. 31					
Generating capacity total	**308.2**	**286.6**	**264.9**	**238.9**	**220.9**
Austria	176.2	163.9	142.2	130.8	118.3
Germany	88.4	82.4	82.4	82.4	80.6
France	24.8	24.8	24.8	12.0	12.0
Czech Republic	9.1	9.1	9.1	7.3	7.3
Italy	6.4	6.4	6.4	6.4	2.7
Canada	3.3	0	0	0	0

[2] including participations



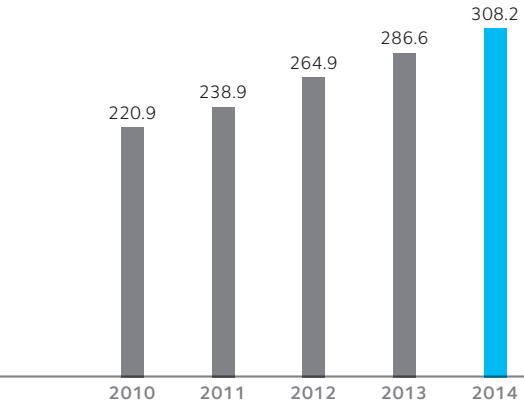
Sales Revenue

Million EUR



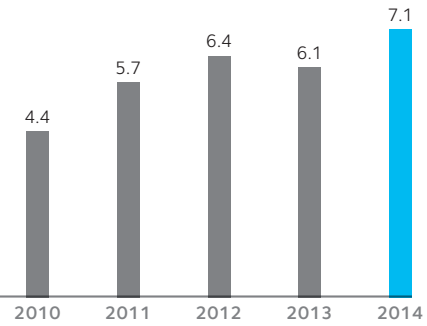
Profit per Share

EUR



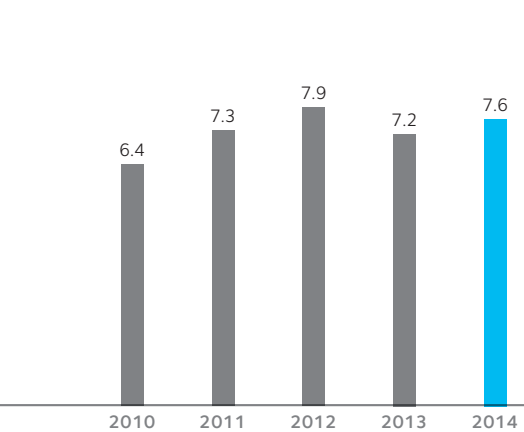
Installed Capacity

MW



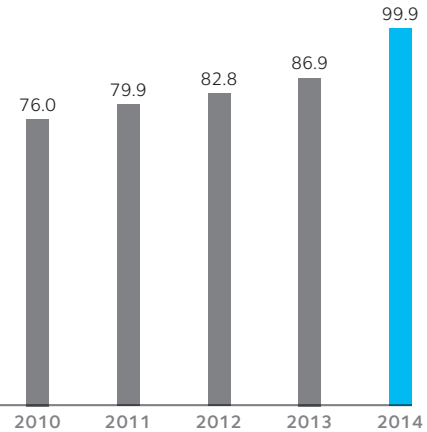
Group Earnings after Taxes

Million EUR



Return on Equity

Percent

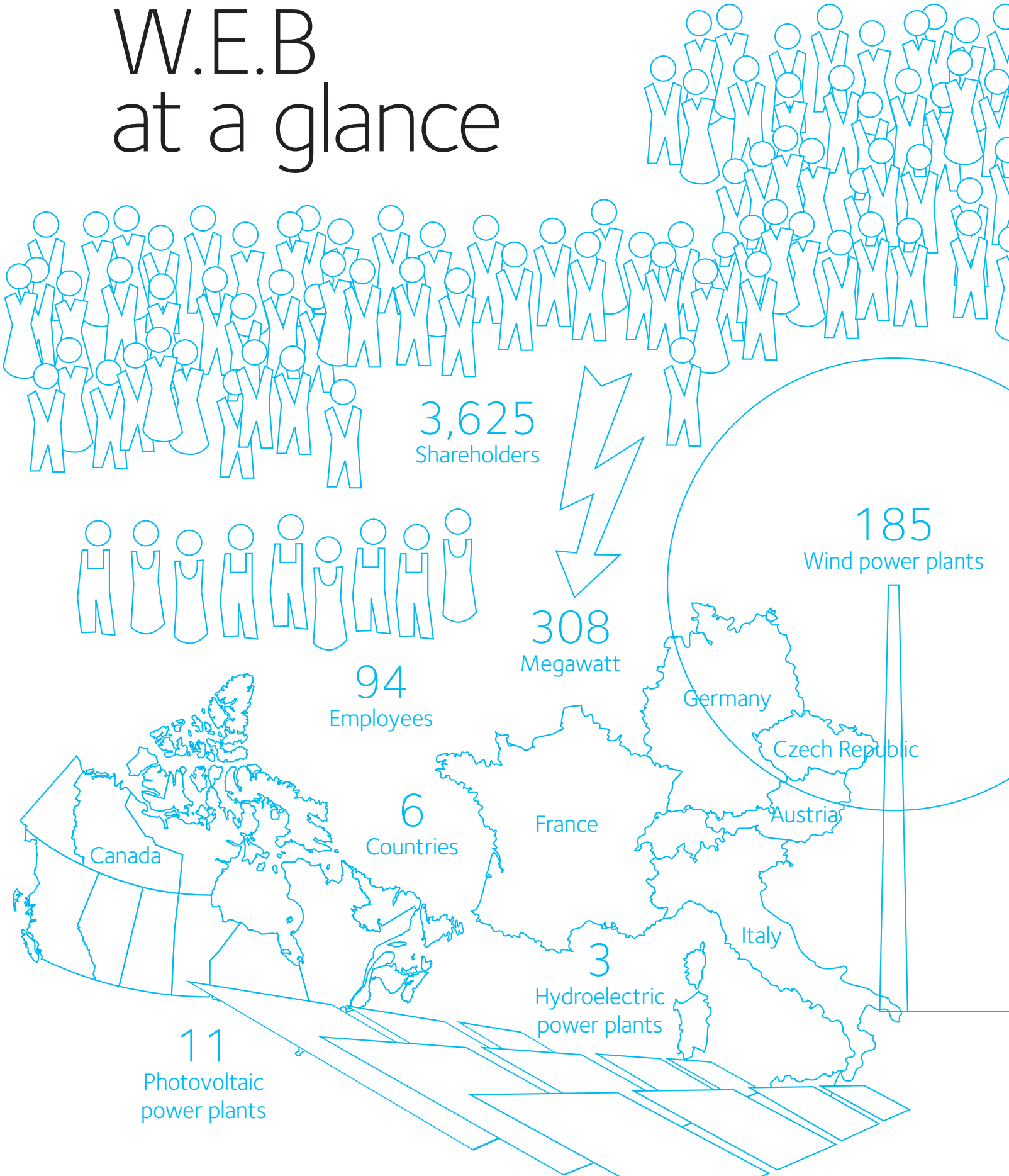


Equity

Million EUR

The values on the title page represent peak wind speeds (except for Italy) that were measured at W.E.B power plants in the respective countries in 2014. The value for Italy represents the maximum of solar irradiation.

W.E.B at a glance



Contents

It doesn't matter where CO_2 is saved!

In conversation with the members of the Board of Directors of WEB Windenergie AG, Andreas Dangl, Frank Dumeier and Michael Trcka.

Despite the extremely weak wind year 2014, W.E.B was able to generate the best results in corporate history. One of the many roots to such success is the international presence of WEB Windenergie AG. Reason enough for this Business Report to pay particular attention to this issue. Gerald Simon, Head of Communications, interviewed the successful decision makers Andreas Dangl (Chair), Frank Dumeier (COO) and Michael Trcka (CFO) on this but also other various topics.

> In 10 to 15 years, everybody will drive an electric vehicle and wind power plants will be equipped with energy storage systems!
>
> **ANDREAS DANGL**

Simon: **Mr. Dangl, did you anticipate the current development of W.E.B when you returned from German Cuxhaven with the idea of generating electricity from wind power some 20 years ago? In other words, did you expect your business idea to turn into an international enterprise?**

Dangl: At that time, nobody could have foreseen the future role of wind power in generating electricity. And technology would not have allowed for such expectations anyway. When we built our first 225 kW plant in Michelbach, Austria, we would not have dared to imagine constructing today's 3 MW plants. We have become important players on the energy market and still have not exploited the full potential of wind power. Of course this is wonderful news, just as the success of our international activities. Fortunately for us, there is still so much for us to do and achieve in this area.

Simon: **Mr. Dumeier, the current MW production ratio between Austria and our subsidiaries abroad is about 60:40. Can we expect any changes in the next few years?**
Dumeier: As only a very limited amount of new projects is approved in Austria, we had to somewhat lower our growth expectations. This is why we will focus much more on the operations of our subsidiaries in the years to come. Our last fireside chats have shown that this is also what our shareholders expect us to do. New and profitable projects in our markets abroad not only ensure a stable dividend but also continue our course for moderate growth. In the next few years, our production ration will change to about 40:60. The course is already set and our core markets' project pipelines are filled to the brim.

Simon: **Mr. Dangl already suggested that there are many international opportunities waiting for W.E.B. Are you currently scouring new markets, or in other words, countries?**
Dumeier: Our next main steps will keep our focus on further increasing our core business and expanding our existing foreign subsidiaries. In this regards, we have created highly professional structures with new projects generating many synergies.
I would also like to point out our very wind power promising projects in Italy to strengthen our subsidiary. We might also add operations in one or two new countries in the next few years. We still have not decided and will only continue this route, if both our conservative willingness to take risks and our expectations on returns of entering new markets can be secured.

Simon: **How does the Chief Financial Officer think of the international developments? How do we and especially our shareholders benefit from them?**
Trcka: Our international operations enable us to actively pursue our goals in those countries where we can implement the most profitable projects. In the last few years, we have been able to realize excellent projects in Austria. Nevertheless, we still focused on our foreign markets and developed the new Canadian market. As the Austrian market is getting more and more difficult because its green electricity quotas are too low, we will rather implement new and profitable projects in our foreign markets.

Simon: **The international position of W.E.B certainly contributed a lot to the excellent result of 2014. So what is this result all about and what are your comments on the outcome of fiscal year 2014?**
Trcka: We were able to achieve the best result in corporate history with 25 Euro per share, although we earned more than 2 million Euro less than in normal years due to weak wind conditions. In the last few years, we managed to commission highly profitable projects and are now finally reaping the rewards.

Simon: **Mr. Dangl, the international distribution of W.E.B plants is not only interesting from a fiscal but also from a meteorological point of view. This is particularly true in the**

> Our energy industry is undergoing profound changes!
>
> **FRANK DUMEIER**

context of the weak wind year 2014, isn't it?

Dangl: You are absolutely right! Distribution is not the only key to success, though. We also need a healthy mix of technologies. If the sun is shining, there is usually little wind but our solar power plants generate electricity above target. And if there is no wind in Austria, our Canadian plants compensate for these production losses. Just like a farmer, W.E.B depends on the right weather. Our various locations, however, allow us to perform realistic all-year calculations without any permanent and painful outliers. Needless to say, better results are always welcome. There is another aspect we have to keep in mind, though: we have finally reached the capacity of more or less two Danube river power plants but instead of two locations, we operate more than 200. This is exactly how we see the supply of energy in the future. Electricity is decentralized and generated where it is needed. We do not need any enormous electricity highways and for our high-carbon atmosphere ultimately it does not really matter where CO_2 is saved.

Simon: Let us talk about decentralization! Mr. Dumeier, you have always been predicting the future extinction of the electricity dinosaurs. Now we are detecting more and more signs that this is really happening in Germany. It seems decentralization is actually about to come out on top.

Dumeier: Our energy industry is undergoing profound changes. Driven by the energy transition, we are now moving away from the "old world" of centralized energy supply with large-scale power plants towards a "new world" with energy management and decentralized generation based on renewable resources.

> In the last few years, we managed to commission highly profitable projects and are now finally reaping the rewards.

MICHAEL TRCKA

Our energy world is increasingly decentralized and compartmentalized. Classic producer/supplier business models are about to disappear. In consequence, the old "electricity dinosaurs" will be subject to radical transformation processes and will not be able to survive without adapting.
Aside from our core business – decentralized energy generation from renewable sources – we have begun to seriously prepare for this new energy industry world. After all, our business model has to lead in the strategically right direction.

Simon: **So after this technological glance into the future, what about the fiscal perspective, Mr. Trcka? What is your conclusion of the hybrid bond (the first in the wind energy industry) issued in 2014? Will W.E.B continue this type of project financing in the future?**
Trcka: This hybrid bond provided our investors with a different form of investment that bears higher risks but also entails potentially higher rewards.
In the beginning, there were many questions and discussions concerning this hybrid bond but we gladly answered all of them. It is really important to us that our investors understand exactly what they are subscribing to. As the hybrid bond basically fulfilled all our expectations to this new product, we will continue to use this form of investment for our future growth. Of course we will also continue issuing classic bonds. It is essential that bond subscribers and shareholders equally profit from our strategy. I believe that this investment range – various bond models and our share – address a wide array of environmentally interested investors.

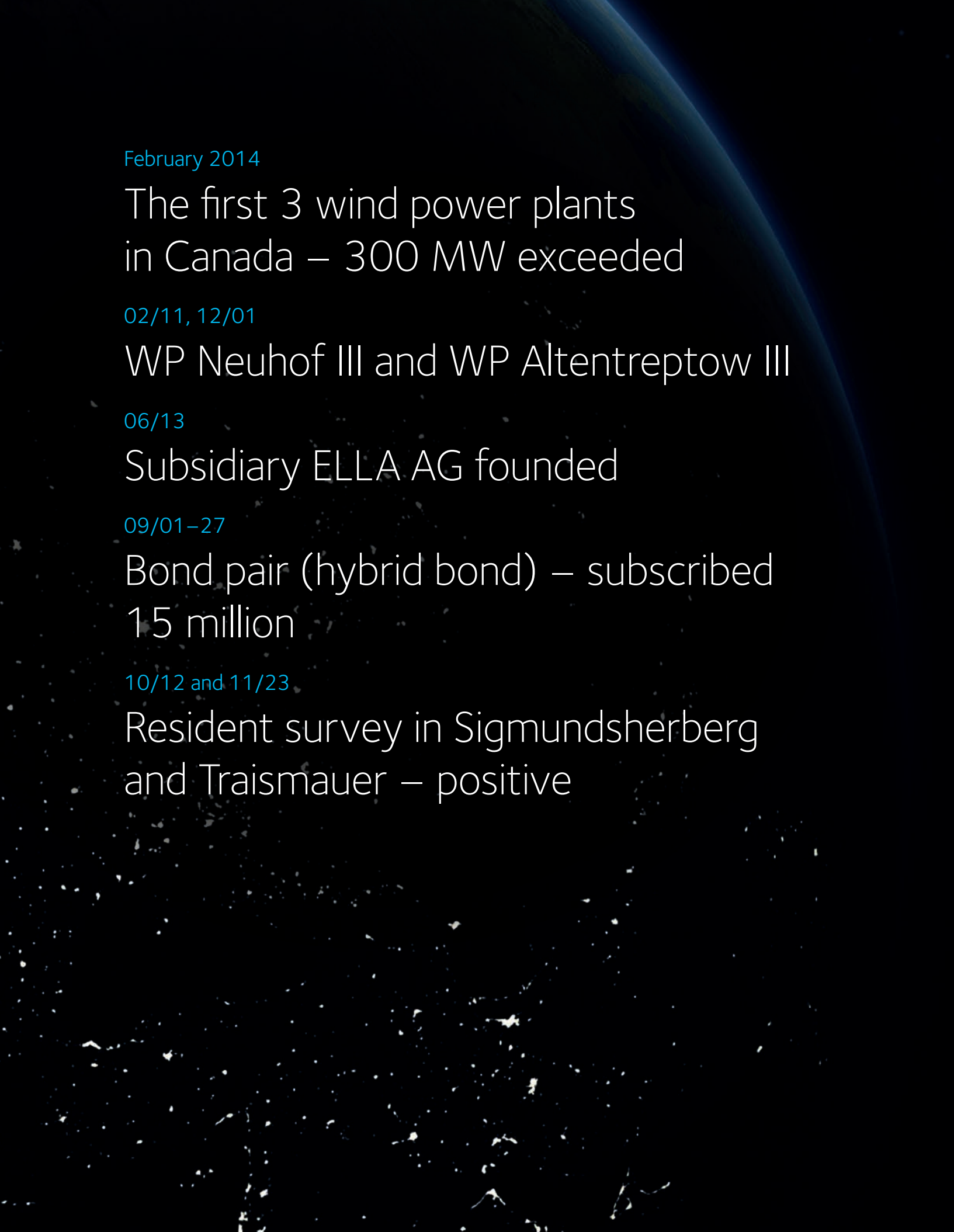
Simon: **The missing link in the entire energy transition has always been the question of storage efficiency. This was already addressed three years ago in your last book "V=Z+S – Die letzte Gleichung der Energiewende" (V=Z+S –**

The Last Equation in the Energy Transition). W.E.B and its innovation division are now trying to confront this challenge. What are your plans?

Dangl: This missing link is, in fact, getting more and more obvious. We think that it is actually possible for the lithium-based battery technology to play a major role in decentralized electricity storing. This technology is pressed ahead at high speed in the course of electric vehicle development. In the next few years, it will also provide exciting business models for power plant technology. We are keeping a close eye on this development in combination with our latest successful project from the innovation division, ELLA AG. The decentralized storing of electrical energy will turn the automotive world on its head in the course of the next decade. Moreover, it will manifest the decentralized version of the energy transition. Social revolutions, similar to the introduction of the first computer, are by all means to be expected. Personally, I expect all of us to drive primarily electric vehicles within the next 10 to 15 years. Every wind power plant will be equipped with an energy storage solution of several MWh. Of course WEB Windenergie AG will play a vital role in this development.

Highlights 2014

W.E.B



February 2014

The first 3 wind power plants in Canada – 300 MW exceeded

02/11, 12/01

WP Neuhof III and WP Altentreptow III

06/13

Subsidiary ELLA AG founded

09/01–27

Bond pair (hybrid bond) – subscribed 15 million

10/12 and 11/23

Resident survey in Sigmundsherberg and Traismauer – positive

Boards and Participations

Supervisory Board

Mag. Josef Schweighofer – Chair of the Supervisory Board

- until 30 June 2013: Business Unit Controller responsible for the area of circuit breakers and distributors, Division of Power Distribution Components at Eaton GmbH, Schrems/Vienna
- as of 1 July 2013: full-time Supervisory Board Member WEB Windenergie AG

Member of the Supervisory Board since 5 July 2002
after re-election at the shareholders' meeting 2011
current term of office until the shareholders' meeting in 2016

Dr. Reinhard Schanda – Substitute Chair of the Supervisory Board

- Attorney at law and expert in energy law, farmer, lecturer at the Vienna University of Technology – MSc Program Renewable Energy
- Chair of the Company Advisory Committee of IG Windkraft

Member of the Supervisory Board since 19 June 2009
after re-election at the shareholders' meeting 2011
current term of office until the shareholders' meeting in 2019

DI (FH) Stefan Bauer

- Project Leader Manufacturing Production at Eaton Industries (Austria) GmbH, Schrems

Member of the Supervisory Board since 1 May 2005
after re-election at the shareholders' meeting 2011
current term of office until the shareholders' meeting 2016

Martin Zimmermann

- Farmer, Chairman of the Weinviertel Farm Machinery Co-Operative; commander of the volunteer fire brigade Weikendorf

Member of the Supervisory Board since18 June 2011
current term of office until the shareholders' meeting 2016

The W.E.B Supervisory Board from left to right: DI (FH) Stefan Bauer, Martin Zimmermann, Mag. Josef Schweighofer, Dr. Reinhard Schanda

Supervisory Board

The Supervisory Board is formed by the elected representatives of W.E.B shareholders. It supervises the Board of Directors of the joint stock company. In regular meetings, the W.E.B Supervisory Board is informed of corporate activities and backs significant company decisions.

The W.E.B Board of Directors is determined to meet the "old economy" head-on; from left to right: DI Dr. Michael Trcka (CFO), Andreas Dangl (CEO), Dr. Frank Dumeier (COO).

Board of Directors

Andreas Dangl – Chair of the Board of Directors (CEO)
Born: 2 November 1962

- Born in the Waldviertel region, he is the founder of WEB Windenergie AG, co-founder of the Interest Group for Wind Power Austria (IGW) as well as both founder and manager of ELLA AG.

Current term of office: 1 July 2014 to 31 December 2017

Dr. Frank Dumeier – Chief Operating Officer (COO)
Born: 29 March 1962

- Holding a doctorate in Mechanical Engineering, Frank Dumeier left an international corporate group to join W.E.B. He is co-owner of a wind power plant and contributes comprehensive experience in business management.

Current term of office: 1 April 2015 to 31 March 2020

DI Dr. Michael Trcka – Chief Financial Officer (CFO)
Born: 10 November 1970

- Holding a doctorate in Business Management and a graduate degree (DI) in Technical Physics, Michael Trcka manages the financial division of W.E.B. He has many years of experience working for a large Austrian power supply company.

Current term of office: 1 May 2014 to 30 April 2019

Board of Directors

The three-man Board of Directors of WEB Windenergie AG combines competence from various fields: pioneering spirit, extensive know-how, technical experience and analytic-economic expertise.

This management team guarantees well-wrought decisions discussed from various angles that are key to master the challenges of the growing industry.

Participations

W.E.B business activities are shaped by constant change. In the course of the company's history, W.E.B explored new countries for possible locations, founded new subsidiaries and established new cooperations with external partners.

The following table portrays the most important companies in the W.E.B corporate group:

100 % Subsidiaries

WEB Windenergie Betriebsgesellschaft Deutschland GmbH	Germany
WEB Windenergie Loickenzin GmbH	Germany
WEB Energie du Vent SAS	France
Parc eolien Champigneul – Pocancy SAS	France
WEB Větrna Energie s.r.o.	Czech Republic
Friendly Energy s.r.o.	Czech Republic
WEB Italia Energie Rinnovabili s.r.l.	Italy
WEB Wind Energy North America Inc.	Canada

> 25 % Participation

Sternwind Errichtungs- und BetriebsgmbH	Austria
Sternwind Errichtungs- und BetriebsgmbH & Co KG	Austria
ELLA AG	Austria

< 25 % Participation

Tauernwind Windkraftanlagen GmbH	Austria
Weinviertler Energie GmbH & Co KG	Austria
oekostrom AG	Austria
Windkraft Simonsfeld AG	Austria
GESY Green Energy Solution GmbH	Germany

Organizational Structure

WEB Windenergie AG applies a matrix organization structure which combines two reporting lines. Therefore, W.E.B is simultaneously structured according to functions and countries.

W.E.B benefits from matrix management because of two reasons: its managing directors can focus on the individual characteristics of different markets, while the central concentration based on functional areas ensures optimal efficiency.

Energy Transition

Wasting energy—greed for profit—centralism. These have been the weak points of energy supply in the last 200 years – accompanied by global overexploitation, extremely dangerous methods, and injustice. In the history of recording pollutants, there has never been a more drastic increase in carbon dioxide than in 2010. Reasons enough for WEB Windenergie AG to commit to the energy transition and confront these disagreeable developments head-on.

Although the memory of 11 March 2011 has already faded away to some degree, the nuclear catastrophe of Fukushima is still a significant date. The environmental and economic consequences have been of enormous proportions. Life is still impossible in an area of 30 km around the damaged ›

nuclear power plant. So far, the economy has suffered an overall loss of 97 billion euro (source: University of St. Gallen). Against this backdrop, Germany closed half of the country's nuclear power plants and decided to withdraw from nuclear energy in the medium run. Switzerland followed their example and its parliament declared that the country would not make use of nuclear energy until 2034. In any case, Austria does not generate any electricity from nuclear power due to the Zwentendorf referendum of 1978. On the other hand, alternative sources for generating electricity such as coal, oil or shale gas come with dire effects on our climate. The fact that the one technology is not fully controllable and that its alternatives massively change our world climate is a driving force for pressing ahead with the energy transition.

Generating electricity from renewable sources such as wind, sun and water was just a logical consequence. According to a study of renowned U.S.-American Stanford University, it is actually possible to use renewable sources to cover the entire energy demand in a few decades. WEB Windenergie AG committed to this idea early on and developed its vision of playing a leading role in the energy transition going far beyond the mere generation of electricity from renewable sources.

The benefits of the energy transition are perfectly obvious. The economic risks of energy shortage or even an energy crisis, for example the oil crisis, are significantly reduced because of the basically unlimited supply of primary energy from wind, water and sun. Armed conflicts and disputes over resources are avoided. As neither fossil fuels nor uranium have to be imported, the economic added value in Europe increases and leads to both economic and political independence from exporters. The destruction of the environment through the exploitation and combustion of fossil fuels is contained, while both nuclear waste and other risks of nuclear power are avoided. In addition, limited resources such as oil, gas and coal are saved.

The most important ingredients of a successful energy transition are the constant development of wind and solar power plants, innovative ideas for stabilizing the decentralized approach, and ultimately both the realization and participation of as many people as possible. This concept seems to be tailor-made for WEB Windenergie AG. In 2014, W.E.B invested more than 68 million euro into the expansion of renewable energy. Its own innovation division makes sure that the required measures are not only developed but also implemented. One such example would be the green-energy product W.E.B-Grünstrom: a particularly affordable electricity tariff for everyone. In contrast to other electricity suppliers, this tariff gets even cheaper with lower energy consumption. This is also how the tariff lives up to a main point of the energy transition – energy efficiency.
Years of experience in the area of electric vehicles lead to the foundation of ELLA AG, a subsidiary of W.E.B that has begun developing a network of quick charging stations all over Austria. Once again, this is how W.E.B takes into account a key issue of the energy transition – promoting electromobility. The next great challenge of the innovation team around CEO Andreas Dangl will be the problem of storing energy. It is another field that is closely linked to electromobility on various levels.

As a citizen participation company right from the start, WEB Windenergie AG is proud to have more than 3,600 small and individual investors participating in their vision. An idea that was realized with 99 individuals some 20 years ago still captivates an increasing number of people. Therefore, W.E.B significantly contributes to the energy transition and its most important condition aside from a risk-free approach and reasonable costs – social acceptance.

Business Environment

New Developments from Brussels

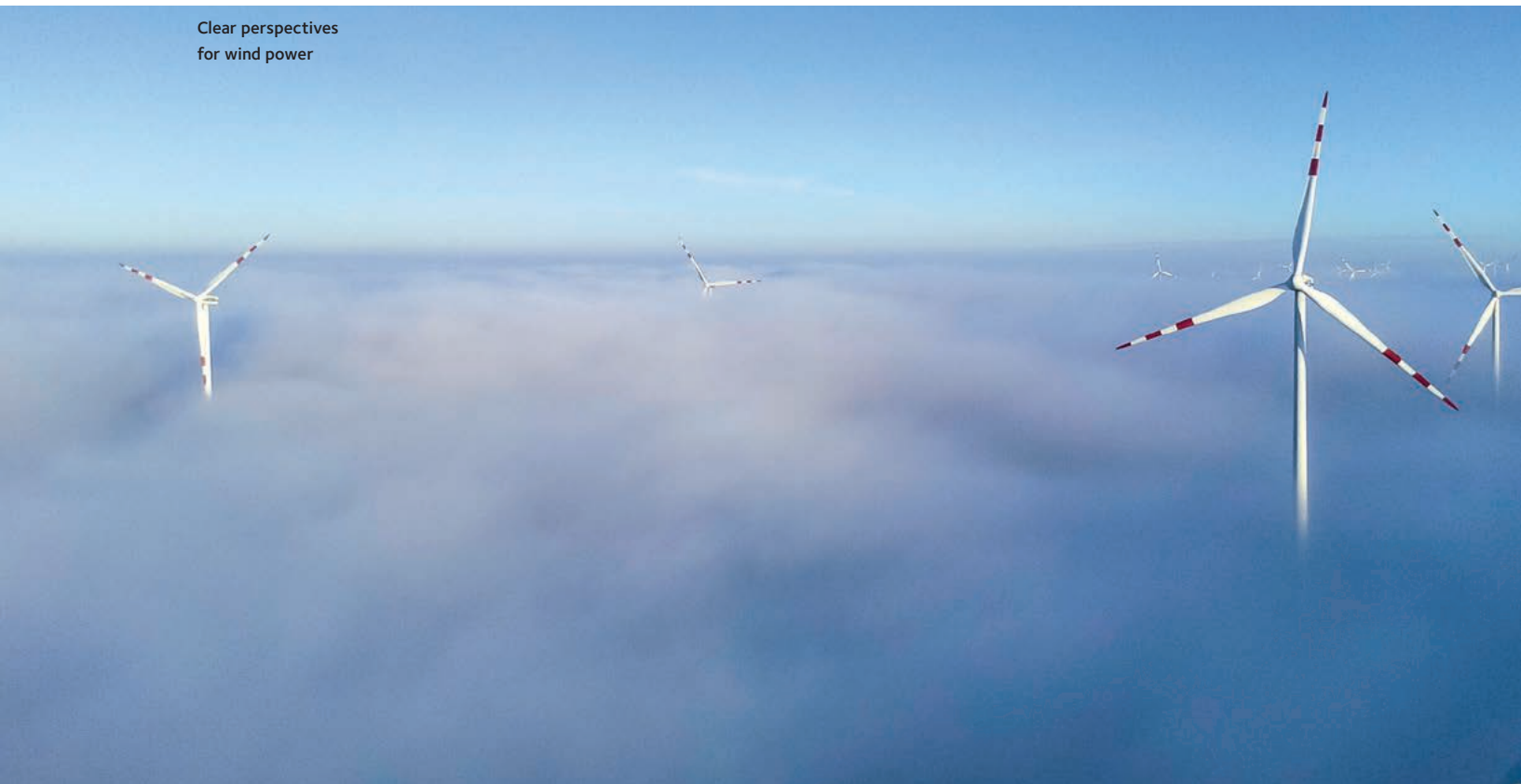
The business environment in the core markets of W.E.B is significantly shaped by the goals of the European Union for a joint climate and energy policy. In the past year, the EU presented various new developments.
In October 2014, individual member states agreed on a political roadmap that – despite unresolved points of criticism – continues to have a positive effect on the use of renewable energy and, in consequence, on the field of activity of W.E.B. Amongst other issues, the member states came to terms on an agreement on the following mandatory targets for the entire European Union:

- Increase of the share of renewable energy consumed in the EU to 27% by 2030
- 40% reduction of CO_2 emissions by 2030 compared to the values of 1990

One of the overall objectives behind the settled energy policy is the greater independence from energy imports, leading to sustainable energy supply security within the European Union.

Bidding Process for more Competition

Introduced in April 2014, the Guidelines on State Aid for Environmental Protection and Energy entail new regulations on state aid for renewable energy relevant to the business environment of W.E.B in the years to come. Main point: state aid, such as Austria's currently guaranteed feed-in tariffs, will be awarded based on a bidding process as of 2017.
The European Commission hopes to incite more competition in the energy industry.



Clear perspectives for wind power

There is a lot of opposition against the immoral EU subsidies for nuclear power. This picture shows mothers from Freistadt demonstrating in Brussels.

Indignation at Subsidized Nuclear Power Plant

It is not only the sector of renewable energy producers and various environmental NGOs that are outraged. First and foremost, it is an extensive share of the European population to voice its indignation at the European Commission's approval of subsidies worth billions of euros over decades for the construction of the new British nuclear power plant Hinkley Point C. Austria was not the only country where this development caused lots of discussions on whether it might be a better idea to invest all available subsidies to accelerate the change to renewable energy. In addition, the Austrian government announced to bring an action before the European Court of Justice against the British subsidies.

End of Grey Electricity in Austria

The business environment of W.E.B also profits from the electricity labeling requirement – the so-called ban on grey power – as introduced in Austria in early April 2015. Grey electricity is defined as power without proof of origin. The new regulation requires energy suppliers to provide such proof of origin for all their electricity going to consumers. According to E-Control, electricity of unknown origin amounted to 6.8% in Austria in 2013.

The development comes with a major advantage for marketing and promoting electricity from renewable sources in Austria: this puts a stop to supplying consumers with electricity from nuclear and fossil power generation without their knowledge or explicit wish. Even though physics dictate that electricity always comes from the closest power plant, consumer can still choose their supplier and, in consequence, decide which kind of electricity will be produced in the future. So consumers actually determine both speed and scope of the energy transition.
As W.E.B-Grünstrom customers have always been supplied with electricity from the renewable sources wind, photovoltaics and small-scale hydropower, W.E.B expects this development to result in a future competitive edge.

Industry Giant E.on Focuses on Renewable Energy

Once again in 2014, the business environment of W.E.B demonstrated its dynamic character in an announcement of when Europe's largest energy supplier E.on: after the company's market capitalization of more than EUR 100 billion dropped to less than one third within as little as six years, its management announced that it "will set up its businesses differently, making them viable for the future". E.on will withdraw from generating electricity from coal, oil, gas and nuclear power and instead focus on renewables, distribution networks, and customer solutions. So in late 2014, the market leader changed its assessment and strategy concerning sustainable energy supply in a previously unimaginable and clear way. This complete change of direction confirms W.E.B's opinion of the energy future, an opinion that W.E.B has been always been holding high for almost 20 years.

Renewed Initiative for Energy Transition in France

In 2014, traditionally nuclear-power-friendly France – a growth market of W.E.B – passed a law including a series of changes that will "change the lives of the French people", as Ségolène Royal, French Minister of Ecology, Sustainable Development and Energy explained. The new regulation provides, amongst other things, for millions of charging stations for electric vehicles as well as for renewable energy funding. Renewables will amount to 30% of the country's overall energy production by 2030; in comparison to 12% today. The share of nuclear power in national energy production will be reduced from today 75% to 50% by 2025 – a positive signal for the market of renewable energy generation.

Strategy and Positioning

Strategy

Sustainability of Business Development

The same sustainable approach that W.E.B pursues in generating electricity will also shape the company's business development – based on the defined strategy of the Supervisory Board and the Board of Directors. The company does not focus on maximum short-term results but on a positive corporate development in the long run and a future-oriented shareholder value. In addition, company operations are also oriented for the benefit of those individuals working for or associated with the Group – so-called stakeholders.

Revenue Split according to categories in 2014	TEUR
Wind	49,216
Photovoltaics	4,220
Water	372
W.E.B-Grünstrom	188
Total	53,996

Benefitting from the Energy Transition

As we can see from the annual increases of electricity produced from renewable sources in numerous markets, the industry in which W.E.B operates is a natural winner of the energy transition. However, only those companies successfully positioned and managed on a long-term basis will be among the sustainable winners. W.E.B is fully aware of this fact and has adjusted its corporate strategy accordingly.

From the point of view of W.E.B, the content and temporal horizon of the energy transition is based on the adaptation of energy supply which will take about one generation.

Business Model

Specialized in both project development and the operation of power plants generating electricity from renewable sources, W.E.B is successful in its home market Austria as well as in Germany, the Czech Republic, France, Italy and Canada. At the end of 2014, W.E.B had a total of 94 employees in these countries. The revenues of 54.0 MEUR could be increased by approximately 5.9 MEUR or 12.3% compared to the previous year.

The W.E.B business approach includes a broad market position concerning both supply chain and internationalization. Corporate operations comprise everything from the first project idea to planning, developing, funding and ultimately realizing a project as well as operating the power plants. On an international scale, the strategy seeks to expand this array in all W.E.B markets.

Continuity and growth from the first wind power plant in Austrian (1995, 0.23 MW) to the latest 2 MW plant in Canada

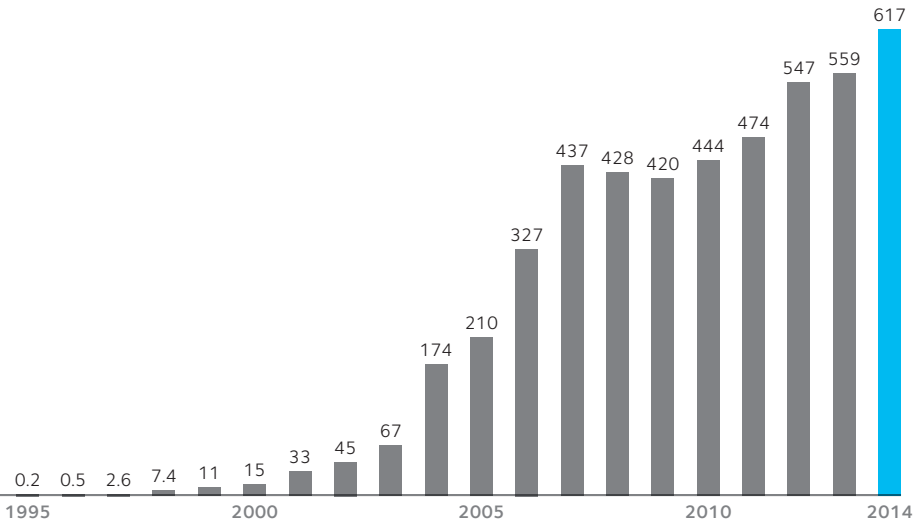
W.E.B and its numerous project partners as well as manufacturers of power plants work together on a partnership basis. Moreover, the company assumes social responsibility and performs voluntary services for the environment in the course of corporate operations. W.E.B offers employees on the one hand the work environment of a young and dynamic company while on the other hand providing development opportunities within a transnational – and transcontinental since 2013 – corporate group. As the Group's parent company, WEB Windenergie AG has a broad base of more than 3,600 shareholders trusting in its business model. This citizen participation approach has not only been maintained since the company's foundation but is also continued in the field of debt financing by issuing bonds. Furthermore, W.E.B shareholders have been able to obtain affordable electricity produced in "their" plants since 2013.

Since the predecessor company of today's WEB Windenergie AG been was founded by CEO Andreas Dangl in 1995, the Group has also been looking back on a convincing development reflected in measurable success:

Accumulated results of the first 20 years of W.E.B	**1995 – 2014**
Generated energy since foundation	4,876 GWh
Oil equivalent of generated energy (in thermal power plant)	1,560,348 t
CO_2savings acc. to UCTE mix	3,257,227 t
Number of power plants (Dec. 2014)	199
Accumulated distributed dividend (since 2010)	10,673 TEUR

Accumulated production of the W.E.B Wind Energy Group including participations from 1995 to end of 2014

Annual production
in GWh



Positioning

Despite the weak wind year, the results of 2014 reflect the excellent positioning of W.E.B in its target markets. In the previous year, for example, the Group generated more electricity than in the first 11 years of corporate history. In 2014, W.E.B began strengthening its presence by directly marketing and selling its own generated electricity to consumers. In the past fiscal year, W.E.B-Grünstrom grossed 188 TEUR.

The majority of customers are W.E.B shareholders thanks to a special offer.

The main pillars of this market position are as follows:

- **Experience:** In 2015, the first W.E.B power plant will be 20 years old. This and (as of January 2015) 199 other power plants are where the employees continuously gather experience in how to improve processes, reduce operating costs and optimize efficiency. Only a few energy suppliers are able to draw on such long and extensive experience.
- **Competence:** This experience paves the way for W.E.B to both secure and develop top-quality projects, finance them at attractive terms, and globally expand this business model.
- **Participation:** W.E.B strives to actively integrate the people living in the project area at an early stage. In this context, opinions are exchanged, people asked about their concerns, and municipalities supported in coordinating wind power plant projects. W.E.B does not realize any projects against the will of the majority of the local population.
- **Citizen participation:** W.E.B sees itself as a citizen participation company. There are various participation models (see chapter "Investing in W.E.B") to directly benefit from the many advantages of the energy transition.
- **Regionality and diversification:** W.E.B develops markets on a local level by having experienced specialists managing the project on site. At the same time, the W.E.B experts are supported by various teams at Pfaffenschlag Headquarters. This form of organization not only makes it possible to realize a strong market presence with a small yet effective local team but it also provides W.E.B with the needed flexibility to send employees all around the world and establish international experience within the company. Moreover, market diversification is a fundamental element of balancing naturally occurring fluctuations in production (see chapter "W.E.B as an International Citizen Participation Company").
- **Efficient operations:** Around 140 types of measurement data on every single power plant are gathered at Pfaffenschlag Headquarters 24 hours a day. This is how the plants are centrally monitored seven days a week. The W.E.B engineering team uses such real-time information to control and optimize operations. The centralized collection of data is also the basis for decisions about maintenance, services, repairs etc. As W.E.B focuses on only a few leading manufacturers of wind power plants, it is able to concentrate know-how within the company without having to depend on one manufacturer.

W.E.B as an International Citizen Participation Company

Risk-Aware Control

The financial foundation of W.E.B, the citizen participation model, has not been changed since the company's foundation almost 20 years ago. The basic principles of this model, however, apply not only to the field of financing but also to long-term company management.

Site visit as part of an Austrian-Czech climate alliance

Continuous dialog with interested parties and investors has always been a crucial element of W.E.B.

This also means that W.E.B is extremely careful when it comes to entrepreneurial risks. The company is fully aware of the fact that the provided capital comes from people placing great importance in the safety of their investments. In consequence, risk awareness is essential to all guidelines and strategies. Whenever business decisions are made, careful risk assessment takes center stage. Such decisions are always made taking into account standards of highest professionalism and only after analyzing all risk and opportunities.

In past years, W.E.B successfully benefitted from the opportunities of the industry without any considerable risks arising. In retrospect, the main reasons for such success include the strategic selection of countries to geographically spread any entrepreneurial risks, the choice and quality of projects, and the company's expertise in operating power plants and financing.

Internationality and Regional Diversity

W.E.B has become a successful, international company due to its decision of focusing its international development on Central and Western European countries as well as Canada, where not only the legal system but also the state system are both reliable and assessable. W.E.B core countries enable stable returns at containable risk.

Any W.E.B market entry comes along with project investments and the formation of a local team to develop new projects and manage existing plants in the best possible way. This strategy allows W.E.B to gradually transform new markets into home markets and create value for the corporate group

Political representatives accepted invitations to an opening ceremony.

Needless to say, this regional diversity is the key to partially compensate for naturally occurring fluctuations in production. This goal is also supported by the three, mostly uncorrelated, types of production (wind, photovoltaics, water). When W.E.B started generating electricity in North America in 2014, this risk diversification entered a whole new dimension.

Financing

In the field of financing, essential features of risk management include project financing equivalent to maturity periods and the company's generally excellent equity base.

W.E.B wind power plants are primarily financed through long-term loans, usually at fixed interest rates for the entire credit period.

W.E.B always keeps in touch with local politicians.

In countries where revenues are not generated in euro – the Czech Republic and Canada in 2014 – project financing in the respective local currency naturally compensates for most currency fluctuations.

In 2014, W.E.B issued its first hybrid bond. The total issuance amount was EUR 4.4 million. This provides W.E.B investors with a new way of investing in the company that features both equity and debt characteristics.

Investors also experience W.E.B at celebrations like this one – the opening of wind farm Matzen Klein-Harras

International View

Germany

Interview

I am not a tree hugger but have a tendency to lead a reasonable life

WEB Windenergie AG pursues the proven strategy of having foreign subsidiaries run by two managing directors. The special twist of this strategy: one of them works locally, the other one at Pfaffenschlag Headquarters. This approach ensures all the advantages of having a person that knows the place, while the subsidiary always stays connected to the parent company. Our new CEO in Germany is Leopold Reymaier who now controls the fate of W.E.B in Germany with Stefanie Markut. W.E.B Head of Communications Gerald Simon visited him in his usual environment to ask him a couple of question.

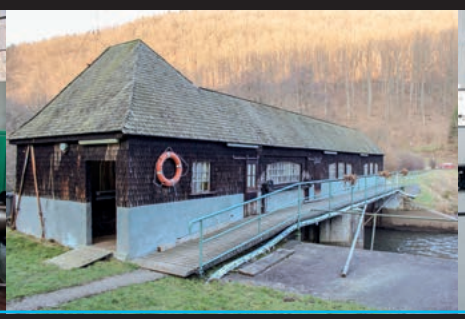
Simon: **Mr. Reymaier, you have been working for this company for a few months. How was it in the beginning and what is your first impression of W.E.B?**
Reymaier: The initial recruiting process left an excellent first impression and it has been fully confirmed. W.E.B is extremely professional for a medium-sized company. As everyone has a place and knows exactly what they have to do, the company is highly efficient. My colleagues welcomed me with open arms but, to be honest, I expected nothing less from an Austrian company.

Simon: **Originally, you are from Vienna but you live in Hamburg? How did you end up in northern Germany?**
Reymaier: My path to northern Germany was not necessarily predetermined. As I had learned Czech during my time with the Austrian Armed Forces, I had the opportunity to work for Bank Austria (Uni Credit) in the sector Central East Europe. In 2007, HSH Nordbank offered me to contribute my CEE experience but conduct business in Western Europe and the USA. After the 2008 onset of the financial crisis, my bank started focusing on renewable energy and created a special corporate department. I earned my Master's degree in Renewable Energy from the Vienna University of Technology and accepted the new challenge.

Simon: **From real estate financing to alternative energy project financing? Why did you get interested in this field?**
Reymaier (laughs): My father worked in the "old economy" and we always talked about oil and gas prices during breakfast. Now the energy question has returned. I am not a tree hugger but have a tendency to lead a reasonable life. I pay attention to eat as organic as possible and believe that we should use our resources as sustainably as possible. While doubters tend to discuss our field of work rather emotionally, I am actually convinced that the expansion of renewable energy is simply the reasonable thing to do. Every other solution is dangerous, destructive or limited. ›

Wind and water guarantee the success of W.E.B in Germany.

The hydroelectric power plant Eberbach was built in the 1920s and acquired by W.E.B in 2006.



Our reliable Plant Manager Dieter Eberle.

CEO Reymaier in front of the power plant in Altentreptow.

Simon: **From Vienna to Hamburg, from real estate to energy, and from oil to wind. Your biggest change was the last one, though, when you basically switched sides from financing wind power projects to developing and realizing them.**

Reymaier: I always knew that I would not retire from a bank. These changes may seem to be rather spectacular but I see it as a natural way of personal development. I have 15 years of experience in financing. The world of banks changed after the financial crisis. I know how they control the system; that is my field of expertise! I was simply intrigued by the broad spectrum of project management; by seeing something through from A to Z instead of only taking care of the financial aspects. And I was captivated by the "W.E.B spirit". It is a way for me to contribute to an issue that is near and dear to all of us. As I have said, not from the perspective of somebody that wants to save the world but from the viewpoint of a sensible person.

Simon: **What else do you plan for the field of project development in Germany?**

Reymaier: In our industry, Germany is the toughest and most competitive market in Europe. Nevertheless, I believe there are still great opportunities for W.E.B. We have our technology under control, which gives us a clear edge over classic financial investors. And our company has a reasonable size. We are able to realize projects that are too small for large-scale investors but too big for those trying to buy a single wind power plant. ❱

CO_2-SAVINGS

87,397 t in Germany in 2014

PLANTS +3

+3 x Vestas V90 in Altentreptow III

Mag. Leopold Reymaier

Is a multilingual manager with a feel for intercultural and international relations, management experience, and 15 years of experience in international banking. Holding Master's degrees in International Business Management as well as Renewable Energy from the Vienna University of Technology, he is the connecting link between the world of technology and the business world.

Reymaier is extremely well-connected in the German wind energy industry and knows lots of different project developers, plant manufacturers, investors, consultants and banks. He is an expert of the European wind and solar energy markets and brings both technical and economic understanding of renewable energy to the table. In addition, Reymaier has gathered management experience in the development and implementation of growth strategies even under challenging market conditions.

His strongest motivation for changing to W.E.B was his fascination with renewable energy projects and the implementation of a growth strategy for the German market.

Professional experience (in short)

- **HSH Nordbank AG Energy & Infrastructure**, Hamburg, Germany Senior Director Business Unit Renewable Energy
- **HSH Nordbank AG Real Estate**, Hamburg, Germany Senior Vice President, Project Finance International Real Estate
- **Bank Austria Creditanstalt** (today: Unicredit Bank Austria), Vienna, Austria Senior Manager International Real Estate Project Finance
- **Bank Austria Creditanstalt** (today: Unicredit Bank Austria), Vienna, Austria High Potentials Trainee Program

Personal credo

With the goal on focus, we create today our tomorrow.

I am currently scanning our opportunities with a spectrum ranging from greenfield projects to purchase options.

Simon: **W.E.B is committed to a moderate growth course. How does it play out in Germany?**
Reymaier: Germany has a projected annual addition of about 2 to 2.5 GW. If we were able to reach only one percent of the market, we would have quite a nice share. We would like to connect an additional 20 to 25 MW to the grid per year.

Simon: **A famously witty remark ascribed to Karl Kraus says, "What differentiates Germans and Austrians is their common language." As somebody who knows both sides, what do you think about that in your professional life?**
Reymaier: I guess there are probably no examples in the German-speaking world that are more different than Vienna and Hamburg. It took me some time to learn that the straightforward way in northern Germany is not a sign of being impolite. Today I can pick and choose between the different cultural approaches. I think that Austrians are more flexible in their way of thinking but northern Germans are much more analytic. Both can be used to our advantage.

Simon: **Where do you see W.E.B in ten years?**
Reymaier: That is a difficult question for a sensible person. If you ask what I would wish for W.E.B in 2025, I see an international wind power plant operator, a highly-competent player in technology, and the largest Austrian and medium-sized European wind energy company.

Simon: **One last personal question: what are you most grateful to your parents for?**
Reymaier: My parents taught me to be open to other cultures and always dare to think outside the box. This is also what I want to pass on to my son. ▮

W.E.B Plants in Germany

Locations	Plant number	Commissioned	Nominal output	Standard yield
	2014	Year	kW	kWh
Altentreptow	15	2003	30,000	58,212,000
Altentreptow III	3	2014	6,000	15,075,000
Barkow	2	2009	4,000	9,900,000
Francop	3	1996	1,800	2,228,000
Glaubitz	10	2001	8,500	11,385,000
Görmin	1	1999	660	1,139,000
Kuhs	3	2004	6,000	17,820,000
Pensin	3	2006	6,000	13,365,000
Upgant-Schott – Arends	1	2000	600	1,188,000
Upgant-Schott – Schönigh	1	2000	600	1,188,000
Weener	2	1999	3,300	4,752,000
Wörbzig	12	2003	19,800	23,859,000
Eberbach	1	2006[1]	1,100	2,700,000

[1] date of acquisition

The best wind locations for W.E.B
are found in Canada.

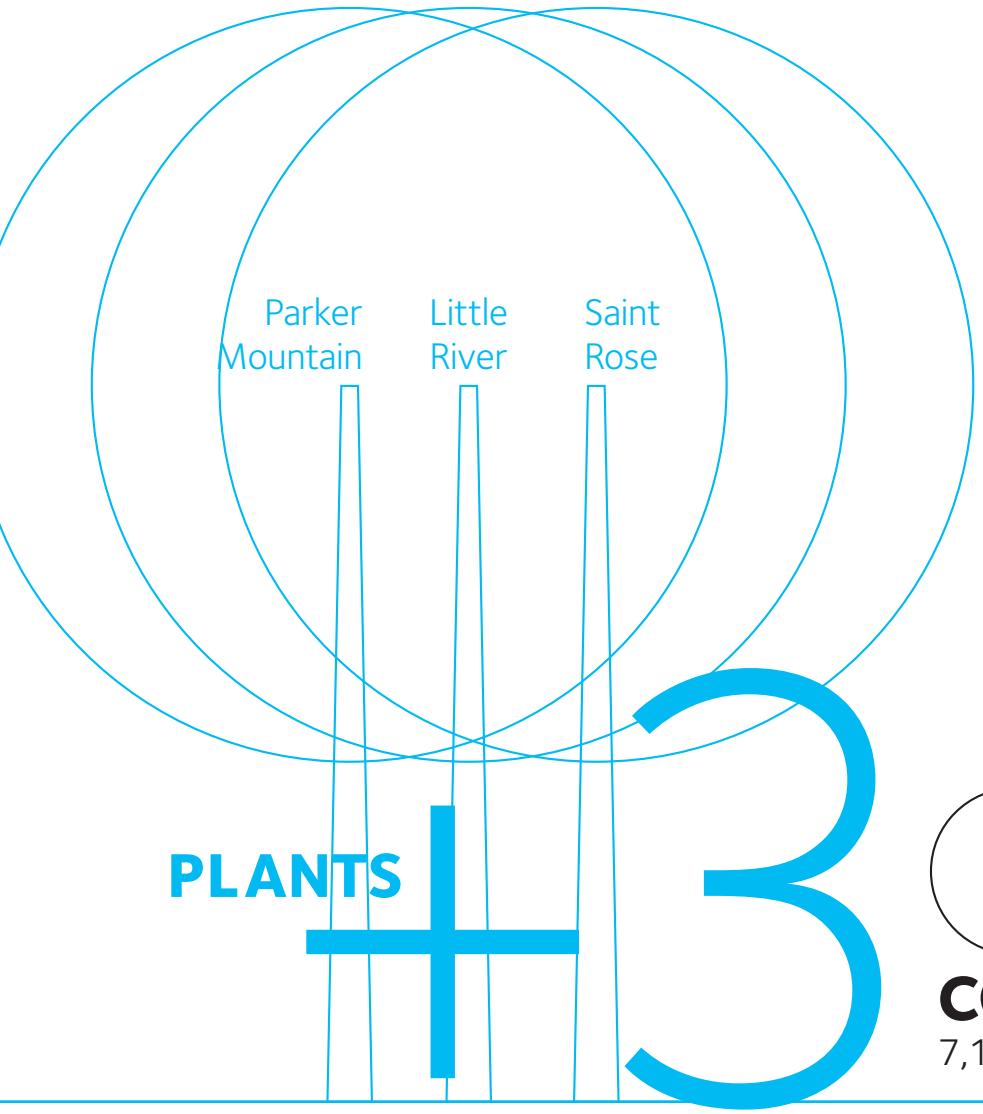
In Nova Scotia, Phase II was completed in 2015. A total of 14 W.E.B wind power plants are already rotating in the Canadian wind.

Canada

Interview

Everything we do is for the team

In the last few years, Canada has turned from an exotic promising market to a highly successful location. After completing "Phase II" in Nova Scotia, a total of 14 W.E.B wind power plants are already rotating in the reliable Canadian wind and deliver top results month after month. The expansion is continuing according to plan with Stuart Lawrie as the local CEO since December 2014. He and Reinhard Kainz manage the Canadian W.E.B subsidiary. Gerald Simon joined him in a WebEx web conference and asked him about further overseas developments.



PLANTS 3

3 x Vestas V100 – 1999 MW

Simon: **You have been with W.E.B for 100 days now (editor's note: at deadline). How have you settled into your new work?**

Lawrie: It's great fun. My colleagues work hard but are still open for new ideas. The flow of information is fantastic and we have optimized our administrative processes to consume less time and effort. I really like that and enjoyed my first three months immensely.

CO_2-SAVINGS

7,166 t in Canada in 2014

Simon: **Canada is rather far away from Austria. How do you manage to stay an integral element of the W.E.B team?**
Lawrie: That is a huge challenge, there's no doubt about it! Previously I also worked in Australia with headquarters located in Toronto. If you want to be a part of the team – and I believe that everything we do is for the team – you will have to work a little bit harder. I am very happy that I can participate in our biweekly management meetings via WebEx video conference. And our headquarters had to especially change the usual routine and set the meeting for a time I would not have to participate at three in the morning. Moreover, our meetings are now held in English, which is also much better for my French colleague Nicolas Blais. I really appreciate that.

Simon: **Our local partners are also part of the team in the broadest sense. What is it like to work with Scotian Windfields?**
Lawrie: We have a lot of really good people: Dan Roscoe (COO), David Howell (CFO), Toby Hall (Construction Manager) and Barry Zwicker (CEO) are fantastic in their fields. I really enjoy our teamwork. Both sides profit just like in a symbiosis: Scotian Windfields contributes the regional contacts we need for our citizen participation model, while W.E.B provides professional know-how in constructing and operating wind power plants.

Simon: **Your cooperation has already come to fruition and been highly effective. After the shortest project development time in W.E.B history, we have 14 wind power plants with a total of 28 MW in Nova Scotia. You have completed "Phase II" as we say. What are your next steps?**
Lawrie: Everything is going according to plan and we will continue with Phase III and IV in Nova Scotia. We are just about to order new machines for 12 more MW in Phase III, so we can set up the plants early next year. In Phase IV, we will order the next set of machines early next year and build the plants in 2017. We are not sure how many, though; somewhere between 8 and 16 MW. Nevertheless, I am convinced that there is still more potential left in Nova Scotia. Aside from the usual feed-in tariff to promote the expansion of wind energy in Nova Scotia, everybody is talking of a different program with good chances for us to get involved.

Simon: **So everything is working out in Nova Scotia. Are there any activities in other Canadian provinces?**
Lawrie: Yes, there are! Detlef (editor's note: Krollpfeiffer, Lawrie's predecessor) has done great work and we will be bidding for four projects in Ontario. It is a little complicated because each province has its own rules. So it is impossible for us to say

Stuart Lawrie

Managing Director WEB Wind Energy North America Inc.

His W.E.B assignments
- CEO Canada

Company member since
October 2014

Training
- Bachelor of Science in Mechanical Engineering (University of Waterloo)
- MBA (Wilfrid Laurier University)

Professional experience
- 18 years of management experience at various companies
- thereof 8 years Vestas American WindTechnology Inc.
- and 5 years Husky Injection Molding Systems Ltd.
- Experience in established as well as start-up companies
- Experience in working with governments, communities, energy suppliers but also project owners
- International experience (USA, Australia, Asia, Mexico)

Personal details
- Born 1963, Toronto, lived in Manchester, England until 16 years old
- Partner, Andree, of 18 years
- Hobbies: traveling, climbing, sailing, skiing, hiking and gardening

Personal credo
„Live life to the fullest and take the opportunities to be outside your comfort zone."

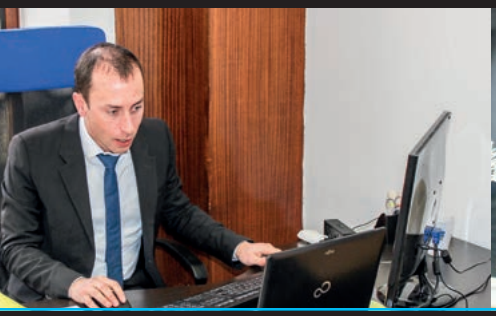
what we will be able to achieve. However, we believe chances are good for us to get a slice of this pie. We are talking about the first of a series of bidding processes taking place at various stages in Ontario until 2021. We benefit from such a long-term process because we can rely on a stable and predictable development on the one hand and, if we came out empty-handed, we always get a new chance to improve our position and participate in the next bidding process. Still, W.E.B is so professional that I do not even worry about anything going wrong. And there is exciting news from British Columbia as well: a new feed-in tariff subsidizes up to 15 MW per project. If we are able to bid at the required price, we stand a good chance of success. We have already begun preparing all the necessary paperwork.

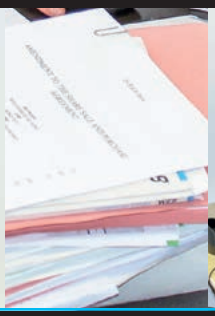
Simon: **One last personal question: the entire W.E.B team appreciates you for your optimism and cheerful nature. Is there anything but your humor you got from your parents?**

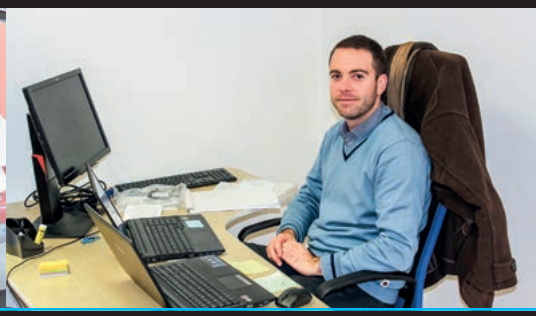
Lawrie: My parents were wartime children and I grew up in England. Although they separated very early, it seems that I have taken after both of them. My father was an engineer and taught me that there is hardly anything you cannot fix yourself. I remember us sitting at the kitchen table and working on a few car parts before putting them back into the car. My mother was an accountant and always tended to tightly hold the family purse. She even rinsed plastic bags and hung them out to dry. Our neighbors were confused because they could not understand how a person living in such a beautiful house would need to reuse plastic bags. Well, I may not rinse any plastic bags but my mother taught me to how to be good with money. This characteristic of financial responsibility turned out to be quite an advantage for my position at W.E.B.

W.E.B Plants in Canada

Standort	Plant number	Commissioned	Nominal output	Standard yield
	2014	Jahr	kW	kWh
Little River	1	2014	1,999	6,570,000
Parker Mountain	1	2014	1,999	8,380,000
Saint Rose	1	2014	1,999	7,240,000
Black Pond	1	2015	1,999	6,941,000
Isle Madame	1	2015	1,999	6,623,000
Martock Ridge	3	2015	6,000	18,200,000
North Beaver Bank	4	2015	8,000	29,400,000
Nine Mile River	2	2015	4,000	12,369,000







Our France CEO Nicolas Blais has been struggling against the mainstream of the Grand Nation since the beginning of his career. His success is more than impressive: W.E.B is building the company's largest wind farm in the Champagne region.

Laurent Mahieu energetically supports Nicolas Blais in the office in Paris.

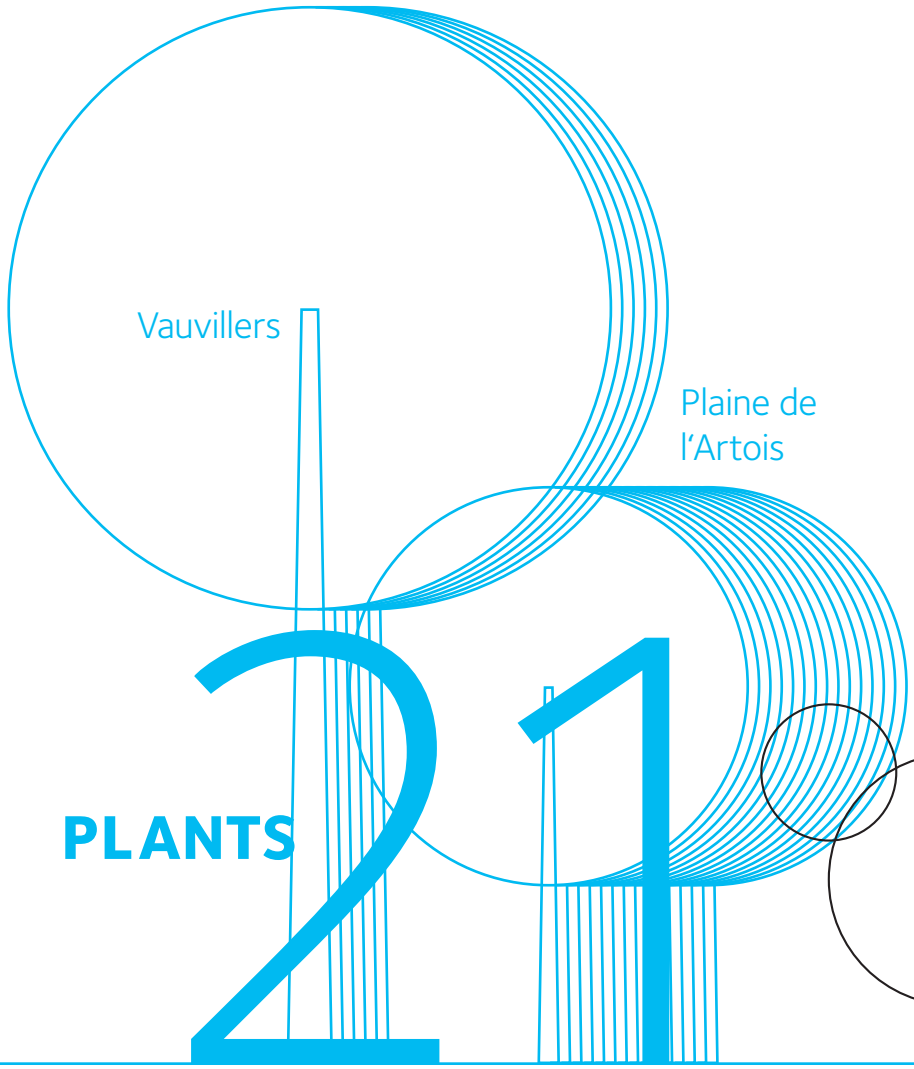
Wind Power Plants against Nuclear Power Plants

France

Interview

It is still a struggle but we will win!

After Austria and Germany, France is the third-largest market of WEB Windenergie AG with 24 MW of installed capacity. The largest wind farm in W.E.B history is currently built in the Champagne region and will open in summer 2016. This will add 40 MW at a single stroke. In cooperation with Melanie Kolm, Nicolas Blais has been managing the French W.E.B subsidiary for more than two years. Gerald Simon visited him at his office in Paris and asked him about his plans and development opportunities for W.E.B in France.



PLANTS

6 x Vestas V80 + 15 x Enercon E-53

Simon: **Mr. Blais, what do you like best about W.E.B?**

Blais: My most favorite things about W.E.B are the company's spirit going far beyond the mere production of electricity as well as the company's commitment to the implementation of the energy transition. I just love the idea of the energy transition, the whole concept. Still, W.E.B always keeps a ❱

CO_2-SAVINGS

36,198 t in France in 2014

Nicolas Blais

Assignments as WEB Energie du Vent SAS CEO:

- Management of WEB development and acquisition activity in France

Company member since

October 2012

Training

- Bachelor's degree in Applied Sciences for Renewable Energy (STER), Toulouse University Paul Sabatier

Professional experience

- Over 14 years of experience in the wind energy industry
- Experience in project management ranging from wind resource assessment to negotiations, planning applications and building supervision
- Experience in managing wind farm operations
- Advisory manager at "Wind Prospect"
- Project manager at "Energie Team"
- Renewables and energy efficiency advisor at "7 vents du Cotentin"
- Experience in photovoltaic project management
- Experience in team management

Personal details

- Born 1978
- Married to Yaël Bobée
- Father of Déa and Elsa
- Hobbies: fencing, hiking, chess, movies, literature and skiing

Personal credo

"Things that deserve to get done, deserve to get well done."

close eye on profit despite this ideological foundation. W.E.B provides us with an opportunity to change society in the long run. This is what I always wanted and the reason why I have been working in the wind energy industry for more than 14 years.

Simon: **That was at a time when France was much more so the proverbial nuclear energy nation than it is today. How did you end up in this career?**

Blais: Well, my career choice really was not that popular and has remained a struggle to this day. But we will win! I have always believed in the necessity of renewable energy and France is certainly big enough for wind power. It takes time, though. In the course of my engineering studies, I decided to specialize in "renewables" and ultimately ended up in this job.

Simon: **What was the most captivating part of your tasks at W.E.B?**

Blais: After eight years of working in project management for various start-up companies, I wanted to be part of a larger company that also had the economic means to implement its projects.

Simon: **Did W.E.B live up to your expectations? And what about working with the company's headquarters in Austria?**

Blais: We work together very well. Of course both distance and language differences are major challenges. Moreover, there is a cultural difference between Austria and France that should never be underestimated. Here we are able to take care of everything ourselves. And we receive lots of trust and support from our corporate headquarters in Pfaffenschlag.

Simon: As already mentioned, France is still very much associated with nuclear power in the energy industry. What are your thoughts on this issue?

Blais: Today, France generates 80% of its electricity in nuclear power plants. Although a complete withdrawal would be possible, the French government certainly does not pursue this road. According to current plans, France will reduce this level by 50% in the next 20 years. We need to make sure that this reduction does not lose its momentum. Neither are there any discussions about the energy mix, nor has the energy transition become an issue society talks about.

Simon: What does this mean for W.E.B? What are your plans?

Blais: It is our declared goal to build an additional 30 MW every year. What we need is moderate growth, which is also extremely important to our shareholders. These 30 MW are definitely a realistic goal. Next year, we will open a wind farm at Les Gourlus that adds 40 MW alone. We also have options for 30 MW more in 2016 and are developing 200 MW of greenfield projects. We will realize them one step at a time.

Simon: You mentioned Les Gourlus, the largest wind farm in W.E.B history. What can you tell us about its current status?

Blais: We are currently in the "preconstruction phase", meaning that we have come to an agreement with Siemens on the wind power plants and will begin construction works in June 2015. We will be ready to connect the wind farm to the grid in summer 2016.

Simon: Why should W.E.B continue to be actively engaged in a country that does not even discuss the energy transition or renewable energy? Is the risk not too high?

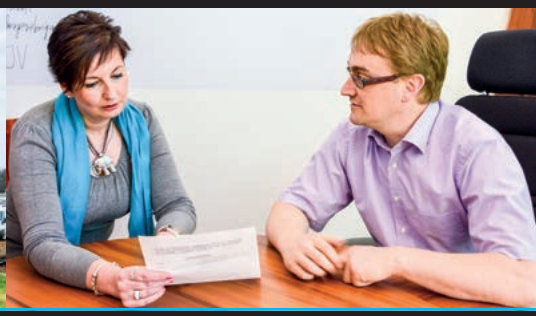
Blais: France is one of the W.E.B core markets with great potential. Despite nuclear power, it is an extremely stable country bearing only a low political risk. In addition, the government needs to and also will reach its goals of expanding renewable energy.

Simon: Do you have a motto for life?

Blais: Yes, I have one: Do the best you can, for what is worth! And realizing the energy transition with help from W.E.B is certainly worth all the effort. ▮

W.E.B Plants in France

Locations	Plant number 2014	Commissioned Year	Nominal output kW	Standard yield kWh
Plaine de l'Artois	15	2012	12,000	25,034,513
Vauvillers	6	2006	12,000	28,500,000



Michaela Lužova has been part of W.E.B for 13 years. She and Roman Prager manage the Czech W.E.B subsidiary.

Good relation to our neighbors
They would be even better without nuclear power ...

Czech Republic

Interview

"I am proud to be a part of W.E.B!"

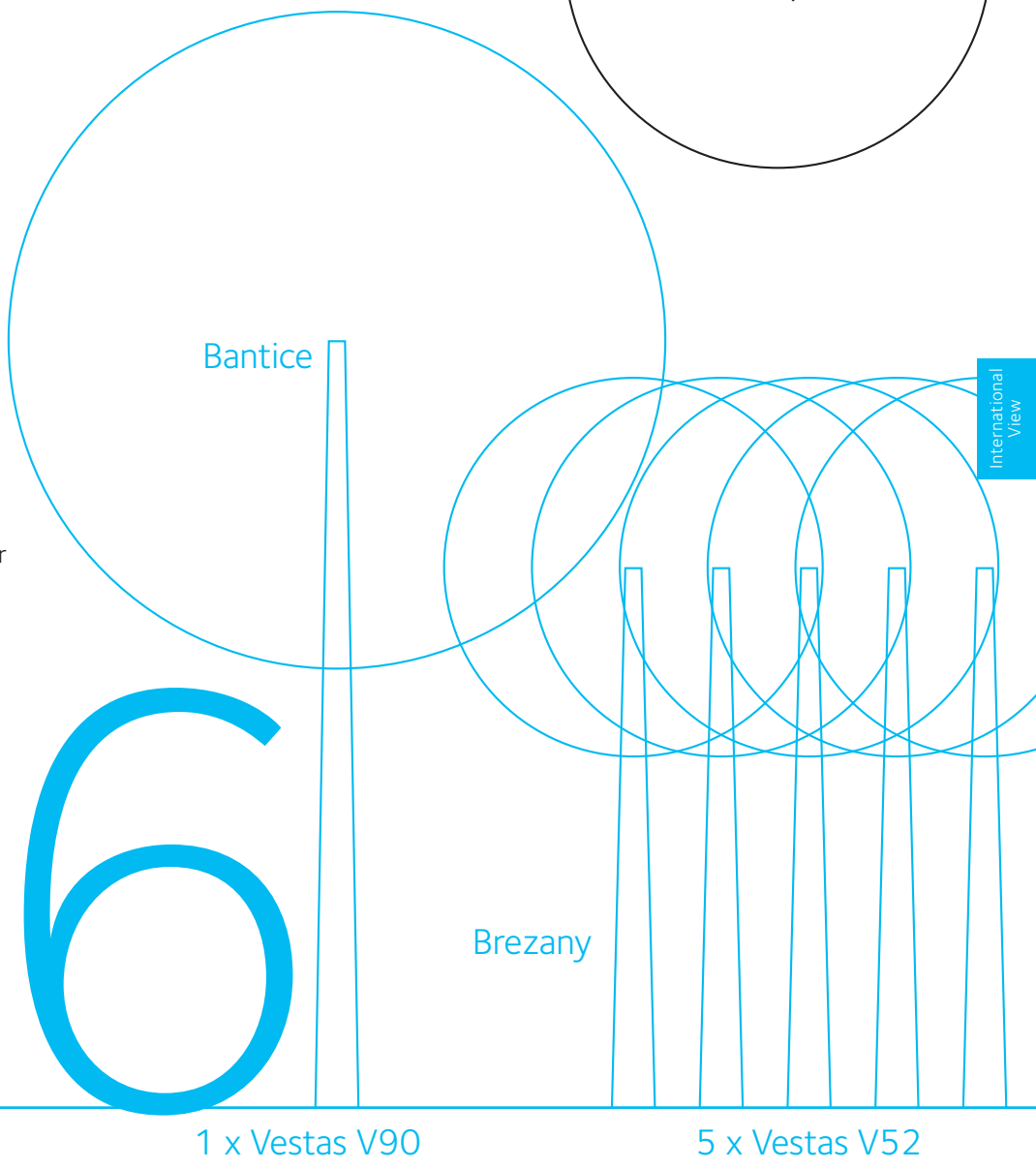
Michaela Lužová has been working for WEB Wind Energy Group since March 2002. With Roman Prager, she manages the Czech W.E.B subsidiary. Michaela Lužová experienced the transformation of W.E.B from a small company to an international group at first hand. Gerald Simon asked her about changes within W.E.B and the current situation in the Czech Republic.

Simon: **Ms. Lužová, you have been a part of W.E.B for more than 10 years. What is it you still like about the company?**

Lužová: The thing I like most about W.E.B is its progress with new developments all the time. We are growing – we have entered new markets and implement new aspects, such as electromobility. Anyway, I have always been proud to be a part of W.E.B and to present both our philosophy and strategy in the Czech Republic.

CO_2-SAVINGS

9,286 t in Czech Republic in 2014



PLANTS 6

Simon: **Has W.E.B changed in the last 10 years?**
Lužová: Very much so. In the beginning, when I started working at W.E.B in 2002, it was a small company with just a few people, grand ideas and a very informal atmosphere. Everything was simple, clear and quickly taken care of. When the company developed further and implemented more and more projects, it was time to become more professional to continue growing, of course. Over the years, many new people have joined our team and we also lost some. Our processes have become much more complicated; everything takes a little longer; there is more coordination – but this is the way it has to be because we need to connect and combine our processes for several countries. In my opinion, it was vital for us to maintain a friendly and personal relationship between our employees and the management – I really appreciate that.

Simon: **The Czech Republic is still adamant about its focuses on expanding nuclear power. Are there any new developments?**
Lužová: Unfortunately, the Czech government still believes in its nuclear program. Every single measure demonstrates that the government wants to slow down renewable energy and focus on nuclear power.

Michaela Lužová

Her assignments as CEO of WEB Vetrná Energie s.r.o.
- Operational and commercial management
- Responsible for the existing wind farms
- Acquisition of new projects
- Public Relations in the Czech Republic

Company member since
- March 2002

Training
- A-levels, secondary school Kyjov
- A-levels, secondary college for business administration Brno
- Correspondence degree course in Textile Marketing, Technical University Liberec
- Qualification course to become an authorized signatory, Prague

Professional experience
- Marketing and management of the trading department at a textile wholesale company
- Collaboration officer and Czech market research for a Danish company

Personal details
- Born 1973
- Married, mother of two children, lives in Brno
- Hobbies: family, gardening, reading, bicycle tours, walking

Personal credo
It is our duty to leave behind a clean and healthy world for future generations. My work at W.E.B is my way of contributing to this goal. This is what I want to do and what gives a meaning to both my life and my work.

Negotiations with either the government or other public authorities on the Renewables Directive are conducted in anything but constructive spirit, and some of their official statements are nothing but low blows. We do not even have the Czech Ministry of the Environment on our side. Although they do not openly oppose us, they are just passive and do not offer any support.

Simon: **What role does renewable energy play in the Czech Republic? Are there any expansion plans?**

Lužová: As I have said, renewables suffer from great pressure in the Czech Republic. Most of the population is opposed to renewables because of the government's wave of mass-media campaigns against renewable energy. There are no subsidies for wind power, geothermal energy, hydroelectric or biomass power plants except for those projects that had already been approved by the Czech Ministry of Industry and Trade before 1 October 2013 or had applied for the regional planning procedure before such approval was required (until August 2011). The so-called EEQ Act has been amended three times since 2012; the latest amendment is still up to the Czech parliament and people say that the Czech Ministry of Industry and Trade is already working on the next amendment.

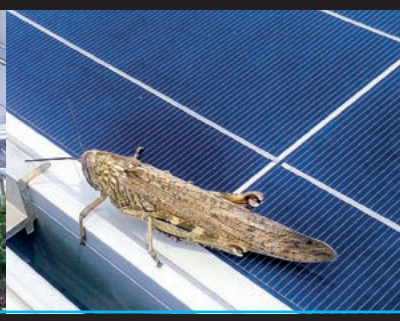
Simon: **What does the future hold for W.E.B? Are you pursuing any projects?**

Lužová: W.E.B is currently not developing any own projects in the Czech Republic. We rather focus on acquiring projects at various development stages. This is how we found and acquired our last project Horní Řasnice. We are negotiating the acquisition of three wind projects (25 MW in total) that could be realized as soon as 2016, unless the latest amendment thwarts our plans. As the market shows a lack of good projects, there is a lot of tough competition in the country. Many investors do not have the needed experience, however, and buy projects at excessive prices believing in the successful business of the wind energy industry. ▮

W.E.B Plants in Czech Republic

Locations	Plant number	Commissioned	Nominal output	Standard yield
	2014	Year	kW	kWh
Bantice	1	2008	2,000	4,200,000
Brezany	5	2005	4,250	5,300,000
Horní Řasnice	1	2012	1,800	4,536,164
Dobsice PV	1	2009	1,030	1,081,500

Land of sun and solar energy



W.E.B exclusively operates photovoltaic power plants in Italy. The company is examining various options of entering the wind energy industry, though.

Italy

Interview

Entry into wind energy sector imminent

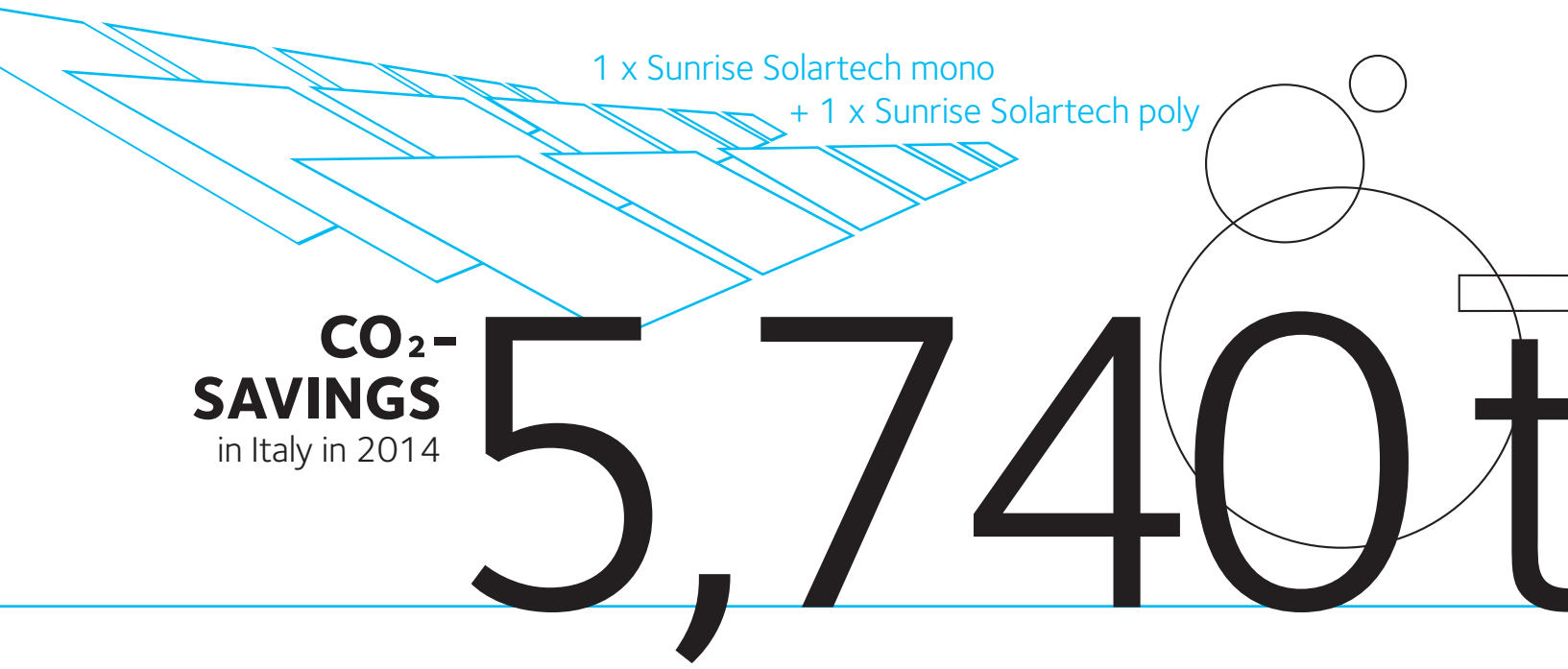
As the Italian portfolio includes just two – though very large – photovoltaic power plants, it was not necessary to employ a local CEO for Italy. In consequence, WEB Energie Rinnovabili s.r.l. is managed by two CEOs at W.E.B headquarters. While Markus Haidl is responsible for all economic issues, Bernd Brantner takes care of project management and technical implementation. In addition, they are supported by the W.E.B specialty departments. Gerald Simon asked both of them about the future prospects in Italy.

Simon: **Mr. Brantner, you have been working at W.E.B since 2008. Could you give us a short historical overview? How did the commitment of W.E.B develop in Italy?**

Brantner: After our first project had started, the Italian subsidiary based in Rome was founded. Later on, the registered office was moved to Bolzano. In 2009, we opened Montenero di Bisaccia I – a great success after just one year of development and construction that aroused the envy of many competitors. Montenero II followed in early 2011. The total capacity of both photovoltaic power plants amounts to almost 6.5 MW.

I worked as the company's registered representative from day one and was then appointed the position of CEO. Today, our Italian plant manager Dario di Stefano even speaks German.

Simon: **Mr. Haidl, Italy's is supposed to become the next success wind energy story. What are your plans?**



Markus Haidl

Head of IT & CEO WEB Italia Energie Rinnovabili s.r.l.

W.E.B assignments

- EComputing – administration, controlling and surveillance of the company's internal computing systems

Assignments as WEB Italia Energie Rinnovabili s.r.l. CEO

- Focus on business matters

Company member since

- November 2007

Training

- Secondary college for business administration, Waidhofen an der Thaya
- Various courses at IBM and Microsoft
- Wiener Neustadt University of Applied Sciences: correspondence course in Business Computing, Business Engineering specialization

Professional experience

- Long-term project experience in textile and electrical industries

Personal details

- Born 1969
- Married, father of three children
- Hobbies: running, astronomy

Personal credo

"Working in the renewable energy branch represents an extremely exciting task. Fortunately, this type of power generation is enjoying increasing acceptance, as it creates a quality of life that is more sustainable and will also benefit our children."

Bernd Brantner

Project Management & CEO WEB Italia Energie Rinnovabili s.r.l.

W.E.B assignments

- Development and project management of solar and wind energy projects in Austria and other countries

Assignments as WEB Italia Energie Rinnovabili s.r.l. CEO

- Focus on project issues and technology

Company member since

- March 2008

Training

- Communications Engineering, Secondary College for Engineering
- Degree in Telecommunications Technology, Vienna School of Applied Sciences

Professional experience

- Ten years spent working in various areas of a globally active telecommunications group, resulting in the acquisition of comprehensive experience with regard to large-scale, international projects.

Personal details

- Born 1973, father of two children, lives in Vienna
- His favorite leisure time activities involve his family, friends, sports, reading and music

Personal credo

"Life is greatly enriched by having a job that is worthwhile. At W.E.B, I can actively contribute to shaping our future in an exciting branch.
What could be better?"

Haidl: Italy subsidizes the feed-in tariff but projects are regulated based on a bidding process. In cooperation with a partner, we will bid for project in Tuscany with 6 power plants and a total capacity of 12 MW.

Simon: Could you tell us about the details?
Haidl: In fact, the price is the most important criterion. A basic tariff is proposed and you have to undercut the price. However, you are allowed to underbid the price by at least 2% and at most 30%. Only when two or more bidding parties offer the same price, other criteria such as the license date become important. Although the odds of receiving the tariff are generally in our favor, there are still a few uncertainties because the detailed directives for 2015 have not been published yet.

Simon: What are the greatest challenges in a country like Italy?
Brantner: Italy has a higher government debt than Austria and is less stable from a political point of view. Moreover, the government just recently interfered with existing contracts and retrospectively trimmed the photovoltaic tariffs. This is why the banks pay great attention to examining the projects. Not all the regions are the same; there are certainly Italian regions where it is at first better not to become involved.
Haidl: We are lucky to have an extremely professional project partner with many years of experience in the wind energy industry. Our partner is not only a founding member of the Italian wind energy association ANEV (Associazione Nazionale Energia del Vento) but also perfectly matches our spirit.

Simon: How do you manage an Italian company from Austria?
Brantner: We have biweekly coordination meetings with our specialist managers to take care of our portfolio. Of course we also consult other managers, if necessary. As we strive to keep operations as efficient and cost-saving as possible, we CEOs visit the local sites only once a year. Needless to say, our engineers travel much more. Basically, we have a representative of the W.E.B team traveling to Italy every other month. Now that we are preparing to enter the Italian wind energy market, however, we need to be there about once a month. ▮

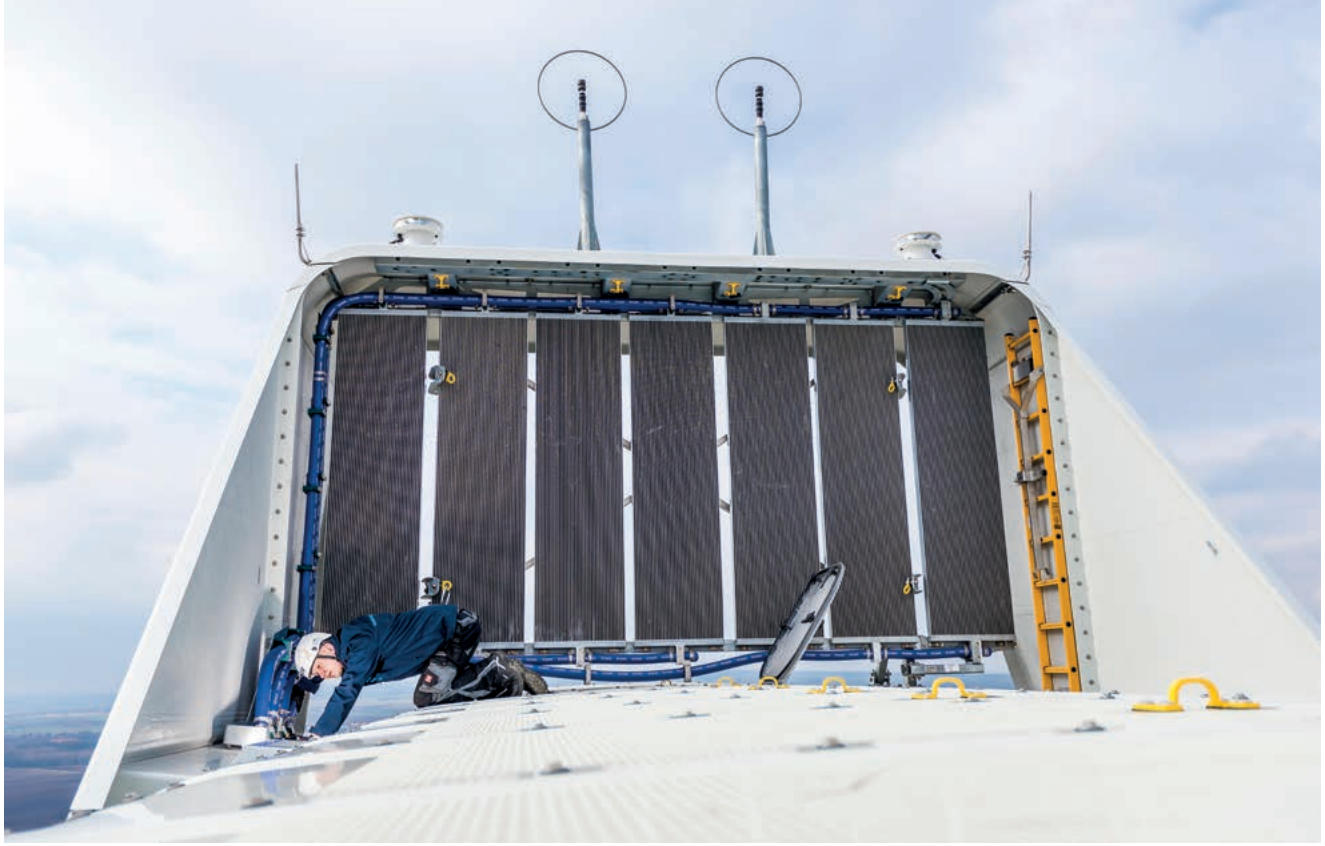
W.E.B Plants in Italy

Locations	Plant number	Commissioned	Nominal output	Standard yield
	2014	Year	kW	kWh
Montenero di Bisaccia I	1	2009	2,752	3,842,000
Montenero di Bisaccia II	1	2011	3,675	5,120,000

Operations

Technological Strategy

The W.E.B Technology Strategy is designed to operate the power plants to create the highest possible value. In the course the 20 years of plant operating life, this strategy ranges from the selection of potential power plants at the project development stage to the provision and constant optimization of service concepts. The W.E.B Technology Strategy is divided into the Operations Strategy and the Manufacturer and Service Strategy.



Operations Strategy "OWEB"

- W.E.B operates power plants at benchmark level and in balance of safety, costs and availability.
- Highest transparency in operating plants at our serviced locations allows for target/actual comparisons at all times.
- Decentralized supply concepts enable higher profit margins.
- Earnings potentials of direct electricity distribution are unlocked with public utility companies and consumers.
- The "OWEB" product is not commercially available on the market but only used in strategic partnerships.

Manufacturer and Service Strategy

- Low complexity due to cooperation with up to 3 manufacturers:
  - Vestas (preferred partner)
  - Siemens
  - Enercon
- Plant models undergo technical inspection and are then approved, defining the premises for using them within the W.E.B Group.
- Service and maintenance work can be carried out without external help.
- Cooperative service models are exclusively based on OEM partners.

W.E.B-Technicians are trained in a special gondola in Pfaffenschlag.

The W.E.B strategy is significantly different from other wind power plant operators that depend on extensive external services to operate their plants. Highest technological know-how enables W.E.B to both efficiently and economically transform the power of nature into green energy in all stages of plant operations.

The overwhelming majority of W.E.B wind power plants are manufactured by Vestas. W.E.B engineers are intensely trained in all technical aspects of their plants. The partnership cooperation model with plant manufacturers on the one hand and the W.E.B 5 Step Operating Model on the other hand guarantee a competitive edge of having a small yet highly specialized team of own employees able to carry out technical maintenance and, if necessary, complex repairs all over Europe.

The 5 Step Operating Model

Introduced in 2010, the 5 Step Operating Model lays the foundation for sustainable success in achieving stable results with an aging plant portfolio.

Not only the continuous improvement of W.E.B processes in the cooperation between headquarters, site guards as well as service and maintenance teams but also cost-efficient troubleshooting measures and the Technical Optimization Program TOP provide additional safety for reaching the targeted operating results.

Efficient Plant Operating Model (Wind Power)

Local Site Guards
The site guards take care of wind farms, carry out general inspections, report any abnormalities, and perform plant startups in case of smaller technical problems. In addition, they form an essential bridge to W.E.B stakeholders as the local resident point of contact.

Service and Maintenance
In the context of cooperating with plant manufacturers, service and maintenance works are performed both by W.E.B teams and service engineers of the manufacturer. W.E.B service teams work in Canada and all over Europe.

Operation Control and System Monitoring – Incident Management
Central operation control and system monitoring is tasked with identifying defects, incident management, repair work support, and the coordination of site guards.

Moreover, continuous fluctuation analysis of operating data makes it possible to proactively detect and resolve any problems to prevent plant downtimes.

Troubleshooting
As W.E.B sites are spread all over Europe, both W.E.B and manufacturer engineers are employed with great flexibility to ensure quick and cost-efficient repairs. A significant part of cost optimization is the general use of W.E.B specialists to perform large component maintenance works.

Latest Highlights in the Technology Area

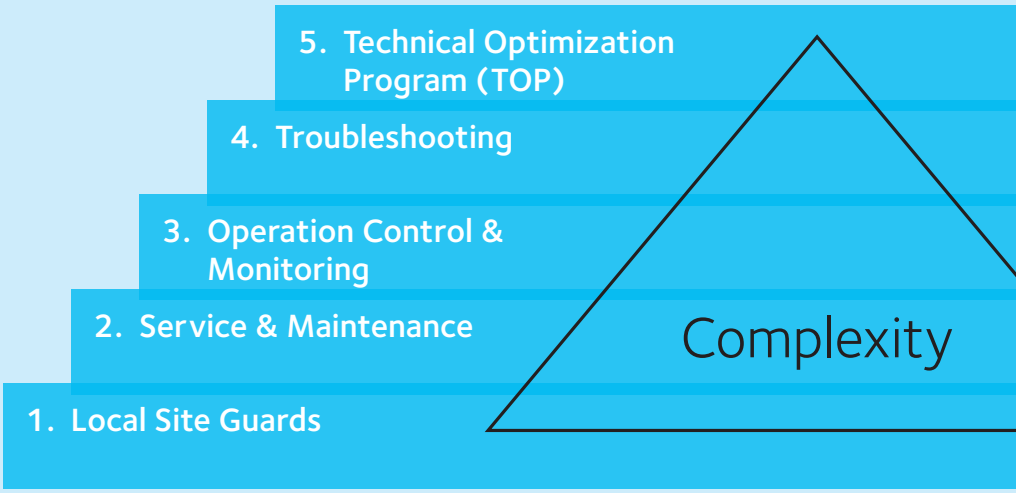
Canadian Data at Headquarters

The integration of the first Canadian power plants into the W.E.B Control Center was certainly a landmark achievement of 2014. First, W.E.B had to coordinate and configure special data interfaces with Vestas North America before they could be implemented at the Control Center. In consequence, plants that are thousands of kilometers away can be controlled as if they were standing just around the corner. The Canadian plants were equipped with the same monitoring and control process as all other W.E.B plants. After the first year of operations, it has become clear that the long distance does not affect these monitoring and control processes.

At Pfaffenschlag Headquarters, the Control Center continuously monitors each and every power plant (left picture). That even includes overseas power plants, such as those at Canadian Parker Mountain (above).

TOP (Technical Optimization Program)

The TOP comprises all projects and measures to permanently improve plant operations, including plant upgrades, component replacements for greater reliability, rotor blade services performed by W.E.B, and the optimization of plant operations in winter.



Large Component Repair Model "Internal Crane"

If larger components in the gondola of a wind power plant need to be replaced, an expensive mobile crane is usually positioned next to the plant and the roof of the gondola is opened to lift out, for example, a generator, transmission unit or transformer. The mobile crane lowers the component down to the ground and lifts the replacement part up to the gondola to be installed. This procedure, however, will be a thing of the past for many W.E.B power plants. In cooperation with Vestas, W.E.B developed a method to strengthen the winch system and other devices to lower down almost all types of components. This means that cable winches are used to lower components to the ground and heave up replacement parts. The new method is not only considerably cheaper but also provides greater flexibility in maintenance planning and requires fewer engineers.

Success through Technology

Particularly last year's success of W.E.B confirms our market position once again. As all our plans and structures focus on sustainability, we develop our projects ourselves and place great importance in the long-term quality of both development and implementation. This approach ensures the best possible return over the entire life of the wind farm. So it may happen that investment costs are higher than with wind farms that are developed and then handed over to other operators ready to use. Our plants are characterized by durable,

COO
Frank Dumeier

high-quality components, while our business model enables us to optimally use them for our operations. Needless to say, we begin integrating new plants into our operations concept as soon as we begin developing the project.

Moreover, our international presence and the high number of power plants provides us with great group-wide opportunities to exchange our experiences and realize innovative solution concepts for the entire group that may have been developed for a specific power plant. This is how we gather know-how on a global scale and implement it in the corporate group. In this context, stringently standardized processes are key to our success. As already reported, we have reached the "critical mass" and are able to perform highly specialized tasks, thus saving expensive outsourcing. Our team is perfectly trained and equipped to carry out complex plant repair works. In addition, they are keen on learning by experience and known for their innovative spirit. In my opinion, our industry is still relatively young in general and I am convinced that we have not yet tapped the full potential of optimizing plant operations. Therefore, we continue focusing on further developing our core competences in the field of technology and operations. And it may happen that we keep insourcing our tasks upon reaching the critical mass.

Rotor blade inspections to be performed by drones

In general, we optically check the status of our rotor blade from the ground. If any kind of damage is suspected, the rotor blade needs to be further examined from up close. Aside from rather long downtimes, a lot of personnel are already needed at the inspection stage in such cases. The goal is to avoid any cases – and unnecessary engineering work – that afterwards turn out to have been unfounded. This goal has been reached by using a cutting-edge drone that is able to take high-resolution images. Such inspections have already been successful at plants in the Waldviertel region. Our service engineers expect that the systematic application of drones will make them more efficient. Employees are already trained to become drone operators and, as far as we know, actually have fun at work.

Project Development

In contrast to plant operations, project development applies a highly decentralized approach. Every country and region has their own laws and requirements that need to be taken into account when developing a project. Therefore, our international managing directors are responsible for project development.

The status and development stage of all W.E.B projects is documented using the standardized W.E.B Gate System to ensure comparable results for the entire Group. These documented projects then form the W.E.B Project Pipeline which provides the basis for simultaneously planning a multitude of projects at various development stages. Only then is it possible to implement enough profitable projects to realize the targeted growth of W.E.B. Our current development plan is designed to realize additional power plants of 30 to 60 MW per year. In addition, W.E.B is working on a project pipeline with a ten-time higher capacity.

On the one hand, this strategy guarantees that there are always sufficient options available to replace a failed project; on the other hand, the development process is flexible enough to change the selection of projects or their order of implementation at the stage of preparation. W.E.B is currently working on more than 70 projects.

As an essential feature of this development strategy, W.E.B conducts extensive project analyses on their probability of implementation in the course of the first two gates. If a project exceeds a specific internal risk indicator, it is discarded still at a very early stage of development. In consequence, W.E.B is able to not only focus its resources only on the most promising projects but also to minimize depreciation with each increasing development stage.

At the end of the day, W.E.B seeks to sustainably secure the most valuable – meaning most profitable – locations and develop them in the best possible and most affordable way with the highest rate of return.

Project Development News

W.E.B has selected projects amounting to over 120 MW from the pipeline to enter the implementation phase (Gate 3) for the years 2015 and 2016 (direct quote Frank Dumeier).

W.E.B Gate-System zur Projektentwicklung

Preliminary Phase Strategy/ Vision/ Project Idea	Phase 6 Securing Project	Phase 5 Licenses	Phase 4 Recognition	Phase 3 Construction Preparations	Phase 2 Construction	Phase 1 Test Run (with operators and central management)
Search of potential locations, feasibility study, positioning , **Milestone: Project Assignment (Managing Director & Board of Directors)**	Contracts with owners and communities, area dedication, grid access assessment	Overall technical concept, all expert opinions, all licenses and decisions by public authorities	Subsidies, plant order preparation, financing, guaranteed grid access, **Milestone: Construction Decision (Supervisory Board)**	Detailed planning, plant order, bidding, construction roadmap	Road construction, cable laying, foundations, plant assembly, grid connection, commissioning, first kWh	Troubleshooting, comparison target/ actual, presentation to Board of Directors, transfer to operators & central management, **Milestone: Opening Ceremony**

Market Potential in Austria

Wind Power in Austria	2013[1]	2014[2]	2020[2]	2030[2]
Installed capacity (MW)	1,684	2,167	3,808	6,649
Potential work capacity (GWh)	3,621	4,659	8,990	17,676
Share of energy consumption (%)	5.8	7.5	13.5	24
Number of wind power	872	1,059	1,653	2,319

[1] Status [2] Projection

A current study determined the maximum potential of wind power expansion in Austria: from approx. 2,167 MW of installed capacity in 2014 to approx. 3,808 MW in 2020 and 6,649 MW in 2030.[3] While production will amount to 17.7 GWh in 2030, the share of consumed energy will increase from currently 7.5% to 24%.

[3] Source: IG Windkraft, 2014. The study was conducted by the Association for Renewable Energy "Energiewerkstatt". Commissioned by the Climate and Energy Fund in cooperation with IG Windkraft Austria, it was tasked to assess the realistic and practical dimensions of these potentials.

Current Assessment of the Next Years in Austria

W.E.B is convinced that this development is not only necessary but also reasonable and realistic in its dimension. In consequence, the company continues its project development in Austria, even though the legal provisions for any further expansion after 2016 have not been determined yet.

Success Factors and Internationalization in Project Development

In general and particularly in case of the Austrian home market, W.E.B identifies and develops 80% of all locations itself. Whenever W.E.B enters a new market, its project development as carried out both locally and at corporate headquarters depends considerably on the country's respective experience. In exceptional cases, W.E.B also takes over projects at advanced development stages when entering a market. While there are hardly any differences in terms of plant technology, wind studies, and economic development between markets, no two countries are the same in terms of permit requirements, aid systems and licensing processes. These differences require profound local know-how and experience to successfully implement a project. Based on the sustainable development strategy of WEB Wind Energy Group, the company expends great effort to develop this competence and uses international cooperations to further deepen such knowledge. The W.E.B Internationalization Strategy provides an opportunity to realize a similarly attractive range of value creation in new markets than at home. Therefore, the company is able to develop projects more successfully, cost-efficient and according to W.E.B specifications. In the end, such practice significantly increases the Group's profitability and expertise.

Investing in W.E.B

W.E.B is committed to a long tradition of transparency in financial communication and voluntarily applies the same high standards mandatory for listed companies. W.E.B makes sure to provide investors and stakeholders with quick and comprehensive access to corporate data. This information is regularly published, particularly in quarterly reports, business reports, news and press releases as well as the company's magazine "W.E.B aktuell".

Standards of Communication with Investors and Stakeholders

1. Trust

All W.E.B activities focus on the long-term future. The goal of communication is to establish and maintain the highest level of transparency as well as trust of investors and stakeholders in W.E.B investments.

2. Consistency

W.E.B communication pursues the goal continuously keeping all interested parties up to date on corporate developments and investment-relevant issues. W.E.B strives to provide complete and comprehensible financial communication according to investor requirements.

3. Transparency

As the financial communication of W.E.B is designed to promote transparency, it explains the company's business model, activities and market position to outsiders to make sure that the corporate development of W.E.B is comprehensible and that its future prospects are optimally assessable.

Board and supervisory board at the podium of the annual W.E.B-shareholders' meeting.

Practiced shareholder democracy at the shareholders' meeting 2014 that, once again, was very well attended.

Of course all relevant information is always accessible at www.windenergie.at. The website is designed as a comprehensive communication tool with access to news, business reports, quarterly reports, key figures, results of the shareholders' meetings, dates, articles of association and more. The W.E.B Facebook page is an additional platform for exchanging information and open international communication between stakeholders.

Moreover, W.E.B endeavors to directly and personally present the company to private investors, opinion multipliers and other stakeholders at conferences and various other events. This philosophy was continued in 2014: numerous interesting, encouraging but also critical discussions took place at W.E.B-fireside chats, bond road shows, countless trade fairs, construction site visits, and the shareholder and employee party. Once again, W.E.B organized a shareholder trip of several days through Austria including the wind farm Oberzeiring, the hydroelectric power plant Freudenau and several exhibitions. Finally, W.E.B continually offered guided tours through Pfaffenschlag Headquarters.

Profiting from the Energy Transition W.E.B Citizen Participation

Citizen participation corresponds to the idea of W.E.B of realizing the energy transition based on a large part of the population that, in turn, profits from this development. People have been able to participate in the success of the company since the foundation of WEB Windenergie AG. W.E.B currently offers the following range of participation opportunities:

- the W.E.B registered share,
- the W.E.B bond, and
- the W.E.B hybrid bond

W.E.B Share – A Direct Share in Success

The W.E.B share is a green investment option for everyone. It is a solid form of investment offering excellent performance whose value remained stable even in times of financial crisis.

The following facts underline why the W.E.B share makes sense from an economic point of view:

- You invest in tangible assets (power plants).
- W.E.B boasts a broad equity base as well as continuously positive results.
- W.E.B applies a clear dividend strategy: at least one third of its corporate earnings are intended to be distributed as an annual dividend.
- The international distribution of W.E.B power plants ensures additional economic security.
- State-guaranteed feed-in tariffs ensure W.E.B earnings.
- The pioneering role of W.E.B enabled the company to gather years of experience in wind power and successfully assess the profitability of power plant projects.

The W.E.B share is not listed on the stock exchange. All trading takes place via the online platform www.traderoom.at. First registration and transactions are both simple and efficient. There are no trading fees. As of 31 December 2014, the number of shares outstanding (same as in previous year) amounted to 288,453, while the number of shareholders increased to 3,625 (3,553 as of 31 December 2013).

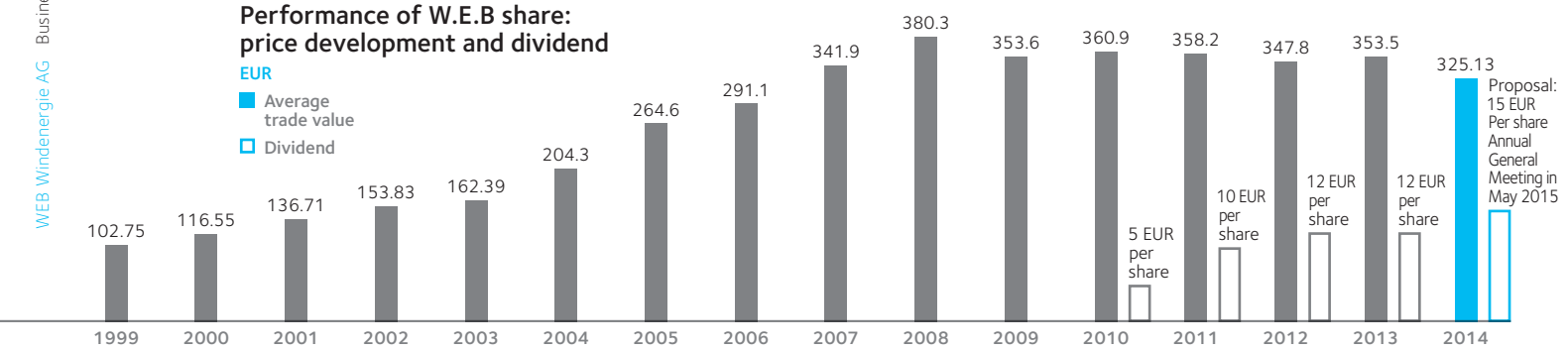
DI Dr. Michael Trcka, CFO

"The citizen participation model is perfectly suited to share our success with a lot of people. We place great importance in direct contact to our shareholders. We keep in touch and continuously cultivate this relationship."

All facts at a glance
W.E.B Share

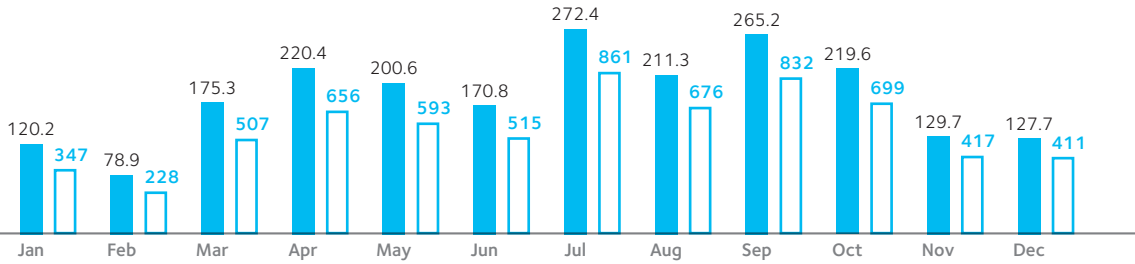
Number of shareholders as of 31 December 2014:
3,625

Performance of W.E.B share: price development and dividend



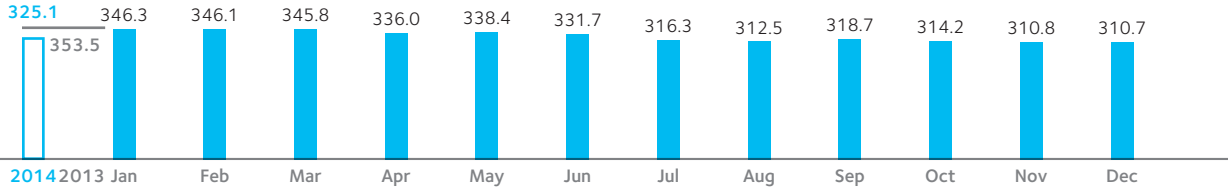
W.E.B shares traded in the Trade Room in 2014

Trade value
TEUR Shares
2014 total:
2,192.1 TEUR / 6,742 shares



Average price per share in Trade Room

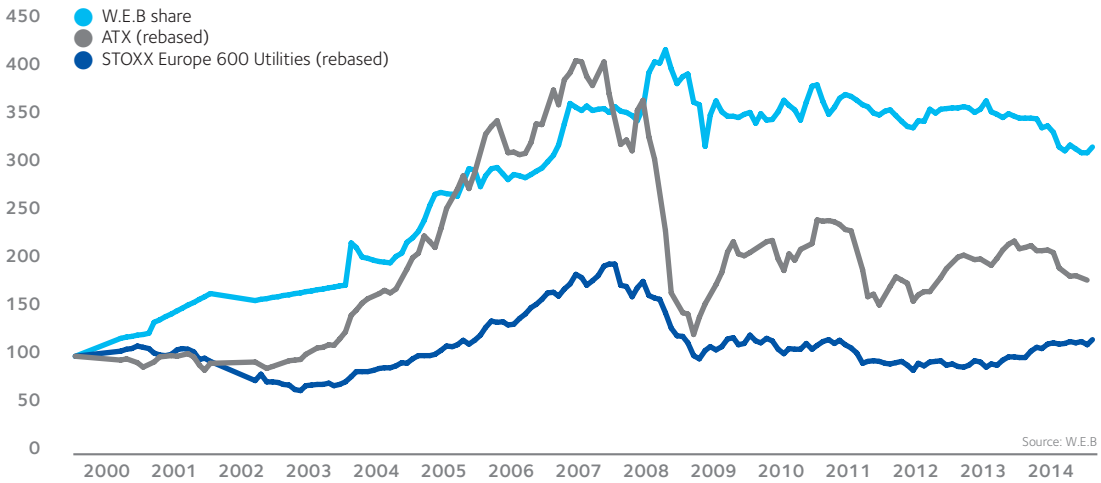
EUR



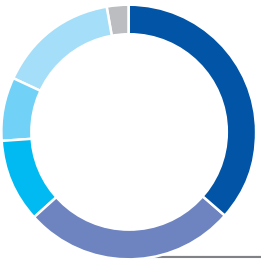
A total of 1,790 shares were transferred outside the Trade Room in the reporting period. Thereof, W.E.B knows the transaction price of 612 shares, EUR 328.7 on average.

Relative Price Performance

in % (indexed)

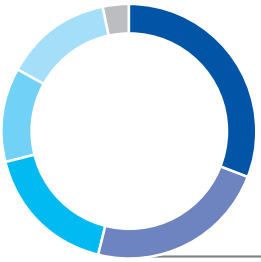


Distribution of shares by region*



Shares	Shares (%)	Region
105,723	36.65 %	Waldviertel
77,045	26.71 %	Lower Austria without Waldviertel
30,609	10.61 %	Vienna
23,064	8.00 %	Upper Austria
44,391	15.39 %	Austria without Upper A., Lower A. and Vienna
280,832	**97.36 %**	**all of Austria**
7,621	2.64 %	Abroad
288,453	**100.00 %**	**all shareholders**

Distribution of shareholders by region*



Share-holders	Share-holders (%)	Region
1,123	30.98 %	Waldviertel
831	22.92 %	Lower Austria without Waldviertel
625	17.24 %	Vienna
432	11.92 %	Upper Austria
503	13.88 %	Austria without Upper A., Lower A. and Vienna
3,514	**96.94 %**	**all of Austria**
111	3.06 %	Abroad
3,625	**100.00 %**	**all shareholders**

* as of 31 December 2014

Shareholder and Owner Structure*

Number of shares	from	to	shares	%	shareholders	%
Less than 0.1% of shares	1	288	147,587	51.17%	3,427	94.54%
0.1 – 0.5% of shares	289	1,442	96,039	33.29%	182	5.02%
0.5 – 1% of shares	1,443	2,885	24,798	8.60%	13	0.36%
1 – 2% of shares	2,886	5,769	9,988	3.46%	2	0.06%
2 – 3% of shares	5,770	8,654	0	0.00%	0	0.00%
3 – 4% of shares	8,655	11,538	10,041	3.48%	1	0.03%
4 – 5% of shares	11,539	14,424	0	0.00%	0	0.00%
More than 5% of shares	14,423	288,453	0	0.00%	0	0.00%
Total			**288,453**	**100.00%**	**3,625**	**100.00%**

* as of 31 December 2014

W.E.B Bond – Bullet Repayment Bond at Fixed Interest

Bond subscriptions are the simplest form of investing in W.E.B. Since 2010, bonds have been issued on almost an annual basis to finance new power plants. In 2014, W.E.B issued bullet repayment bonds at fixed interest rate with a coupon of 3.5% mounting to EUR 10.6 Mio. Attractive interest rates and fixed repayment periods have turned W.E.B bonds into a popular form of investment. New bonds are always in high demand.

Press conference in September 2014 on the occasion of a new bond issued.

W.E.B Hybrid Bond – Alternative to Bonds at Higher Interest

In 2014, W.E.B issued its first hybrid bond and provided W.E.B investors with a new way of investing in the company that features both equity and debt characteristics. The conditions of this bond allow the company to delay interest payments and extend the repayment period under special circumstances. In turn, investors benefit from the significantly higher coupon of 6.5% than with conventional W.E.B bonds. The total issuance amount of the 2014 hybrid bond was EUR 4.4 million.

A total of 7 bonds (including the hybrid bond) were issued between 2010 and 2014. As of 31 December 2014, the total amount outstanding was EUR 55.2 Mio. All bonds are listed on the third market of the Vienna Stock Exchange (segment "corporate prime"). There is also the opportunity of place a bid or offer for sale in the Trade Room. The trading volume of W.E.B bonds is quite low, though.

All facts at a glance
W.E.B Bond

Issued Bonds

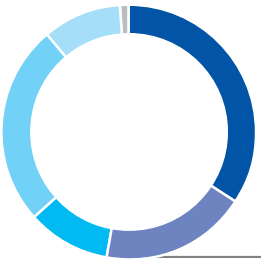
Year	Volume in EUR
2010	10.2
2011	6.5
2013	24.5
2014	15.0

* as of 31 December 2014

Bond Parameters

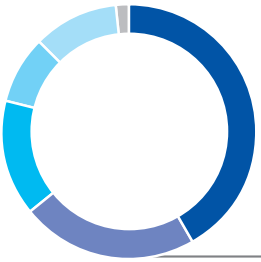
Year	Interest	Period	Type
2010	5.00 %	5 years	bullet rep.
2011	5.00 %	5 years	bullet rep.
2013	4.00 %	5 years	bullet rep.
2013	5.50 %	10 years	bullet rep.
2013	5.25 %	10 years	ann.part.amort.
2014	3.50 %	5 years	bullet rep.
2014	6.50 %	No fixed maturity date	hybrid bond

Distribution of bonds by region*



Bonds	Bonds (%)	Region
19,045	34.06 %	Waldviertel
10,319	18.45 %	Lower Austria without Waldviertel
5,771	10.32 %	Vienna
14,153	25.31 %	Upper Austria
5,590	10.00 %	Austria without Upper A., Lower A. and Vienna
55,369	**99.01 %**	**all of Austria**
551	0.99 %	Abroad
55,920	**100.00 %**	**all shareholders**

Distribution of bond holders by region*



Holders	Holders (%)	Region
930	41.46 %	Waldviertel
500	22.29 %	Lower Austria without Waldviertel
329	14.67 %	Vienna
188	8.38 %	Upper Austria
240	10.70 %	Austria without Upper A., Lower A. and Vienna
2,211	**98.57 %**	**all of Austria**
37	1.65 %	Abroad
2,243	**100.00 %**	**all shareholders**

* as of 31 December 2014

Sustainability Report

Corporate Social Responsibility (CSR) and sustainability are very popular with many companies. This is actually a positive development; at least as long as the reported measures are really implemented and do not only exist on paper. WEB Windenergie AG is not even able to raise such suspicion because the purpose of the company – the production of clean, green electricity – is entirely based on corporate social responsibility. What does CSR mean exactly? The concept describes the voluntary contribution of a commercial enterprise to a sustainable development going beyond legal requirements. CSR stands for the integration of responsible business practices in a company's actual operations ranging from environmentally relevant aspects to the relationship with employees and active communication with stakeholders. The following pages document those aspects where WEB Windenergie AG lives up to its high standards of corporate social responsibility.

Sustainability

The entire business model of WEB Windenergie AG is based on the environmental idea of generating electricity from natural and renewable sources, such as wind energy, photovoltaic energy, and hydroelectric energy. In 2014, W.E.B generated 600,000 MWh of clean, green electricity, covering the annual electricity requirement of almost half a million people in Austria. Other than that, sustainability represents the foundation of the company's corporate philosophy on all levels.

This chapter is designed to explain and decipher environmentally interesting aspects in greater detail. W.E.B pays attention to acting responsibly. It is committed to a dynamic process of continuously discovering and optimizing its potentials of improvement.

Energy Amortization of Wind Power Plants

Wind power plants are a sustainable form of generating electrical energy. A wind turbine is energetically amortized within three to six months, depending on wind conditions at the location and the actual plant type. In a nutshell, a wind power plant just needs this short period of time to produce all the energy that was needed for its construction.

A wind power plant is usually operated for about 20 years. So each plant produces 40-70 times the energy that was originally needed for its construction. Considering that wind power plants are recycled, each turbine generates up to 90 times more energy. After its operating life, a wind power plant can be completely dismantled and 80-90% of its components are recycled.

A photovoltaic system is energetically amortized within 2-4 years.

Poster Child Office Building

The office building of Pfaffenschlag Headquarters was built as a low-energy building according to environmental criteria in 2007. Taking a few steps into the future, the office building will boast a positive energy footprint generating more electricity than it needs.

Energy

W.E.B operates four photovoltaic trackers as well as a firmly mounted photovoltaic system at its Pfaffenschlag Headquarters. In 2014, these systems generated 18,540 kWh of electricity, corresponding to about 21% of total consumption. The remaining electricity the building requires is 100% covered by green energy as well. Pfaffenschlag Headquarters started exclusively obtaining W.E.B-Grünstrom on 1 April 2014.

Heating

The office building is heated by means of a pellet stove combined with a reversible air heat pump. An additional wood-fired stove with a fire window creates a warm and comfortable atmosphere in the lobby that has turned into a popular waiting area for guests in winter. All firewood comes directly from regional farms and forestry sources.

Energy Source Consumption for Heating

- Wood pellets needed in 2014: 12,400 kg, corresponds to a heating value of 58,900 kWh
- Heat pump electricity consumption: 3,150 kWh, corresponds to a heating/cooling value of 8,560 kWh
- Wood needed in 2014: 5 solid cubic meters, corresponds to a heating value of 8,000 kWh
- Total consumption for heating and cooling: 75,460 kWh

A total of 1,094 m² of office and social areas are used with an annual consumption of energy for heating and cooling of 69 kWh/m². There are 57 available office workplaces with an energy consumption of 1,324 kWh/workplace.

In 2014, the company used office containers as an interim solution to bridge the time until the recently started retrofitting works of the office, including more efficient heating and cooling systems, are completed in 2016. Afterwards they will be removed.

Water

In 2014, the company's total consumption of water amounted to 324 cubic meters. While some 50 cubic meters or 15% thereof come from the company's own rainwater collection basin, the remaining water is provided by regional water supply.

Waste and Recyclables

W.E.B sets great value upon producing as little waste as possible. Now that the office is fully digitized, the company has significantly reduced its paper consumption based on the ideal of a "paperless" office. In the context of daily office work, there is still potential for further improvement by changing our printing habits. While recyclable glass bottles are used in the entire building, the company only uses environmentally friendly detergents without chemical additives. Of course W.E.B is committed to separately collect waste and recyclables before directing it to the usual recycling process.

Electromobility

Private transport is another field where electromobility is able to contribute a significant share to the energy transition. W.E.B acquired its first electric vehicle for the company's fleet as early as 2012. Today its fleet of electric vehicles includes:

- Opel Ampera
- Renault Zoe
- BMW i3

All W.E.B employees were invited to try out one of the electric vehicles and test the benefits of electromobility for themselves. The program was very popular and today W.E.B recommends its employees to use the electric vehicles for their business trips as often as possible. Heading the W.E.B innovation department, CEO Andreas Dangl has been driving an electric vehicle both for private and business trips since the second quarter of 2014.
Aside from new electric vehicles available on the market, exclusively electric company cars will not be taxed as fringe benefits anymore as of 1 January 2016. Therefore, W.E.B will develop a new use concept including a higher level of electromobility.

W.E.B Waste Arising at Pfaffenschlag Headquarters (office building and small parts warehouse)

- Paper & cardboard: 10,700 kg
- Residual waste: 3,000 kg
- Tetra pack: 50 eco boxes
- 20 light bulbs
- Biodegradable waste: own compost heap on premises

Kilometers driven in W.E.B electric vehicles in 2014

Tesla: 19, 264 km (via company "FutureDriving")
Renault Zoe: 22,074 km, corresponds to an energy consumption of 3,973 kWh
BMW i3: 23,799 km, corresponds to an energy consumption of 4,284 kWh
Opel Ampera: 13.864 km (exclusively electric), corresponds to an energy consumption of 2,275 kWh*

This total of 80,047 electrically driven kilometers amounts to CO_2 savings of 14 tons

* Values according to ÖAMTC CO_2-calculator http://www.oeamtc.at/co2_rechner/# based on the fuel consumption of 6 l (Diesel) of an average car

Of course W.E.B operates electric vehicle charging stations at its headquarters in Pfaffenschlag. Although they are intended for the company's own use, they are also accessible to business partners driving electric vehicles to get to their meetings.

The following charging stations are available on premises:

- Three charging stations type 2, two equipped with a 3.7 kW outlet (standard) and one with an 11 kW fast-charge outlet. In the long run, the outlet of type 2 will become the new standard and fits electric vehicles by Tesla, BMW, Renault, VW, Smart and Mercedes.
- One charging station type 1 equipped with a 3.7 kW outlet (standard) for Nissan, Mitsubishi, Peugeot, Citroen, Chevrolet and Opel Ampera.
- One Schuko outlet (13A-3.0 kW) for all other charging types with adapter, primarily for bicycles and e-scooters.

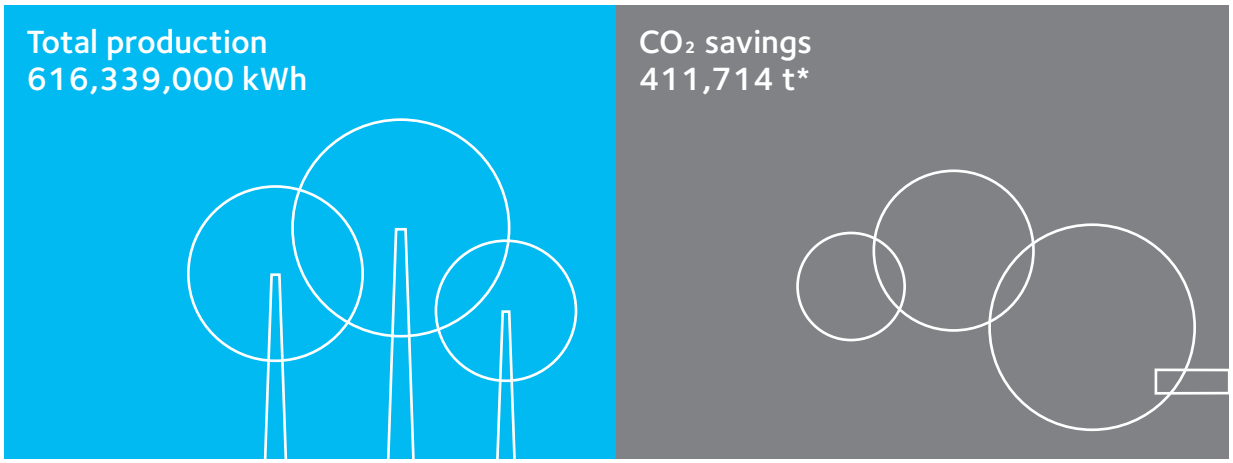
The youngest child of W.E.B presents itself in attractive and eye-catching design: ELLA AG.

Did you know that ...

- the level of efficiency of electric engines is about 85–90%? (Combustion engines, in comparison: about 20–25%)
- electric vehicles do not generate any exhaust gases or noise?
- their full power is immediately available (no "revving up the engine" anymore)?
- the costs for electricity of an e-vehicle are just about one third of the gas price for conventional cars?

  Example: annual mileage 15,000 km, household electricity price EUR 0.19, consumption of 16 kWh per 100 km = fuel costs EUR 456. A comparable small car (consumption 6.5 liters per 100 km and EUR 1.4 per liter of fuel) would produce fuel costs of EUR 1,365.
  Source: www.e-connected.at
- repair costs are much lower because electric engines have a lot fewer wear parts?
- a higher number of electric vehicles would dramatically reduce our CO_2 emissions and overall energy consumption?

W.E.B Energy Balance Sheet



W.E.B Emissions

Energy source/carrier	Amount/Units	GHG emission total (in CO_2 equivalent)
Electricity Production		
Green energy (power plants)	2,052,856 kWh	0 t
Electricity (power plants)	888,620 kWh	594 t*
Office Building		
Green energy (building)	70,880 kWh	0 t
Wood pellets	10,400 kg	2.86 t
Wood	1,600 kg	0.157 t
Business Trips	2,076,370 km	354.32 t
Airplane	617,807 km	117.38 t
Train	21,172 km	0.32 t
Bus, Taxi	7,676 km	0.43 t
Vehicles	1,429,715 km	236.19 t
Cars	929,778 km	
Thereof electric vehicles	66,183 km	
Thereof plugin hybrid vehicles	16,364 km	
Thereof rental cars	13,690 km	
Service vehicles	499,937 km	
Total		**951.34 t**

* Calculation based on a CO_2 equivalent per kilowatt hour of generated electricity of 668 gram CO_2 savings compared to energy produced from fossil fuels. Source: IGW, EWEA Study Pure Power III

Environmental Balance Sheet of W.E.B in 2014

CO_2 savings based on the production of green energy: 411,714 tons
+ CO_2 savings from e-mobility: 14 tons
– CO_2 emissions: 951.34 tons
= CO_2 savings: 410,776.66 tons

These CO_2 savings correspond to the annual CO_2 emission of 179,320 cars.*

* Source: Environment Agency Austria, Department for Transport and Noise

Therefore, W.E.B shareholders play an active role in environmental protection. In 2014, one W.E.B share "produced" 2,137 kWh of clean energy. As little as 1.64 shares are enough to cover the average energy consumption of an Austrian household – 3,500 kWh. Each W.E.B share saves 1.4 tons of CO_2 (with 288,453 W.E.B shares outstanding).

Great media attention at the opening ceremony of the first ELLA quick charging station Kaiserrast, Stockerau.

Success Factor Employee Satisfaction

Every successful company is built on a foundation of motivated and highly committed employees striving to realize their corporate goals and visions. W.E.B offers promising jobs with lots of development opportunities in the dynamic environment of renewable energy.

As W.E.B is constantly growing and becoming more professional every day, the company is always in need of qualified personnel. A professional and transparent recruiting process is the best way to filling vacant positions.

In 2014

- **15 employees** were recruited
- the average recruiting process took **2.5 months**
- the personnel turnover rate was **9 %**
- average employment period: **4.2 years**

W.E.B service engineers complete a rappelling and rescuing training exercise as well as an 8-hour refresher course in first aid every single year.

Finding the right people for advertised vacant positions – the W.E.B recruiting process:

- Coordination of the personnel requirement plan with the Board
- Preparation of the job profile
- Advertisement of the vacant position via homepage and media
- Collection of and looking through received applications
- Informational interview with the personnel department and future line manager
- Assessment Center invitation for the most suitable:
  - Presentation of oneself and a given task in front of the Board
  - Competence profile interview
  - Open round table with potentially future colleagues
  - Task from the future field of work
- Decision for an applicant or search continues

Find current vacant positions at www.windenergie.at – Career.

Occupational Safety

Particularly the work on wind power plants of W.E.B service engineers requires special measures to ensure occupational:

- W.E.B service engineers complete a rappelling and rescuing training exercise as well as an 8-hour refresher course in first aid every year.
- They have to participate in a safety instruction on the correct use of their personal protective equipment, risks and dangers of working at extreme heights, and various safety issues every six months.
- W.E.B provides a (mandatory) medical check-up (G41 ability to work at heights) for service engineers every other year or, if needed, every year.
- Fire extinguisher training every other year.

Moreover, occupational physicians and safety experts inspect all workplaces once a year. If employees work on the computer, they are offered a free eye examination. W.E.B also organizes 16-hour first aid courses whenever needed.

An applicant at the assessment center with the board and potential new colleagues.

English-Inhouse training for employees at the head office.

Know-How through Lifelong Learning

It is always important to have one's finger on the pulse of time. This is particularly true in such a dynamically growing company as W.E.B. W.E.B offers the following opportunities of further training and continuing education to its employees:

- In-house training (e.g. expert knowledge in departments or technical plant training)
- External training (e.g. at Wifi, BFI, ARS, Controlling Institut etc.)
- External training at partner companies (e.g. Vestas etc.)
- Part-time degree programs

Roses Program for Compensation

The W.E.B Roses Program offers a great compensation for the often very challenging everyday working life. The Roses Program is sort of an "employee feel-good program" and includes a diverse range of activities to bring a little fun into our work.

The following measures are among the highlights of the W.E.B Roses Program:

- Office building with **comfortable feel-good atmosphere**
- **Welcome greeting** for all new employees: a rose on the desk and a W.E.B Guide for New Employees
- Free **catering and snacks during breaks** (see info box)
- Affordable **regional lunch menu** at headquarters: vegetarian or traditional cuisine
- **Discounted tickets** for Thayatal Vitalbad Raabs/Thaya
- **Flexible organization of working time** through flexible schedules, part-time models and home-office options

W.E.B Housekeeping provides its guests and employees with more than 33,000 cups of coffee – more than almost every coffee house in the region. W.E.B employees eat an average of 130 g of fruit every work day.

Annual Consumption 2014

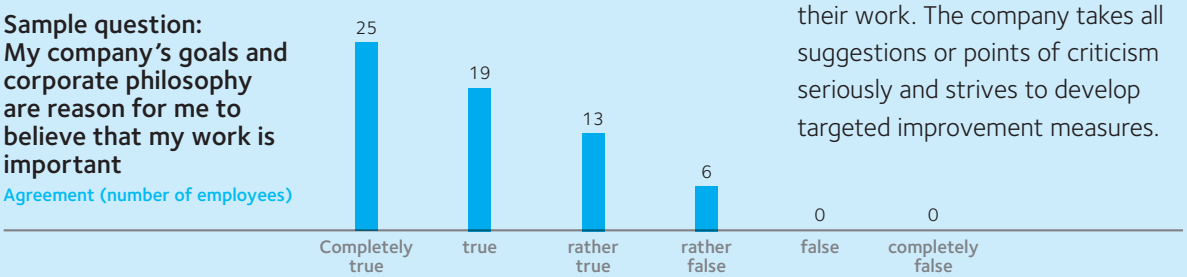
- 1,800 kg fruit (apples, pears, bananas etc.)
- 395 kg sweets and candy
- 260 kg coffee beans
- 920 l milk
- 2,200 tea bags

Feedback and Future Prospects

Once a year, W.E.B executive managers ask every employee for an employee interview to reflect on how they worked together and unlock existing potentials. Based on the ABC Method with a uniform evaluation sheet, they talk not only about such issues as professional skills and know-how, further training and continuing education, or commitment but also about job satisfaction and future goals to develop potential fields of improvement and an outlook into the future.

Employee Satisfaction Survey 2014

Sample question:
My company's goals and corporate philosophy are reason for me to believe that my work is important
Agreement (number of employees)



W.E.B conducts an employee satisfaction survey every year. W.E.B employees are very happy with their work. The company takes all suggestions or points of criticism seriously and strives to develop targeted improvement measures.

Personal data at a glance
Indicators (W.E.B Group)

Employee Structure	31 Dec. 2014	31 Dec. 2013
White collar	**75**	**69**
male	43	38
female	32	31
Blue collar	**18**	**15**
male	18	15
Apprentice	**1**	**1**
male	1	1
Group total	**94**	**85**

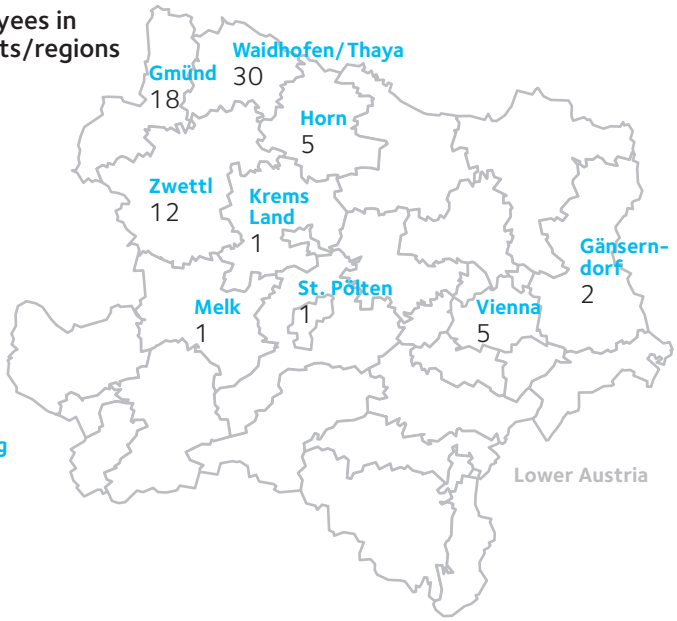
Maternity leave	2	3
Full-time	76	72
Part-time	18	13
Full-time equivalent	81.08	74.29

Share of women	34 %	36 %

	2014	2013
Labor turnover rate	9 %	1 %
Average/MA number of sick leave or medical treatment	4.75	5.57
Occupational accidents	0	2

Abroad Details	31 Dec. 2014	31 Dec. 2013
Germany	10	7
Canada	4	4
Czech Republic	1	1
France	2	2
Italy	1	1

Employees in districts/regions



Age	Number 2014	Number 2013
15–20 years	1	1
21–30 years	28	25
31–40 years	33	30
41–50 years	20	18
51–60 years	12	10
60–65 years	0	0
over 65 years	0	0
Average age	37	37

Innovation

"In 10 years, every wind power plant will be equipped with an energy storage system!"

A company like WEB Windenergie AG that is concerned with generating electricity from renewable sources is a wonderful example of an innovative enterprise. Innovation is at the very heart of the core business and individual departments of W.E.B. The company continuously examines new and innovative approaches to saving costs and increase efficiency.

Nevertheless, W.E.B has an additional innovation department that is designed to work on issues that do not necessarily have to make a profit within the first years. Their focus is on the future and on opportunities of new and profitable fields of operation looming somewhere in the horizon.

When the first W.E.B power plants dropped out of the subsidized tariff, W.E.B turned from being just a producer to also a supplier of electricity. It developed the label W.E.B-Grünstrom (W.E.B Green Energy) that comes with many benefits for shareholders and generates additional earnings for the company. After two years of development in the field of electromobility – in which W.E.B learned first-hand what drivers of electric vehicles actually need – ELLA AG was founded. In the meantime, ELLA has become one of the leading providers of quick charging stations in Austria and successfully mastered its first capital measures.

In the next few years, the W.E.B innovation department will focus on the question of how to store electricity economically. It is a question that the W.E.B Board already addressed in their book "The Last Equation in the Energy Transition" years ago. This issue has become more important than ever due to the rapid development

Andreas Dangl: W.E.B also stands for innovation

Andreas Dangl is renowned as Austria's wind energy pioneer even beyond the realms of his industry. He certainly has not lost his pioneering spirit, as numerous innovations – the latest one being his work in the field of e-mobility – confirm. They are also what makes W.E.B so much more than just another power company.
"We owe it to our shareholders to never stop working towards the energy transition!" as Andreas Dangl puts it and is convinced to have his shareholders' mandate to develop new fields of operation. The results of the last shareholder survey prove him right. W.E.B needs both: professional portfolio management and an eye into the energy future to detect new opportunities as early as possible.

of electromobility and the constant improvement of batteries. The opportunity to store electricity would significantly promote the W.E.B vision of an energy transition. There is a multitude of applications for feasible energy storage solutions ranging from storage facilities in buildings and commercial use to wind and solar power plants. “I expect every wind power plant to be equipped with an energy storage system within the next 10 years,” as Andreas Dangl, head of the W.E.B innovation department, explains.

“Although there will be various technologies depending on the field of application, lithium technology will play a decisive role in this development and will be way out in front for sure,” Dangl is convinced. This field has recently shown the most promising progress. Today’s lithium-ion battery costs 1% less every month while increasing its storage volume and cycle stability by 1% in the same period, mainly due to its growing use in the field of electromobility.

The future of electricity storage? Will we all have a storage battery in the cellar?

The next technology generations of lithium batteries, e.g. lithium-air batteries, will reduce both cost and weight (volume) even further. According to experts, they will be available by 2020. This is why it is hardly surprising for W.E.B to be interested in the development and application of storage solutions. The supply of control energy to stabilize the grid could lift W.E.B to another league of energy suppliers. At the same time, the company could – almost as a waste product – supply the balancing energy as well. This would also help us to better position our environmentally so valuable renewable energy on the market.

In this context, another business idea is concerned with photovoltaics. A day/night storage solution would create new business models, particularly in the field of commercial rooftop installations.

These opportunities are out there in the open, technologically doable and just wait to be realized. The W.E.B innovation department simply focuses on collecting experience in various fields that are relevant to the energy transition early on. In the end, this approach will be the key to any future competitive edge.

Corporate Governance

Commitment to the Austrian Code of Corporate Governance

The Austrian Code of Corporate Governance provides Austrian joint stock companies with a framework of rules for the management and supervision of the company. It is based on common international standards, relevant EU recommendations as well as on the regulations of Austrian law governing stock companies. Stock companies apply the Code voluntarily. For WEB Windenergie AG, the Code is an important building block for strengthening the trust of shareholders, business partners, employees, and the public.

Since mid-2006, WEB Windenergie AG has voluntarily committed to comply with the Austrian Code of Corporate Governance, which is subject to the following explanations. The current version of the Austrian Code of Corporate Governance is found at http://www.corporate-governance.at/.

The Code contains a total of almost 100 rules that impose a different degree of obligation for each company that subjects itself to them:

- **L-Rule (Legal Requirement):** Rule refers to on mandatory legal requirements.
- **C-Rule (Comply or Explain):** Rule is to be followed; any deviation must be explained and the reasons stated.
- **R-Rule (Recommendation):** Rule of recommendation nature; any failure to comply requires neither disclosure nor explanation.

Implementation of the Code of Corporate Governance by WEB Windenergie AG in Fiscal Year 2014

The Board of Directors and the Supervisory Board constantly strive to comply with all of the rules of the Code as much as possible and to continually optimize the company's internal standards. If full compliance is not established in individual cases, the reasons for such failure are stated. As the company is not listed on the stock exchange and is in regular individual communication with its shareholders – all of which are registered shareholders – the starting point for WEB Windenergie AG is considerably different (aside from the relatively small size of the company) from that of other publicly listed companies. In consequence, not all L-Rules are binding for WEB Windenergie AG because several provisions are only mandatory for companies listed on the stock exchange. WEB Windenergie AG refrains from publishing a separate Corporate Governance Report because it is not obliged to do so as an unlisted joint stock company. The essential contents of the Corporate Governance Report are included in this Business Report (particularly details on the executive body, meaning the Board of Directors and the Supervisory Board). However, in keeping with the fact that

WEB Windenergie AG voluntarily subjected itself to the Code of Corporate Governance, any deviations from the rules set down in the Code are briefly explained below and published on the homepage. Any deviations are openly discussed by the Board of Directors – and the Supervisory Board as appropriate – and decided, if such deviation is intended to be justifiably continued from the perspective of WEB Windenergie AG. The reasons for each deviation are found in the following summary.

The following rules of the Austrian Code of Corporate Governance were not or not entirely observed in the course of the fiscal year:

C-Rule 18: **"Depending on the size of the enterprise, a separate staff unit is to be set up for internal auditing, which shall report to the management board, or the task of conducting internal audits may be contracted out to a competent institution. At least once a year, a report on the auditing plan and any material findings are to be presented to the audit committee."**
Despite its constant growth, WEB Windenergie AG is still a medium-sized company. An internal auditing department is not considered to be cost-efficient due to the company's medium size.

L-Rule 20: **"To prevent insider dealings, the company shall issue internal guidelines governing the passing on of information, shall monitor compliance with said guidelines and keep a list of persons who are in the company's employ under a work contract or otherwise, and regularly or on ad hoc basis have access to inside information (list of insiders). The company shall apply the provisions of the Compliance Decree for Issuers issued by the Financial Market Authority."**
The group of insiders at W.E.B is well-known and there are internal guidelines in place governing the passing on of information. All employees are informed in writing, e.g. by means of W.E.B intern (employee newsletter), about when to stop trading W.E.B shares. However, there is no explicit list of insiders.

C-Rule 31: **"The fixed and variable performance-linked annual remunerations of each individual management board member are to be disclosed in the Corporate Governance Report for each financial year. This shall also apply if the remuneration is paid through a management company."**
The compensation of the entire Board of Directors as well as the corresponding basic rates for the amount of variable compensation are disclosed in the Business Report. There will be no separate publication for the individual members of the Board of Directors in order to protect the privacy of the persons affected.

C-Rule 36: **"The supervisory board shall discuss the efficiency of its activities annually, in particular, its organization and work procedures (self-evaluation)."**
The Supervisory Board does not perform any explicit self-evaluation. However, the Supervisory Board regularly discusses and assesses the efficiency of its work and its effects on the company in the course of its meetings.

C-Rule 39 (as well as analogously C-Rules 41 and 43): **"The supervisory board shall set up expert committees from among its members depending on the specific circumstances of the enterprise and the number of supervisory board members. These committees shall serve to improve the efficiency of the work of the supervisory board and shall deal with complex issues. However, the supervisory board may discuss the issues of the committees with the entire supervisory board at its discretion. Each chairperson of a committee shall report periodically to the supervisory board on the work of the committee. The supervisory board shall ensure that a committee has the authorization to take decisions in urgent cases.**

The majority of the committee members shall meet the criteria for independence of the C-Rule 53. The Corporate Governance Report shall state the names of the committee members and the name of the chairperson. The Corporate Governance Report shall disclose the number of meetings of the committees and discuss the activities of the committees." In accordance with Sect. 12 Articles of Incorporation, the Supervisory Board of WEB Windenergie AG consists of up to nine members, currently of only four members, though. Due to the small number of members, but also owing to the company's specific circumstances, the formation of committees is not deemed expedient so that the Supervisory Board undertakes its duties as a whole organizational unit. Even the Code of Corporate Governance provides for the obligatory establishment of a nominating committee only starting at six members of the Supervisory Board pursuant to Rule 41 or a compensation committee pursuant to Rule 43 and assumes a "critical size" which WEB Windenergie AG does not have with four members of the Supervisory Board. The rules of the Supervisory Board, however, do provide for the formation of committees so that this would be possible, if it were necessary. In selecting the members of the Supervisory Board, the company does take the distribution of the necessary competences into account (finance, law, engineering, social competence).

C-Rule 49: **"The company shall disclose in the Corporate Governance Report the object and remuneration of contracts subject to approval pursuant to L-Rule 48. A summary of contracts of the same kind shall be permitted."**
As there is no legal obligation of disclosure, the company does not publish a Corporate Governance Report. However, information about contracts requiring approval pursuant to L-Rule 48 is included in the appendix to our Annual Financial Statement. This includes a contract of mandate with the law firm of Sattler & Schanda (Supervisory Board Member Dr. Schanda is a partner of this law firm), the hire purchase agreement with WEB Windenergie AG with QR Dumeier Köbis GbR (the shareholders of QR Dumeier Köbis GbR are close relatives of members of the Board of Directors and executive managers), and the leasing of agricultural land for environmental measures carried out by Martin Zimmermann in Auersthal and Deutsch-Wagram.

C-Rule 53: **"The majority of the members of the supervisory board elected by the general meeting or delegated by shareholders in accordance with the articles of incorporation shall be independent of the company and its management board. A member of the supervisory board shall be deemed independent if said member does not have any business or personal relations to the company or its management board that constitute a material conflict of interests and therefore suited to influence the behavior of the member.**
The supervisory board shall define on the basis of this general clause the criteria that constitute independence and shall publish them in the Corporate Governance Report. The guidelines in Annex 1 shall serve as further orientation. According to the criteria defined, it shall be the responsibility of every member of the supervisory board to declare its independence vis-à-vis the supervisory board. The Corporate Governance Report shall clearly explain which members are deemed independent according to this assessment."

The majority of the members of Supervisory Board are to be seen as independent in the sense of this rule. There is an exception in the sense of DI (FH) Stefan Bauer, who was first elected to the Supervisory Board in 2005. Stefan Bauer is a nephew of Andreas Dangl. He carries out his office with the same diligence as every other member and also refers to the components under liability law. Although the Supervisory Board did not set the criteria of independence, the company of course observes the very clear legal provision. With respect to C-Rule 54, the company points out that no member of the Supervisory Board is a shareholder

with a stake of more than 10% or represents such a shareholder's interests. WEB Windenergie AG is a classic citizen participation company with a free float; there are no shareholders with a stake of more than 4%.

L-Rule 60: **" The company shall prepare a Corporate Governance Report that contains at least the following information:**

- **[...]**
- **the measures taken to promote women to the management board, supervisory board and to top management positions."**

Currently, WEB Windenergie AG does not have a woman as a member of the Board of Directors or the Supervisory Board. There are no special measures carried out to increase the share of women in these top management positions. However, several women are employed at the second management level and Ms. Claudia Redl acts as the company's authorized signatory.

C-Rule 68: **"The company shall publish annual financial reports, half-yearly financial reports and any other interim reports in English and German, and shall make these available on the company's website. If the annual financial report contains consolidated financial statements, the financial statements in the annual report pursuant to the Business Code must only be published and made available in German."**

The company makes its annual financial reports available for download in both German and English on the homepage.

C-Rule 74: **"A calendar of corporate financial events shall be posted at least two months before the start of the new business year on the website of the company and shall contain all dates of relevance for investors and other stakeholders such as the release of the annual and quarterly reports, annual general meetings, ex-dividend day, dividend payout day and investor relations activities."**

WEB Windenergie AG publishes the important dates of the fiscal year in the financial calendar on the website www.windenergie.at. WEB Windenergie AG constantly strives to keep shareholders and other interested parties up to date. The relevant dates in this sense will be announced at the earliest possible date on the website and kept updated.

C-Rule 83: **"In addition, the auditor shall make an assessment of the effectiveness of the company's risk management based on the information and documents presented and shall report the findings to the management board. This report shall also be brought to the notice of the chairperson of the supervisory board. The chairperson shall be responsible for ensuring that the report is dealt with by the audit committee and reported on to the supervisory board."**

WEB Windenergie AG does not engage explicit risk management. However, a risk assessment and its discussion are part of the statutory audit.

You will find the Code of Corporate Governance at: http://www.corporate-governance.at

Consolidated Group Management Report for the Fiscal Year 2014

General, Business Area

W.E.B Wind Energy Group (short: W.E.B Group or W.E.B) plans and operates power plants based on renewable energy, primarily wind power. The Group is mainly active in Austria, Germany, France, Italy, the Czech Republic and Canada.

Unlike fossil or nuclear energy sources, renewable sources of energy, such as wind, solar and hydroelectric energy, are sustainable sources and available in unlimited quantities. Their conversion into electricity does not reduce the reserve raw materials and is, therefore, in line with the concept of sustainable and responsible economic activity. Particularly in light of the constantly increasing global need for energy, measures for a future-oriented basic supply of energy must be as much in focus as the preservation of irreplaceable habitats and natural structures.

The parent company of W.E.B Wind Energy Group is WEB Windenergie AG, Pfaffenschlag. The consolidated companies are referred to in the consolidated notes.

Market and Industry

The implementation of the EU guideline for increasing the share of renewable energy in total power generation to 20% by 2020, enacted in December 2008, continues to be the most important driver in the expansion of renewable energy use in Europe (Project 20-20-20). However, its country-specific implementation varies significantly.

General Framework

National Economic and Energy Economic Framework

In line with previous years, the trend of decreasing electricity prices continued in 2014. In the course of the year, the electricity price (EEX base load future, delivery period 2014) dropped from EUR 45/MWh to EUR 38/MWh. While this price reduction has been considerably lower than in previous years[1], its reasons are still subject to lively discussions both in theory and practice. When it comes to Austria and Germany, there are a few relevant developments to consider[2]: the base load is continuously decreasing due to the separation of economic growth and the increasing consumption of electricity in combination with the growing production of electricity. Moreover, it did not take long for renewable energy sources and conventional power plants to compensate for the reduction of capacity caused by the shutdown of nuclear power plants in 2011. The sinking prices for CO_2 certificates resulted not only in the increased use of partially indirectly subsidized coal power plants but also in the currently more economical production. In general, renewable energy is expected to further cut out conventional production. In consequence, however, both controllability and load compensation will gain in importance.

[1] Source: EEX
[2] Source: "Ursachen für die sinkenden Preise am Terminmarkt der EEX für Strom, Dipl.-Ing. Krischan Keitsch, 2014" (Reasons for Declining Prices in the EEX Power Derivatives Market)

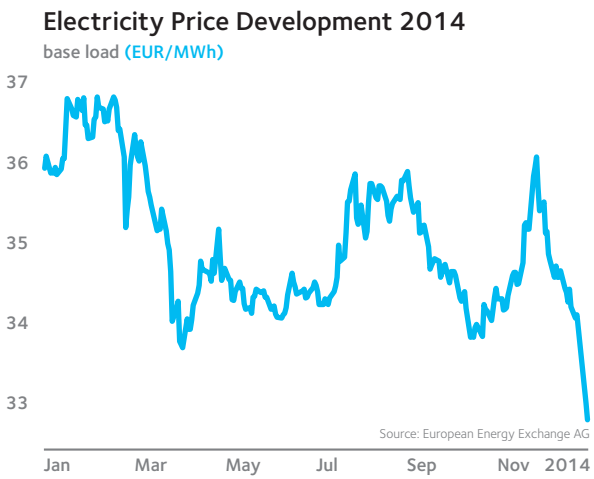


Figure 1: Development of the wholesale price of electricity in EUR/MWh – Phelix Base Year Future 2015 (EEX)

Regulatory Framework

In November 2010, the European Commission presented the European Energy-Strategy 'Energy 2020 – A Strategy for Competitive, Sustainable and Secure Energy'. It defines five priority action areas for reaching the energy goals for the year 2020: limiting energy use in Europe; building a pan-European integrated energy market; empowering consumers and achieving the highest level of safety and security; extending Europe's leadership in the development of energy technology and innovation; strengthening the external dimension of the EU energy market.

The European Commission directs its main attention to achieving the energy efficiency targets set out in the EU Energy and Climate Package. Among other things, energy suppliers are required to encourage their customers to save energy. Energy efficiency should also be a central assessment criterion in the approval of new generating capacity. Furthermore, the EU strives to build a pan-European integrated energy market and extend Europe's leadership in the development of energy technology and innovation, e.g. in terms of energy storage and "smart grids".

In 2010, not only the European Union but also Austria presented an energy strategy that includes the specific steps to implement the 20-20-20 targets. In accordance with the 2008 EU Energy and Climate

Package, Austria needs to increase its share of energy from renewable sources in the country's gross final consumption of energy to 34% by 2020. At the same time, Austria is obliged to reduce its greenhouse gas emissions of industries that are not participating in the EU emission trading scheme by 16% based on the 2005 emission values by 2020.

The European Union adopted new guidelines for the environmental and energy sector coming into effect on 1 July 2014. The new guidelines are designed for the energy market to incorporate energy from renewable sources and cut related state aid to the most necessary level. Feed-in tariffs will be gradually replaced by bidding processes. Nevertheless, the new guidelines only apply to state aid that has not already been approved by the Commission. As the European Commission approved the Austrian 2012 Green Electricity Act on 8 February 2012 for a period of 10 years, Austria has already realized a support scheme for renewable energies. Where necessary, existing schemes concerning operating aid in support of energy from renewable sources only need to be adapted to the new guidelines when Member States prolong their existing schemes, have to re-notify them after expiry of the 10 years-period or after expiry of the validity of the Commission decision or change them.

In the summer of 2014, Austria implemented EU Directive 2012/27/EU by enacting the federal Energy Efficiency Act (EEffG) which primarily places larger enterprises under the obligation of introducing an energy management system while energy suppliers must improve both their own and their customers' energy efficiency. In this context, W.E.B does not have to take any active steps but is subject to reporting obligations.

According to the Austrian Federal Ministry of Science, Research and Economy, the federal Energy Efficiency Act pursues the objective of "improving energy efficiency by 20 percent by 2020, thus strengthening security of energy supply, increasing the share of energy from renewable sources in the energy mix, and reducing greenhouse gas emission levels.[3]

[3] http://www.bmwfw.gv.at/EnergieUndBergbau/Energieeffizienz/Seiten/Energieeffizienzpaket.aspx (last accessed on 13 March 2015)

Financial Markets – Interest Rates

The year 2014 was characterized by low interest rates which dropped even further in the course of the year. Both the 3-month and the 6-month-EURIBOR reached historic lows. The similarly moderate long-term interest environment enabled the placement of two bonds.

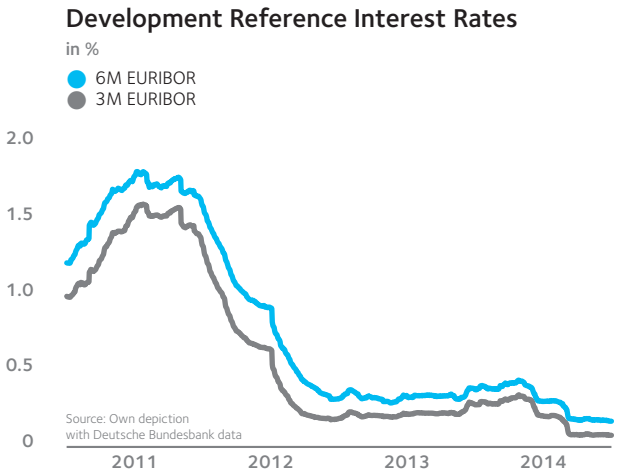


Figure 2: Development of 3M und 6M EURIBOR

Development of relevant FX-rates

In 2014, the Euro showed a rather weak development in comparison to the Dollar zone. In terms of W.E.B's business area, this essentially resulted in a decrease of the relevant EUR/CAD rate from 1.47 to 1.41. The other foreign currency of importance to W.E.B, the Czech Koruna, followed a development mostly parallel to the Euro. In particular, the EUR/CZK rate slightly rose from 27.4 to 27.7. The development of exchange rates is portrayed in the following figure.

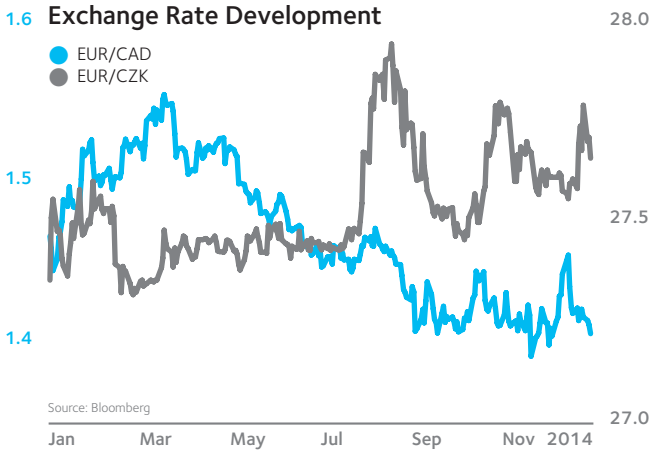


Figure 3: Relevant exchange rates

Country-Specific Subsidy Conditions

In **Austria**, both the Green Energy Act of 2012 (ÖSG 2012) and the current green energy feed-in rates are still in effect. Based on current feed-in tariff regulations, wind energy plants receive a compensation of 9.36 c/kWh for applications submitted to the clearing and settlement agency for subsidized green electricity (Ökostromabwicklungsstelle) in 2014; applications submitted in 2015 will receive remuneration of 9.27 c/kWh.

Although the tariffs are generally required to be determined for each calendar year separately, it is also possible to stipulate the tariffs for two or more calendar years in advance. In accordance with Art. 19 Austrian 2012 Green Energy Act, previous year tariffs apply at a deduction of 8% on photovoltaic and 1% on wind power until a new regulation enters into force.

With the Renewable-Energy Act (EEG), **Germany** still offers a stable framework for the expansion of wind and photovoltaic projects, also through the system of direct marketing. In addition, the reference location model secures economic viability at less attractive locations. Subsidies are provided especially through feed- in and premium rates. In consequence of EU guidelines, Germany is expected to alter its green energy subsidy scheme as of 2017.

Due to a change in the law in the **Czech Republic** and the therewith associated taxation of projects in the area of renewable energy, the Czech market lost some degree of attractiveness for investors. Renewable energy sources are primarily subsidized through feed-in tariffs in the Czech Republic. Instead of the required feed-in tariff, it is possible to switch to the premium tariff, if there is an acceptance contract with a participant in the electricity market (e.g. electricity trader). Operators receive a "green bonus" for electricity from renewable sources in addition to the market price.

In **Italy**, the laws and tariff reductions passed in recent years are leading to a more difficult framework; the continuously high number of sunny days should, however, make the development of profitable projects in the photovoltaic area possible, even under the given regulatory framework. Italy has been operating a bidding process for green energy subsidies providing an ideal basis for the moderate development particularly of wind energy projects for quite some time.

Although **France** is already among the largest wind energy nations in Europe, there is still great potential for new projects. Renewable energy sources are subsidized using feed-in tariffs and tax advantages. In consequence of EU guidelines, France is expected to alter its green energy subsidy scheme as of 2017.

In several provinces of **Canada**, there are feed-in rules with fixed tariffs similar to European subsidy regimes. The resulting predictable economic viability of new projects continues to make this market attractive for W.E.B.

Business Performance

The fiscal year 2014 was characterized by weak wind occurrence and a resulting lower generation of electricity. In comparison to the previous year, W.E.B was still able to considerably improve its revenues due to newly installed production capacities. In consequence, the fiscal year 2014 adds a record production to W.E.B's corporate history.

Furthermore, the company's growth path continued steadily with the commissioning of new plants in 2014 as well as preparations for further plants.

In fiscal year 2014, the concrete expansion steps of W.E.B were as follows: a new wind farm added 12.3 MW to the Austrian portfolio; a German wind farm was expanded by 6 MW; three wind farms of 2 MW each were built in Canada; W.E.B started construction works on a photovoltaic facility of 700 kW_p in Austria; and a 38.4 MW wind farm was further developed in France. In all markets, W.E.B continues its project planning and development activities to increase its plant capacities.

Influence Factors

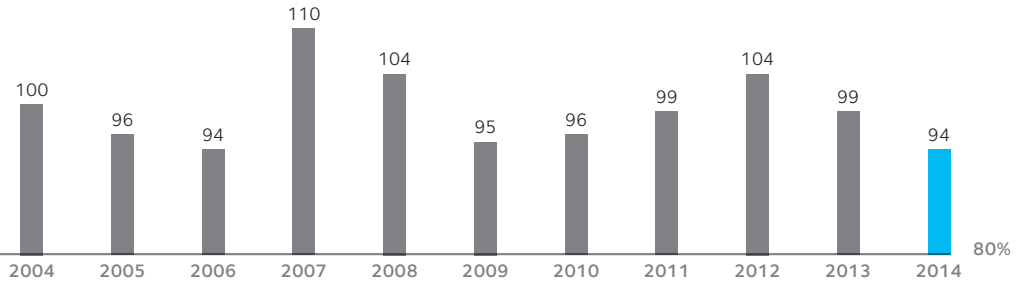
After a previous year slightly below average, 2014 experienced particularly low wind occurrence at almost all locations. Considering the entire portfolio including participations and commissioned plants, production fell short of expectations by -7.7%. W.E.B plants generated electricity of about 5.9% below target (after approximately 1.5% below target in the previous year). Moreover, the 2014 result suffered from disadvantages due to weak photovoltaic and hydroelectric performance.

Nevertheless, the lower production of existing plants was compensated by the first-time generation of new plants, resulting in an increase of a total production including participations by 10.3% to 616.7 GWh.

W.E.B Wind Energy Group continues to rely on earnings risk management through the distribution of its wind, hydroelectric and photovoltaic power plants. Due to varying meteorological conditions, positive or negative deviations of the budgeted amounts can frequently be observed in the actual figures.

Production results: W.E.B Plant Portfolio

Percent of budgeted amounts

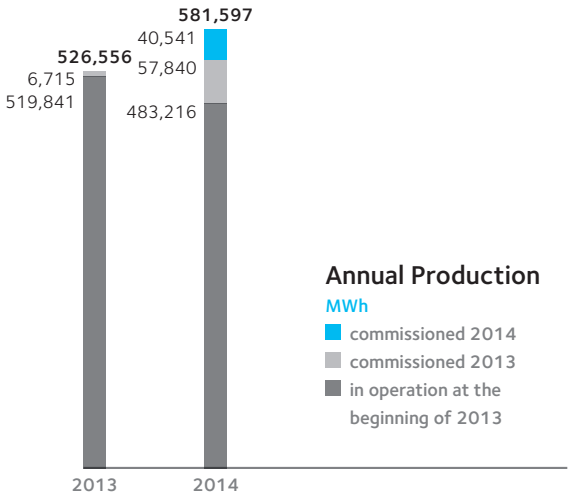


Whereas Austrian plants generated -6.2% less electricity than expected due to weak wind conditions and sometimes longer grid outages (substation upgrading), German plants remained significantly below target by -8.3%. In France, the budgeted production values were just slightly missed by -2.0%. Prevalent weak wind conditions in the Czech Republic (-8.0%) and Italy (-4.1%) resulted in production values below target as well. Although weather conditions initially forced Canadian plants to delay their commissioning, their production benefitted from the stormy weather and exceeded their target by 3.8%. In a nutshell, the conditions of production did not turn out to be of advantage to W.E.B's wind power plants (-5,8%), photovoltaic plants (-5,8%) or hydroelectric plants (-9.5%).

Power Generation and Installed Capacity	**2014**		**2013**	
	Capacity	**Production**	**Capacity**	**Production**
	kW	**MWh**	**kW**	**MWh**
Austria	159,540	365,084	147,241	313,474
Germany	88,364	130,834	82,364	136,908
France	24,000	52,457	24,000	52,174
Czech Republic	9,080	13,902	9,080	15,012
Italy	6,427	8,592	6,427	8,988
Canada	3,298	10,727	—	—
Total	**290,709**	**581,597**	**269,111**	**526,556**

Participations in plants of 50% or more are included on a prorated basis; participations below 50% are not included.

The following figure separately depicts existing and newly commissioned plants to illustrate the impact of production fluctuations in existing plants on total production:



Profit Situation

The 2014 earnings after income tax exceed the previous year's result by 936.3 TEUR or 15.3%. Despite the weak (also significantly weaker compared to the previous year) wind conditions, this increase is based on the expansion of the plant portfolio by highly productive plants, stringent cost management resulting in lower operating expenses (compared to revenues), and an improved net financial result.

Corporate Group – Profit and Loss Statement	2014	2013
TEUR		
Revenues	**53,995.6**	**48,093.9**
Other operating income	1,126.6	1,651.8
Operating income	**55,122.2**	**49,745.8**
Costs of material and purchased services	-1,627.6	-1,412.4
Personnel expenses	-5,434.7	-4,993.4
Depreciation	-21,078.5	-18,147.0
Other operating expenses	-10,479.8	-9,688.6
Sub-total	**-38,631.7**	**-34,241.4**
Operational result	**16,490.6**	**15,504.4**
Net financial result	**-6,993.9**	**-7,171.5**
Earnings before income tax	**9,496.6**	**8,332.9**
Income tax expense	-2,443.0	-2,215.6
Earnings after income tax	**7,053.6**	**6,117.3**

Revenues

Compared to 2013, the revenues could be increased by approximately 5.9 Mio EUR or 12.3% to 54.0 Mio EUR in 2014. This increase is primarily based on successful investments in new plants as well as production at the plants Neuhof III (Austria), Altentreptow III (Germany) and the three newly installed Canadian plants.

The 2014 revenues based on categories are as follows:

Revenue split based on categories	2014	2013	Delta in %
TEUR			
Wind	49,216	43,219	13.9%
Photovoltaic	4,220	4,371	-3.4%
Hydroelectric	372	504	-26.2%
W.E.B Grünstrom	188	0	-
Total	**53,996**	**48,094**	**12.3%**

Other Operating Income

The other operating income for the year 2014 dropped by 525.2 TEUR to 1,126.6 TEUR compared to the previous year.

Costs of Material and Purchased Services

This item records the costs for electricity, grid loss compensation, grid use fees (1,452.6 TEUR, previous year: 1,147.8 TEUR) and material costs. The total costs of this item increased by 215.2 TEUR to 1,627.6 TEUR.

Personnel Expenses

The personnel expenses for 2014 amounted to 5,434.7 TEUR and were around 441.3 TEUR higher than in 2013 due to international expansion activities and changing to carry out more services in-house.

Other Operating Expenses

The other operating expenses for 2014 increased by 791.2 TEUR to 10,479.8 TEUR compared to the previous year. This development is essentially attributable to higher operating and maintenance expenses for the larger portfolio with newly installed plant capacities.

Net Financial Result

The interest expenses for the reporting year were higher than in the previous year, mainly due to the increase in financial obligations and the issuance of bonds in autumn 2014. In contrast, the interest income grew significantly because of a loan to a Canadian partner company. The financial result improved in total by 177.6 TEUR to -6,993.9 TEUR.

Asset Situation	12/31/2014		12/31/2013	
	TEUR	%	TEUR	%
Long term assets	343,064.8	89	292,445.5	92
Short term assets	44,619.7	11	24,436.9	8
Total Assets	**387,684.5**	**100**	**316,882.4**	**100**
Equity capital	99,901.7	26	86,900.9	27
Long term debts	235,902.6	61	193,008.0	61
Short term debts	51,880.2	13	36,973.5	12
Total Liabilities and Equity	**387,684.5**	**100**	**316,882.4**	**100**

The changes in the consolidation group are referenced to in Section 2.2.1 of the Corporate Group Appendix.

For a detailed description of the balance sheet items, see Appendix, Chapter 3.

For a detailed description of the cash flow statement, see Appendix, Chapter 7.1.

Financial Situation	2014	2013
TEUR		
Operating cash flow	33,624.6	38,572.9
Cash flow from financing	-67,251.7	-57,492.4
Cash flow from investing activities	49,883.4	22,798.7
Cash flow total	**16,361.3**	**3,879.2**

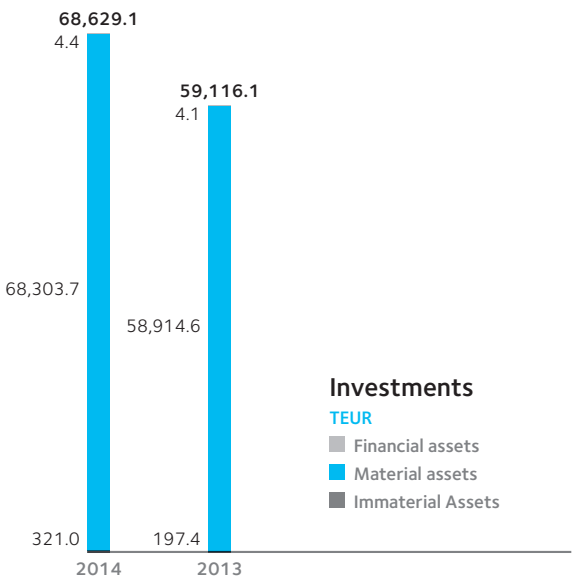
Dividend and Distribution Policy

In 2014, a dividend amounting to EUR 12.00 per share was approved in the shareholders' meeting (in total 3,461.4 TEUR) of 23 May 2014. The payout was performed on 30 June 2014. In accordance with the strategic direction with regards to distribution policy that was first taken in 2010, the payout of a significant portion of the result of the parent company WEB Windenergie AG as a dividend will be proposed in the upcoming shareholders' meeting of 2015.

Investments

The main investments of the fiscal year 2014 concern the wind farm Neuhof, Austria, Altentreptow, Germany, a photovoltaic plant still under construction in Brunn/Gebirge, Austria, the Canadian wind power plants located in St. Rose, Little River and Parker Mountain installed in 2014, four other Canadian plants completed in 2015, and wind farms under construction in Austria, France and Canada.

Investitionen	2014	2013
Investments (incl. assets from acquisitions of companies)	TEUR **68,629.1**	TEUR **59,116.1**



Financing

In the fiscal year 2014, long-term loans were taken out for the construction of the photovoltaic power plants Heidenreichstein and Perbersdorf as well as for the wind farm Altentreptow III.
The long-term financing in Canadian Dollar for Canadian wind farms could be concluded in the course of the fiscal year. Moreover, long-term financing in Canadian Dollar was secured for Canadian plants that were still under construction at the balance sheet date.

In the reporting period, two different bonds with a nominal value of 1,000.00 EUR were issued at a bond price set to 100% of the nominal amount. On the one hand, fixed-interest bullet bonds were issued with a coupon of 3.5% amounting to 10.6 Mio EUR. On the other hand, it was the first time for W.E.B to issue hybrid bonds with a coupon of 6.5% amounting to 4.4 Mio EUR.

Performance Indicators

Key Figures

Key Figures	2014	2013
EBIT Margin	30.54%	32.24%[4]
Net Gearing	233.10%	225.82%[4]
Return on Equity	7.55%	7.21%
Debt Repayment Period	6.20	5.83
Interest Coverage Ratio I	4.65	5.21
Interest Coverage Ratio II	2.04	2.40

[4] Previous year values were adequately adjusted to the key figure calculation method as adapted in the current fiscal year.

EBIT Margin

The EBIT margin puts the EBIT in relation to revenues and, therefore, shows the profitability of the company independent of financial results, extraordinary items and taxes.

With 30.54%, W.E.B Wind Energy Group was able to keep its EBIT margin at a similarly high level as in the previous year.

Net Gearing

Net gearing constitutes the ratio of the net debt, calculated from the long-term financial debts minus liquid assets, to the company's equity capital. This makes it a key figure for assessing the company's ability to weather a crisis.

As the company's net debt increased at a higher extent than the development of W.E.B equity capital, this key figure grew to 233.10% in 2014 (previous year: 225.82%).

Return on Equity

The return on equity sets the annual profit in comparison to the equity capital used. It indicates how high the interest was on capital provided by the equity investors minus taxes on earnings in a given period.

In 2014, the return on equity for W.E.B amounted to 7.55%.

Debt Repayment Period

The debt repayment period is based on the relation between the company's net debt and EBITDA. This value slightly increased to 6.20 years compared to the previous year.

Interest Coverage Ratio

The interest coverage ratio is calculated using two methods: on the one hand, the relation between EBITDA and the total interest expenses (Interest Coverage Ratio I) and, on the other hand, the relation between EBIT and the total interest expenses (Interest Coverage Ratio II). Both indicators slightly decreased. This reduction is the result of increased interest expenses, which overcompensates the effect of the grown EBITDA and EBIT.

Employees

For a rapidly-growing company, such as W.E.B Wind Energy Group, employees are an essential resource. Their commitment and know-how contribute significantly to the overall success of the company.

In accordance with the growth of the company, W.E.B is also constantly investing in the training and continuing education of its employees.

as of 12/31	2014	2013	2012	2011
Personnel (head count)	94	85	74	59
Direct education expenses per employee (EUR)	608	1,285	470	660
Average age (years)	37	37	36	37

W.E.B Wind Energy Group uses the 'ABC- Method' for structured employee evaluation and development. The objective of this system of strategic personnel development is to expand skills and prepare employees for current and future challenges facing the company. In this context, development plans are worked out in collaboration with the respective employee.

Furthermore, the company's internal newsletter, 'W.E.B intern' is sent out at least every 14 days. It provides all employees with up-to-date information about current developments in the company.

In 2014 W.E.B appointed for the first time a local CEO for Germany based in Hamburg to manage the development of this core market.

The number of part-time employees has increased from 9 to 18 individuals since 2012. This development is primarily based on the employment of individuals previously on leave who either take advantage of flexible working time management or prepare for full-time employment.

Group-wide issues of organization are supported by the newly established organization team. Another company focus addressed the use of Microsoft Sharepoint that provides all Group employees not only with quick and efficient access to internal information but also with an opportunity of seamless cooperation regardless of their location.

The satisfaction and dedication of the employees have a direct effect on corporate success. W.E.B Wind Energy Group places great importance in open, respectful and responsible interpersonal interactions. The employees' ideas and impressions are collected and discussed in annual employee interviews and in the framework of the annual anonymous employee satisfaction survey, so that specific needs can be discussed in detail.

The 'W.E.B-Rose Program' includes voluntary activities such as company ski days, offers such as 'Fruits for Employees' and the organization of lunches and provides for a balanced and pleasant workplace atmosphere.

Planned Development

Risks and Uncertainties

Opportunity and Risk Management

WEB Windenergie AG conceives opportunity and risk management as an essential instrument of corporate management. The goal of opportunity and risk management is to secure the asset, financial and earnings situation of the Group as well as existing and future potentials for success and growth and react to changes in the business framework in a timely fashion.

In the framework of a formalized risk management process, the company's decision makers discuss significant risk factors and assess the likelihood that they will occur and their likely effects on the corporate result.

Measures for dealing with the identified risks are developed and implemented. The measures aim at reducing both the possible extent of damage and the likelihood of occurrence.

Risk information and measures are saved in a central database and updated regularly.

Price Risk and Political Risk

Feed-in tariffs are guaranteed on a medium and long-term basis for a majority of the power generated by the plants of W.E.B Wind Energy Group. Therefore, W.E.B has minimal exposure to market price risks and economic risks.

Guarantee period	Share of planned generation 2014	Share of planned generation 2013
No guarantee tariff	5.8 %	6.3 %
Up to 1 year	0.0 %	0.2 %
1 to 5 years	31.6 %	25.9 %
More than 5 years	62.6 %	67.6 %

These tariffs are locked in under existing laws. A modification of these laws and/or the abolition of the tariff subsidies would be a significant threat to the economic viability of the generating plants. This is however highly unlikely. In the German subsidiary direct marketing contracts have been concluded, allowing for a higher feed-in tariff than the feed in tariff guaranteed by law. This direct marketing framework is regulated by law, so that in the event of bankruptcy of the direct marketing partner it is possible to switch back to the legally guaranteed tariffs. For periods after the expiration of guaranteed tariffs and for the portion of total production without a guaranteed tariff, the market price of electricity has a significant impact.

In the province of Ontario, Canada, the regulatory authority introduced a new and competitive bidding process awarding contracts of 300 MW until the end of 2015 and another 300 MW until the end of 2016. The new bidding process replaces the previous feed-in tariff as determined by the regulatory authority. Moreover, the bidding process underlines the commitment of the provincial government of Ontario to reach renewable energy capacities of 10.7 GW in its energy supply mix by 2021. In consequence, Ontario will continue to be an attractive market to W.E.B. The Canadian subsidiary of W.E.B Group has successfully qualified for the new tariff system and will bid for up to 50 MW in 2015.

Technical Risks

WEB Windenergie AG and its subsidiaries operate a total of 199 power plants as of 12/31/2014: 185 wind power plants, three hydroelectric power plants and eleven photovoltaic plants. 159 wind power plants were built by the world market leader Vestas (including the plants from NEG Micon which has since merged with Vestas), 26 plants from the German manufacturer Enercon. By using wind power plants from manufacturers with many years of market experience, W.E.B Wind Energy Group keeps the technical risk as low as possible.

Large Components

In the experience from recent years, an increase in damages to the gearboxes and generators of plants produced by Vestas can be noted. In this context, both the internal skills in damage prevention as well as technical and logistic preconditions for promptly repairing large components with own resources in case of breakdown have been improved.

Climatic and Meteorological Framework

Generating energy from wind power and photovoltaic plants depends to a large extent on weather conditions. Wind is subject to great seasonal and annual variations. The W.E.B management takes this risk into consideration when selecting project locations.

Rotor Blades

No notable problems were observed with the rotor blades during the reporting period. Inspections were carried out by independent experts and environmental damages remediated by our own special team. The blades' condition is state of the art.

Operational Management

After last year's all-time high of 97.8% in total plant availability, this value dropped to 97.2% in 2014. This negative development is primarily based on extensive substation renovations and upgrades as well as shutdowns due to energy suppliers' general grid expansion which resulted in deactivated wind parks. As the grid infrastructure will continue to be expanded to connect new wind parks, W.E.B will also benefit from this process when installing new plants.

In 2014, W.E.B's technical availability of 98.7% remained just slightly below the previous year's value of 98.8%. With an average turbine age of 9.3 years, efficient service structures and the successful implementation of the operation strategy are a requirement for this excellent value.

W.E.B's operation strategy provides the first level through site guards of wind farms. The help of local observations allows for rapid reactions and an efficient operation of the scattered, decentralized power plants. The second level of the operation strategy ensures a good state of the power plants through high-quality manufacturer maintenance efforts, which are supported by inspections and preventive removal of defects of our own, well-trained technicians. The operation control of the third level is concerned with system monitoring and efficient incident management in case of damage. In order to avoid unexpected damage, the operating data of the plants is analyzed and the system behavior is assessed. Should there still be events of damage – the fourth level provides consistent repair measures. In this respect, there are specialized service teams, an extensively stocked spare parts storage and appropriate special tools. Partnerships with component manufacturers as well as companies for transport, logistics and crane services provide appropriate

security. In the case of resource constraints, it is contractually secured to fall back on the manufacturer's service. The fifth stage of the operating strategy focuses on technical improvements, large component replacements and large component repairs and servicing of rotor blades. Maintaining the high standards and innovative repair approaches that have been used recently should secure this high technical level in the future.

The costs for large component repairs were reduced by applying an internal crane system. For the first time, W.E.B was able to replace a generator and gearbox parts without using an external truck crane. This faster and less complex large component service is expected to produce a sustainable service cost reduction in the future.

Another operational risk is concerned with outages in wind energy production as the result of plant down-times caused by iced rotor blades.

Photovoltaic

The year 2010 was the first time that a large photovoltaic farm was under the operational management of W.E.B Wind Energy Group. After dealing with defects in construction and the deficiencies under warranty, the browning of modules was identified as a long-term risk and an agreement was concluded with the manufacturer to assume guarantee responsibilities in case of failed modules. Additionally, climate chamber and aging tests are performed in advance of constructing new photovoltaic farms.

Project Development

Developing new power plant locations is an essential component of the business activity of WEB Wind-energie AG. As a consequence thereof, W.E.B has the opportunity to invest in new wind and photovoltaic power plants at profitable locations. In each phase of evaluation, from planning to obtaining construction and operating permits, however, there is the danger that a project may be cancelled and the project ex-penditures to-date may be lost. Strict cost management and regular evaluations of project costs, project cost efficiency and the probability of receiving the construction and operation permits keep this risk as low as possible. In the past it has been possible to realize more than 70% of planned projects. See section "Company Development" in terms of new risks in the context of awarding contracts for future projects.

Financial Risks

Currency Risk

Financing of plants owned by W.E.B Wind Energy Group is done in the national currency for the plants located in Canada. This creates a natural hedge that reduces the currency risk for feed-in compensation considerably since feed-in compensation, loan interest and principal repayment are all in the same currency. The same principle applies for financing plants in the Czech Republic.

In addition, one loan in Swiss Francs exists. The share of this loan in the total volume of financing of W.E.B Wind Energy Group is relatively small. Additional detailed information is presented in the Appendix in explanation (11) Financial Obligations and Section 6.1 Currency Risk.

Interest Rate Risk

Loans for financing power plants are for the most part subject to variable interest rates. Due to the fixing of earnings (fixed feed-in rates) for the power plants, there is a considerable risk of interest rate changes. For around 53% of the existing financial obligations subject to variable interest rates, this risk was hedged through fixed interest rate agreements (interest rate swaps). Thus as of 12/31/2014, approximately 72% of the financial obligations are subject to fixed interest rates.

An increase of the interest rate by 1%-point would reduce the company's results by approximately 567.3 TEUR p.a.

Financial Instruments

The main originating financial instruments used by W.E.B Wind Energy Group are participations, bonds, loans, receivables for goods and services, balances held at institutions of credit, financial obligations and trade payables. At balance sheet date, the existing derivative financial instruments are interest swaps and are described in detail in the Appendix, Explanation (15) Derivative Financial instruments.

As of 12/31/2014, there are no contingent liabilities.

The amounts reported on the asset side represent the maximum credit and default risk at balance sheet date.

Apart from the concluded interest swaps (see Appendix, Explanation (15) Derivative Financial Instruments) no specific securitizing transactions were completed in the fiscal year 2014.

Financial Futures Transactions/Derivatives

Concerning contracts existing on balance sheet date and their valuation/accounting treatment, see Explanation (15) Derivative Financial Instrument in the Appendix.

Default Risk

W.E.B Wind Energy Group supplies the energy generated in its plants to partially nationalized and private electricity traders with the highest creditworthiness as well as private customers. In 2014, the majority of revenues in Austria (93% as in the previous year) were generated from the OeMAG Abwicklungsstelle für Ökostrom AG; the rest was generated with a private company with well-established business relationships as well as "W.E.B-Grünstrom" customers.

The subsidiaries in the Czech Republic, France, Italy and Canada also deliver to electricity companies responsible for dealing with green energy. In addition, W.E.B generates revenues from the direct marketing of produced energy.

Counterparty Risk – Suppliers

W.E.B Wind Energy Group operates wind power plants from two main suppliers. Both companies are internationally active manufacturers holding considerable market shares of wind power plants in the world market. For new plants, advance payments are made to the manufacturers, for existing plants there are in part guarantee and warranty claims as well as availability guarantees from maintenance agreements.

Should one of these manufacturers get into financial distress, this circumstance could have negative effects on the receivables of W.E.B.

Liquidity Risk

All power plants owned by the Group have long-term financing agreements with credit institutions or are financed by medium/long-term bonds, with the result that no liquidity risk arises from the construction or from the acquisition of additional power plants. For the existing financial arrangements, comprehensive liens on plants and assignments of receivables have been arranged with the financial institutions. Furthermore, W.E.B Wind Energy Group has obligated itself to maintain certain financial key figures. The failure to maintain these figures could entitle the financial institutions to immediately call the loans. The effects of fluctuations of operating cash flows (primarily fluctuations of electricity earnings on the basis of the wind situation) are minimized through active liquidity management.

Company Development

The Green Energy Act currently in force in Austria continues to make building wind power plants financially viable in this market. Due to the zoning moratorium imposed in Lower Austria in 2013, many projects of W.E.B (especially in our home region, the Waldviertel region) were delayed. In 2014, it has become clear that Austrian projects will generally be more delayed than in the past.

Therefore in 2014, W.E.B continued focusing on foreign markets and was able to realize considerable growth opportunities mainly in France, Germany and Canada.

The product "W.E.B-Grünstrom" as launched in 2013 enables numerous shareholders to obtain their "own" electricity from the renewable energy sources of W.E.B. In consequence, W.E.B has also turned into an electricity trader and already generated 188 TEUR in 2014.

The foundation of ELLA AG in 2014 as a subsidiary of W.E.B created the conditions for participating in the rapidly growing market of electromobility. After the start-up financing by W.E.B, ELLA AG plans to become a leading supplier of charging infrastructure for electric vehicles in Austria based on privately subscribed capital increases.

W.E.B Group expects to participate in the 2015 bidding process for Power Purchase Agreements (PPAs) in Ontario. These agreements are awarded after a competitive bidding process with presumably individual and currently still unknown feed-in tariffs for the winning companies. As this bidding process is expected to spread to other core markets of the Group, it will provide both new opportunities and risks not only for securing new projects but, in consequence, also for company development.

Research and Development

W.E.B Wind Energy Group constantly works on minimizing the operating costs for existing plants and maximizing earnings. In this context, significant development projects were brought to practical implementation. To this end, new repair concepts are developed and tested in a nacelle of the 2-MW-class installed in Pfaffenschlag. R&D work continued to be intensified – the innovation management-team is working intensively on analyzing systems to improve the stabilization of cyclically produced renewable energy and has developed new areas of application for existing wind farms beyond their fixed feed-in tariff period.

W.E.B continues its participation in the research project "Rotor De-Icing", subsidized by FFG and pursues the goal of reducing outages in wind energy production caused by icing. Concretely, three innovative technologies are being tested: Use of sublimation and minimizing of ice formation, development of special blade surface coatings as well as active electrical de-icing.

Branch Offices

WEB Windenergie AG does not have any branch offices.

Events after the Reporting Date

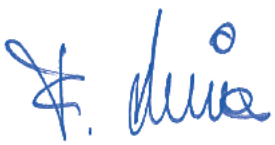
W.E.B signed purchase and service contracts with the plant manufacturer of the largest wind park in W.E.B history (Les Gourlus) in the French Champagne region in late January 2015. The investment volume amounts to more than 55 Mio EUR. Moreover, eleven W.E.B plants of 2 MW each were connected to the power grid in Nova Scotia (Canada) by the end of March 2015.

Beyond that, there are no significant events to be reported after the balance sheet date.

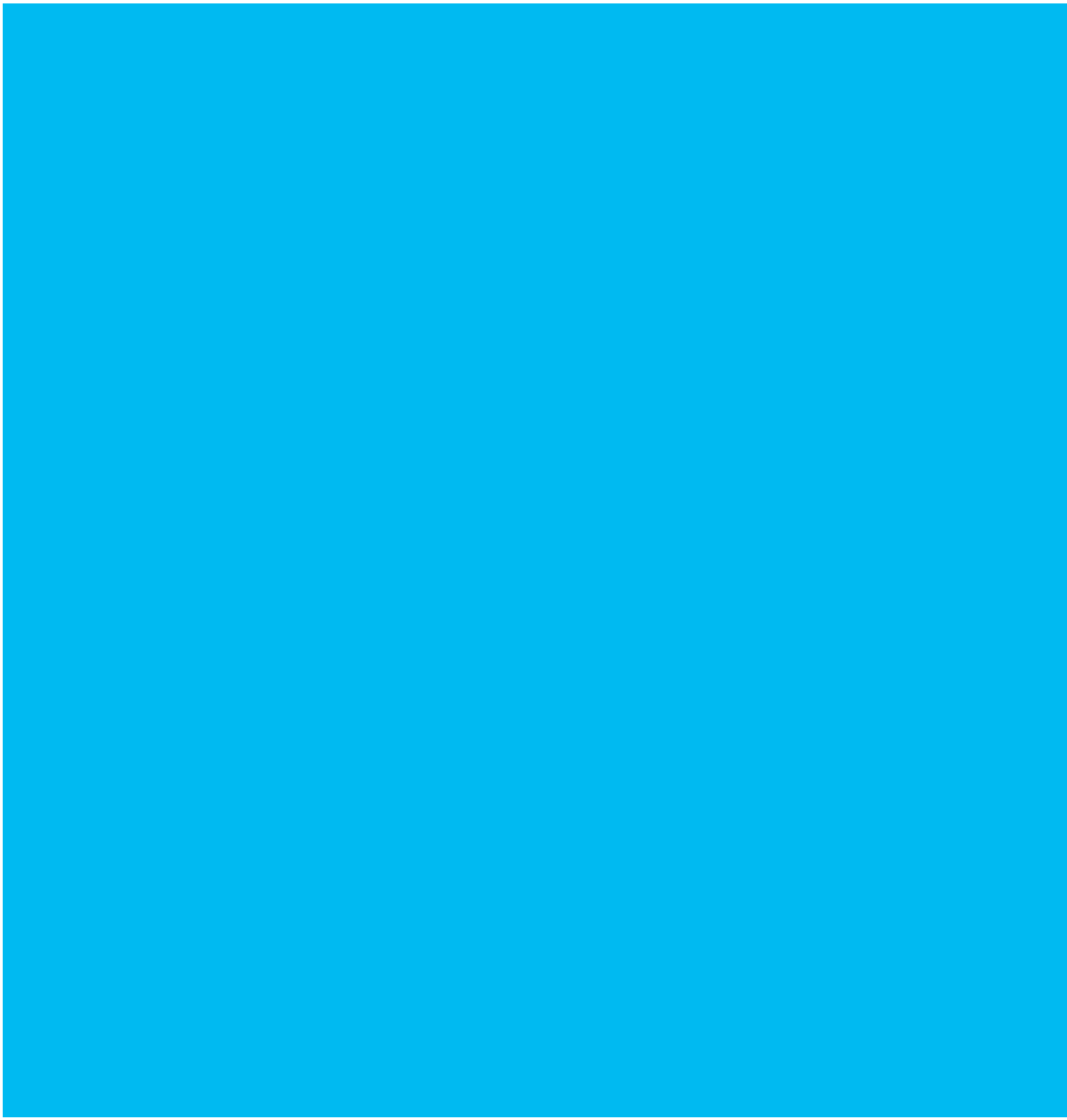
The Board of Directors
Pfaffenschlag, 15 April 2015

Andreas Dangl

DI Dr. Michael Trcka



Dr. Frank Dumeier



Corporate Group Financial Statements (IFRS)

Corporate Group Profit and Loss Statement 1/1–12/31/2014

TEUR	2014	2013
Revenues	**53,995.6**	**48,093.9**
Other operating income	1,126.6	1,651.8
Operating income	**55,122.2**	**49,745.8**
Costs of material and purchased services	-1,627.6	-1,412.4
Personnel expenses	-5,434.7	-4,993.4
Depreciation	-21,089.5	-18,147.0
Other operating expenses	-10,479.8	-9,688.6
Sub-total	**-38,631.7**	**-34,241.4**
Operating result (EBIT)	**16,490.6**	**15,504.4**
Share of earnings from equity-accounted associated companies	129.6	-79.5
Results from other investments	20.7	147.5
Interest income	850.5	220.6
Interest expenses	-7,857.6	-6,216.8
Other financial result	-137.1	-1,243.2
Net financial result	**-6,993.9**	**-7,171.5**
Earnings before income tax	**9,496.6**	**8,332.9**
Income tax expense	-2,443.0	-2,215.6
Earnings after income tax	**7,053.6**	**6,117.3**
thereof attributable to owners of the parent company	7,211.8	6,247.0
thereof planned share attributable to hybrid capital holders	68.0	0.0
thereof attributable to non-controlling interests	-226.2	-129.6
Earnings per share[1] (EUR)	**25.0**	**21.7**

[1] Diluted is the same as undiluted

Corporate Group
Statement of Comprehensive Income

TEUR	2014	2013
Earnings after income tax	**7,053.6**	**6,117.3**
Items that are or can be reclassified to profit or loss		
Changes from currency conversions	392.1	-657.5
Market value changes financial instruments available for sale	115.0	135.4
Financial assets available for sale	0.0	-38.2
Market value changes of cash flow hedges	-1,877.8	1,183.1
Income tax of other comprehensive income	424.7	-322.0
Total other comprehensive income	**-945.9**	**300.8**
Total income after income tax	**6,107.7**	**6,418.1**
thereof attributable to owners of the parent company	6,209.0	6,518.6
thereof attributable to hybrid capital holders	68.0	0.0
thereof attributable to non-controlling interests	-169.3	-100.5

Corporate Group Balance Sheet as of 12/31/2014

TEUR

	Note	12/31/2014	12/31/2013
Assets			
Intangible assets	1	3,765.6	3,812.6
Tangible assets	2	327,954.0	283,901.6
Shares in associated companies	3	2,003.6	1,898.5
Other financial assets	4	2,249.3	2,197.1
Other long-term assets	5	6,752.0	13.1
Deferred tax assets	13	340.3	622.6
Long-term assets		**343,064.8**	**292,445.5**
Inventories	6	2,209.5	2,197.2
Trade receivables	7	8,116.7	7,241.7
Receivables from affiliated companies	8	0.0	101.1
Other receivables and assets	9	5,225.3	4,883.8
Income tax receivables		1,716.5	702.8
Cash and cash equivalents	10	27,351.8	9,310.4
Short-term assets		**44,619.7**	**24,437.0**
Total assets		**387,684.5**	**316,882.4**

Corporate Group Balance Sheet as of 12/31/2014

TEUR

	Note	12/31/2014	12/31/2013
Equity and liabilities			
Registered capital		28,845.3	28,845.3
Capital reserves		23,323.8	23,323.8
Hybrid capital		4,355.5	0.0
Other reserves		-2,059.3	-1,056.5
Retained earnings		38,674.7	34,856.4
Share owned by WEB AG shareholders		*93,140.1*	*85,969.1*
Non-controlling interest		6,761.6	931.9
Equity	**Chapter 3.3.**	**99,901.7**	**86,900.9**
Long-term financial obligations	11	178,119.7	136,597.9
Bonds	12	39,131.3	39,725.9
Deferred tax liabilities	13	11,675.3	11,150.2
Long-term provisions	14	6,956.3	5,291.5
Other long-term obligations	12	20.0	242.5
Long-term liabilities		**235,902.6**	**193,008.0**
Short-term financial obligations	11	25,703.5	23,578.0
Bonds	12	11,104.0	1,009.4
Obligations from income tax	13	1,216.7	1,240.1
Trade payables and other payables	15,16	13,855.9	11,146.0
Short-term liabilities		**51,880.2**	**36,973.5**
Total liabilities		**287,782.8**	**229,981.5**
Total equity and liabilities		**387,684.5**	**316,882.4**
Equity (excl. hybrid capital and non-controlling interest) per share (EUR)		**307.6**	**301.3**

The consolidated notes are an integral part of the Corporate Group Financial Statement.

Corporate Group Cash Flow Statement

TEUR		2014	2013
Earnings before income tax		**9,496.6**	**8,332.9**
+/–	Depreciation/ appreciation (tangible and intangible assets)	21,089.7	18,147.0
+	Interest balance	7,007.2	6,233.9
+/–	Non cash effective result of associated companies included at equity	-129.6	-79.5
+/–	Depreciation/appreciation of financial assets	-11.0	137.3
–/+	Profits/losses from disposal of financial assets and other long-term assets	0.0	-37.6
–/+	Profits/losses from asset disposals	490.3	302.1
+ –	Increase/ decrease of long-term provisions	4.4	0.0
+/–	Other non-cash changes	358.7	711.2
Cash flow from operating activities		**38,306.3**	**33,747.4**
– +	Increase/ decrease in inventories and receivables	-877.3	-354.8
– +	Increase/ decrease of receivables from affiliated companies	101.1	3,360.9
– +	Increase/ decrease of other receivables	-1,373.6	1,611.1
+ –	Increase/ decrease of trade payables and other payables	710.2	1,494.6
–	Income tax	-2,129.0	-1,286.2
Operative cash flow		**34,737.7**	**38,573.0**
+	Inflows from asset disposals	133.4	204.8
+	Inflows from disposal of financial assets and other long-term assets	-0.5	143.7
+	Interest flows	330.0	149.4
–	Outflows from investments in intangible and tangible assets	-61,627.3	-58,598.9
–	Outflows for the acquisition of financial assets and other long-term assets	-6,136.6	-4.1
+	Dividends received	49.2	612.7
Cash flow from investing activities		**-67,251.7**	**-57,492.4**

+	Inflows from non-controlling shareholders	6,167.0	1,104.3
–	Dividends paid	-3,461.4	-3,461.4
–	Interest outflows	-8,627.8	-5,426.7
+	Inflows from the assumption of financial obligations	63,804.8	40,645.3
–	Outflows for repayment of principal	-22,716.1	-34,618.8
+	Inflows from the assumption of hybrid capital	4,355.5	0.0
+	Inflows from the increase in bonds	10,374.4	24,556.0
–	Outflows for the repayment of bonds	-1,021.1	0.0
Cash flow from financing activities		**48,875.3**	**22,798.7**
Total cash flow		**16,361.3**	**3,879.3**
Change in funds			
Liquid assets at the start of the period		9,310.4	5,604.8
Currency differences		1,680.1	-173.6
Total cash flow		16,361.3	3,879.2
Liquid assets at the end of the period		**27,351.8**	**9,310.4**

The consolidated notes are an integral part of the Corporate Group Financial Statement.

Development of Corporate Group Equity Capital

TEUR

	Registered capital	Capital reserves	Retained income	AFS reserves	Hedging reserve
Status as of 01/01/2014	**28,845.3**	**23,323.8**	**34,856.4**	**139.3**	**-517.9**
Results included directly in the equity capital after income taxes from					
Currency differences					
Market valuation of securities				85.0	
Cash flow hedges and other hedging transactions					-1,423.1
Total results included directly in the equity capital after income taxes				**85.0**	**-1,423.1**
Result after income tax			7,279.8		
Total result for the period			**7,279.8**	**85.0**	**-1,423.1**
Capital contribution from non-controlling shareholders					
Distribution to non-controlling shareholders					
Issue of hybrid capital					
Dividend			-3,461.4		
Status as of 12/31/2014	**28,845.3**	**23,323.8**	**38,674.7**	**224.4**	**-1,940.9**
Status as of 01/01/2013	**28,845.3**	**23,323.8**	**32,070.8**	**64.5**	**-1,401.3**
Results included directly in the equity capital after income taxes from					
Currency differences					
Market valuation of securities				74.8	
Cash flow hedges and other hedging transactions					883.5
Total results included directly in the equity capital after income taxes	**0.0**	**0.0**	**0.0**	**74.8**	**883.5**
Result after income tax			6,247.0		
Total result for the period			**6,247.0**	**74.8**	**883.5**
Capital contribution from non-controlling shareholders					
Dividend			-3,461.4		
Status as of 12/31/2013	**28,845.3**	**23,323.8**	**34,856.4**	**139.3**	**-517.9**

Differ-ence from currency translation	Hybrid capital	Shareholder WEB	Shares of other shareholders	Total
-677.9	**0.0**	**85,969.1**	**931.9**	**86,900.9**
335.2		335.2	56.9	392.1
		85.0		85.0
		-1,423.1		-1,423.1
335.2	**0.0**	**-1,002.8**	**56.9**	**-945.9**
		7,279.8	-226.2	7,053.6
335.2	**0.0**	**6,277.0**	**-169.3**	**6,107.7**
			6,167.0	6,167.0
			-168.0	-168.0
	4,355.5	4,355.5		4,355.5
		-3,461.4		-3,461.4
-342.7	**4,355.5**	**93,140.1**	**6,761.6**	**99,901.7**
8.7		**82,911.9**	**-71.9**	**82,840.0**
-686.6		-686.6	29.1	-657.5
		74.8		74.8
		883.5		883.5
-686.6		**271.6**	**29.1**	**300.8**
		6,247.0	-129.6	6,117.3
-686.6		**6,518.6**	**-100.5**	**6,418.1**
			1,104.3	
		-3,461.4		-3,461.4
-677.9		**85,969.1**	**931.9**	**86,900.9**

Corporate Group Appendix (IFRS) for the Fiscal Year 2014

1 The Company

WEB Windenergie AG (short: W.E.B) is headquartered in 3834 Pfaffenschlag, Davidstrasse 1, Lower Austria, commercial registry court: District Court of Krems an der Donau (FN 184649v), and, together with its subsidiaries, forms the W.E.B Wind Energy Group, for which the Corporate Group Financial Statements for 2014 were prepared according to IFRS as applied in the EU.

W.E.B Wind Energy Group defines its core area of business as project development and operation of power plants in the renewable energy sector. The company's international focus and technological diversification through projects in the areas of wind power, photovoltaic and hydroelectric power form the basis for a professional management in dealing with the challenges of sustainable energy supply – a task that is becoming increasingly important for ecological reasons along with the long-term expectations of increasing energy demand as well as decreasing fossil fuel resources.

2 Principles of Accounting, Financial Reporting and Valuation Methods

2.1 Principles of Accounting

2.1.1 General

The Corporate Group Financial Statements of W.E.B Wind Energy Group as of 12/31/2014 were prepared in accordance with Section 245a UGB (Austrian Commercial Code) in agreement with the International Financial Reporting Standards (IFRS), as they apply in the EU, and the supplemental, applicable regulations of corporate law Sections 239 and 243 UGB.
The Corporate Group Financial Statements were prepared in Euro, which is also the functional currency of WEB Windenergie AG and all its subsidiaries in the Euro area. The functional currency of subsidiaries that are not located in the euro area is the respective national currency (CAD, CZK).

All values in comments and tabular overviews are, if not stated otherwise, presented in thousands of Euro (TEUR). In the summation of values and percentage values presented, differences compared to the presented calculated amounts may occur due to the use of automated computational aids.

The Corporate Group Financial Statements were prepared according to the historical cost principle except for the following significant balance sheet items are carried at fair value: derivative financial instruments, financial instruments of the category At Fair Value through Profit or Loss, and financial assets of the category Available-for-Sale.

2.2 Consolidation Scope and Consolidation Methods

The Corporate Group Financial Statements include WEB Windenergie AG and subsidiaries under the control of W.E.B. A controlling influence exists if the parent company is directly or indirectly able to determine the financial and business policies of the company and is entitled to the variable returns thereof. The inclusion of the subsidiaries begins at the date on which the controlling influence is obtained and ends when it is lost.
In case the corporate group loses control over a subsidiary, the assets and liabilities of the subsidiary and any related non-controlling interests and other components of equity are booked out. Any gain or loss thereof is charged against income. Any retained interest in the former subsidiary will be valued at fair value at the date when control is lost.

Corporate group internal transactions, receivables, obligations and significant unrealized profits (interim profits) are eliminated. Unrealized losses are only eliminated to the extent that the unrealized loss does not represent the result of a decline in value.

An associated company is an enterprise that meets the definition of a joint venture under IFRS 11 and where the owner enjoys significant influence and control. A joint venture is a joint arrangement where the parties enjoy not only joint control but also rights to the arrangement's net asset value. Both associated companies as well as joint ventures are accounted for according to the equity method.

Shares in investments accounted for using the equity method are reported on the balance sheet initially at the acquisition cost and in the subsequent period with the updated pro-rata net asset value. In the course of this, the book values are annually increased or decreased subject to the proportional results, distributions and all other changes in equity. If an investment balance evinces a negative net asset value, the investment is listed as zero and the deficit amount required to obtain a positive net asset value is listed in the Appendix.

2.2.1 Consolidation Scope

The consolidation scope includes as follows:

Name	Corporate Group Share	Accounting Method
WEB Windenergie AG (AT)		Full consolidation
WEB Windenergie Betriebsgesellschaft Deutschland GmbH (DE)	100%	Full consolidation
WEB Windenergie Loickenzin GmbH (DE)	100%	Full consolidation
WEB Windenergie Loickenzin Betriebsgesellschaft GmbH & Co KG (DE)	100%	Full consolidation
WEB Italia Energie Rinnovabili s.r.l. (IT)	100%	Full consolidation
Società di gestione impianti fotovoltaici s.r.l. (IT)	100%	Full consolidation
WEB Větrná Energie s.r.o. (CZ)	100%	Full consolidation
Friendly Energy s.r.o. (CZ)	100%	Full consolidation
WEB Energie du Vent SAS (FR)	100%	Full consolidation
Société d'Electricité du Nord SARL (FR)	100%	Full consolidation
WP France 4 SAS (FR)	100%	Full consolidation
Parc eolien de Champigneul Pocancy SAS (FR)	100%	Full consolidation
Les Gourlus Holding SAS (FR)	100%	Full consolidation
Parc eolien des Portes du Cambresis (FR)	100%	Full consolidation
ELLA AG (AT)	99.09%	Full consolidation
WEB Wind Energy North America Inc. (CAN)	100%	Full consolidation
WEB Wind Energy Development Inc. (CAN)	100%	Full consolidation
WEB Duart North Community Wind Farm GP Corp. (+ Limited Partnership Agreement) (CAN)	100%	Full consolidation
SWEB Development Inc. (+ Limited Partnership Contract) (CAN)	51%	Full consolidation
WEB Wheatley Community Wind Farm GP Corp. (+ Limited Partnership Contract) (CAN)	100%	Full consolidation
WEB Duart South Community Wind Farm GP Corp. (+ Limited Partnership Agreement) (CAN)	100%	Full consolidation
WEB Wallaceburg Community Wind Farm GP Corp. (+ Limited Partnership Contract) (CAN)	100%	Full consolidation
WEB Centralia Community Wind Farm GP Corp. (+ Limited Partnership Contract) (CAN)	100%	Full consolidation
WEB Zurich Community Wind Farm GP Corp. (+ Limited Partnership Contract) (CAN)	100%	Full consolidation
WEB Constance Community Windfarm GP Corp. (+ Limited Partnership Contract) (CAN)	100%	Full consolidation
Scotian WEB Inc. (+ Limited Partnership Contract) (CAN)	33% (55% vote/ share in result)	Full consolidation
SASU Energie Verte Plaine d'Artois (FR)	33%	at Equity
Tauernwind Windkraftanlagen GmbH (AT)	20%	at Equity
Sternwind Errichtungs- und BetriebsgmbH (AT)	49%	at Equity
Sternwind Errichtungs- und BetriebsgmbH & Co KG (AT)	49%	at Equity

Although W.E.B holds only 33% of shares in ScotianWEB Inc. (+Limited Partnership Contract), the company is fully consolidated due to contractual agreements granting W.E.B dominant influence on the company. W.E.B holds a 55% share of both votes and results in the ScotianWEB Limited Partnership Contract. Moreover, W.E.B determines both relevant operations and their control in all the companies.

In July 2013, WEB Energie du Vent SAS acquired the company WP France 4 SAS (FR), in whose possession are rights for wind farm development exclusively. These projects are now further developed. As contractually agreed project progress milestones were achieved in 2014, additional payments had become due and were effected in 2014.

Furthermore, the companies Les Gourlus Holding SAS and Parc eolien des Portes du Cambresis were incorporated to realize specific projects in France. In the United States of America, W.E.B founded the company WEB USA Inc. for market research.

In Austria, ELLA AG was established for the further development of charging stations for electric vehicles (PHEV and EV). In the course of the reporting period, the company already built two quick-charging and seven support charging stations. More stations are planned for the next few years.

In December 2013, the companies WEB Windenergie Loickenzin GmbH and WEB Windenergie Loickenzin Betriebsgesellschaft GmbH & Co KG were established with the purpose of erecting and operating wind power plants. In December of the reporting year, the companies were able to commission their wind farm at Altentreptow, Germany.

As the changes in the consolidation scope 2014 either relate to newly established companies (start-ups) or their economic content corresponds to the pure acquisition of assets, no acquisitions are reported in the sense of IFRS 3.

2.3 Currency Conversion

The Corporate Group Financial Statements were prepared in Euro, which is also the functional currency of WEB Windenergie AG and all its subsidiaries in the Euro area. The functional currency of subsidiaries that are not located in the euro area is the respective national currency (CAD, CZK).

Business Transactions in Foreign Currency

Corporate group companies recorded their business transactions in foreign currencies with the currency exchange rate on the date of the specific transaction. The conversion of the existing monetary assets and liabilities existing on the balance sheet date into Euro was prepared using the currency exchange rates (bid/offer rates) valid on that day. Foreign currency profits and losses resulting from this are recorded as affecting profits in this fiscal year.

Conversion of Separate Financial Statements in Foreign Currency

The conversion of all assets and liabilities listed in all individual financial statements of these companies is done using the ECB-exchange rate on the balance sheet date. The positions in the profit and loss statement are converted using the average exchange rate for the fiscal year. Any resulting foreign currency profits or losses are recorded in the equity capital under currency conversion reserve.

Exchange Rates as of 12/31/2014	ECB Valuation Rate	Average Rate 2014
CZK	27.735	27.5036
CHF	1.2024	—
CAD	1.4063	1.459

Exchange Rates as of 12/31/2013	ECB Valuation Rate	Average Rate 2013
CZK	27.427	25.898
CHF	1.2276	—
CAD	1.4671	1.3647

2.4 Accounting and Valuation Methods

2.4.1 Newly Applied Standards (IFRS) and Interpretations (IFRIC)

In the following section, the newly relevant standards/interpretations for W.E.B Wind Energy Group as per 12/31/2014 are represented. In case the areas of regulation are not yet applicable in the EU, the respective information is shown in Appendix 3.

Standard and/or Interpretation		Published by the IASB (adopted by the EU)	Coming into Effect	Effects on the Corporate Group Financial Statements of W.E.B Wind Energy Group
IAS 27	Separate financial statements	05/12/2011 (12/11/2012)	01/01/2014	none
IAS 28	Shares in associated companies and joint ventures	05/12/2011 (12/11/2012)	01/01/2014	none
IFRS 10	Corporate group financial statements	05/12/2011 (12/11/2012)	01/01/2014	none
IFRS 11	Joint agreements	05/12/2011 (12/11/2012)	01/01/2014	none
IFRS 12	Disclosure of interests in other entities	05/12/2011 (12/11/2012)	01/01/2014	none
IFRS 10 IFRS 11 IFRS 12	Changes: Corporate group financial statements, joint agreements and disclosure of interests in other entities; transitional provisions	06/28/2012 (04/04/2013)	01/01/2014	none
IFRS 10 IFRS 12 IAS 27	Changes:Capital investment companies	10/31/2012 (11/20/2013)	01/01/2014	none

- **IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements und IFRS 12 Disclosure of Interests in Other Entities**
  IFRS 10, IFRS 11 and IFRS 12 form the new consolidation package, which was published by the IASB in May 2011. IFRS 10 establishes rules for the preparation and presentation of consolidated financial statements and includes a new, uniform definition of 'control'. Going forward, IAS 27 only contains rules for separate financial statements under IFRS. IFRS 11 replaces IAS 31 and includes two forms of Joint Arrangements: depending on the rights and obligations arising from the agreement for the dominant parties, a differentiation between joint ventures and joint operations is made. Under IFRS 11, jointly controlled entities that meet the definition of a joint venture are to be accounted for according to the equity method. IFRS 12 provides guidance on all disclosure requirements for interests in other entities. The effects of the application of the new consolidation standard were analyzed in greater detail.
  Once again with the new definition of the concept of control under IFRS 10, no significant changes arose in the group of consolidated companies in the course of fiscal year 2014.

- **IFRS 13 (Fair Value Measurement)**
  The new standard IFRS 13 establishes uniform guidelines on how fair values are to be determined. Only for IAS 17 (Leases) and IFRS 2 (Share-based Payment) there are still separate regulations. The cases in which a measurement at fair value is required or the fair value has to be disclosed in the notes are still regulated in the respective thematic IFRS.
  Under IFRS 13 Fair Value is defined as the price that would be achieved through the sale of an asset, or would have to be paid to transfer a liability. For this purpose, the standard provides for a three-level hierarchy system that is subdivided with respect to the dependence of observable market prices. If there is a difference between the bid and ask price, the most suitable price is used for valuation purposes. Unless stated otherwise, the average of bid and ask price is used.

The adoption of IFRS 13 in fiscal year 2013 in W.E.B. Wind Energy Group resulted in no significant deviations in the determination of fair values. In accordance with the transitional provisions of IFRS 13, W.E.B. Wind Energy Group prospectively applied the new rules for fair value measurement and, in 2013, provided no prior-year comparative information for new information available.

2.4.2 Intangible Assets

Commercially purchased intangible assets are listed in the balance sheet at the acquisition costs minus cumulative planned write-offs and depreciation expenses.

The intangible assets of W.E.B Wind Energy Group consist primarily of water rights and IT-software. Their useful life was determined and the acquisition costs will be subject to planned linear amortization over the useful life.

The useful lives of said intangible assets amount to:

	Amortization period
Rights of use, water rights	16–40 years
Software	2–3 years

Commercially purchased rights of use are amortized over the residual life of the right of use. Intangible assets generated in-house will be reviewed for possible capitalization. To date, no intangible assets generated in-house were capitalized.

2.4.3 Research and Development

Expenditures on research activities are recognized in profit or loss as incurred.

Development costs are capitalized only if these development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are likely and the Group intends and has sufficient resources to complete the development process in order to use or sell the asset. Capitalized development expenditures are valued at acquisition or production cost less accumulated amortization and accumulated depreciation expenses. So far, no development expenses have been capitalized.

In fiscal year 2014, expenses for research and development amounted to approximately 2.0 TEUR (previous year: about 21.4 TEUR).

2.4.4 Tangible Assets

Tangible Assets are valued using acquisition or manufacturing costs minus cumulative planned write-offs and depreciation expenses. The valuation of tangible asserts gained in consequence of the acquisition of a company is based on fair value at the date of sale in the framework of purchase price allocation.

Obligations to carry out demolition and/or re-cultivation of the production locations are set down in writing in the lease and rental agreements with the property owners. The expected costs are calculated and capitalized as part of the acquisition costs depending on total investment and/or based on recommendation of the German Federal Association for Wind Energy (Bundesverband WindEnergie e.V.) at 30.0 TEUR per megawatt installed capacity and/or other experience-driven values.

Acquisition and/or manufacturing costs of fixed assets encompass all costs that accumulate in order to bring the asset into operational status for the planned application. This includes costs of project development that are capitalized upon adequate concretization. This is documented by a project planning contract from the board of directors. The costs of the general project development phase are not capitalized. Likewise costs that arise from significant deviations from the original project plan are recorded in expenses.

In W.E.B Wind Energy Group, plants are not constructed in-house or the share of the group's own performance in construction is of minor importance. If the construction phase for fixed assets extends over a longer period of time and is relating to those projects that were initiated after 01/012009, the accumulating external capital interest is capitalized in accordance with IAS 23 as a component of the manufacturing costs through completion.

Depreciation expenses are recognized in a linear fashion over the expected economic useful life of the respective plant. The following useful lives are the basis for the linear depreciation within the Corporate Group:

	Depreciation period
Wind power plants	20 years
Photovoltaic plants	20 years
Hydroelectric power plants	20–30 years
Office buildings	50 years
Hydroelectric power plants (building), operating hall	33 years
Equipment on land	10–15 years
Other equipment, operating and office equipment	2–20 years

If components of an asset have different useful lives, they are accounted for as separate items (major components) of these tangible assets.

One-time public grants are deducted from the acquisition costs of the respective fixed assets.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if necessary.

Any gain or loss on the disposal of an asset is recognized in profit or loss.

2.4.5 Loss in Value of Non-Financial Assets

Non-financial assets which fall in the scope of IAS 36 are reviewed for any reduction in intrinsic value in case there is an indication of a potential loss in value, to determine if their book value can be retained (impairment test). For goodwill, intangible assets with unspecified useful lives and physical assets that are not yet ready for use must be tested for impairment annually, regardless of whether there is any indication of a reduction in value. A reduction in value emerges, if the book value exceeds the recoverable amount. The recoverable amount is the higher of the value in use and the fair value minus sales costs.

The value in use is determined using a cash-value oriented procedure according to the Discounted-Cash flow-Method (DCF-Method). The relevant payment streams are determined based on financial plans. In these financial plans, the annual cash flow for the entire useful life of a power plant is planned. The starting point for this planning exercise are (wind or PV) resource assessments, information from plant manufacturers as well as expert and industry experience that are supplemented by estimates derived from the experiences of W.E.B Wind Energy Group. The capitalization interest rate is the pre-tax interest rate that reflects the current market estimates of the time value of money and the specific risks of the asset.

The fair value is based on sales prices of comparable non-financial assets minus a percentage for sales costs. An impairment loss is recognized at the amount by which the book value exceeds the recoverable amount. If the reasons for the impairment cease to be in effect in subsequent periods, appreciation in value will be recorded with the exception of goodwill.

2.4.6 Financial Instruments

A financial instrument is a contract that simultaneously establishes a financial asset for one company and a financial liability or an equity instrument for another company.

The following valuation categories are applied within W.E.B Wind Energy Group:

- AFS – Financial assets Available-for-Sale
- LAR – Loans and Receivables
- FAAC – Financial Assets at Amortized Cost
- FLAC – Financial Liabilities at Amortized Cost
- HEDGING – Financial assets or liabilities valuated at fair price

W.E.B Wind Energy Group applies the following classes and valuation categories for original and derivative financial instruments:

Financial Assets	Valuation Category	Valuation Method
Securities	AFS	At fair value, valuation changes included in Other Financial Result
Participations (not consolidated)	FAAC	At amortized cost
Receivables, loans	LAR	At amortized cost
Derivative financial assets	Hedging	At fair value, valuation changes included in Other Financial Result

Financial Liabilities	Bewertung-skategorie	Bewertungsmethode
Financial obligations and bonds	FLAC	At amortized cost
Obligations	FLAC	At amortized cost
Other obligations	FLAC	At amortized cost
Derivative financial debts	Hedging	At fair value, valuation changes included in Other Comprehensive Income

Securities
Securities are classified as Available-for-Sale. The valuation is done using the fair value at the date of sale that is determined on the basis of market prices. Changes in value are adjusted to be profit-neutral in the reserves in accord with IAS 39 until they are sold. Reductions in value will be recorded as affecting results if significant objective evidence of their effects exists. Securities are recorded on their respective settlement date.

Other Participations
Other participations are equity instruments in other companies that enable neither a dominant nor a significant influence on these companies. Valuation upon addition is based on historical costs. If their fair value can be reliably determined, other participations are classified as Available-for-Sale and valuated like securities. If the fair value of other participations cannot be reliably determined, they are valuated at acquisition costs minus loss in value.

Objective evidence of impairment for an investment in an equity instrument includes:

- Default or delinquency of a debtor
- Reorganization of receivables on conditions that the Group otherwise would not consider
- Indications of potential insolvency of a debtor or issuer
- Adverse changes in the payment status of borrowers or issuers
- Disappearance of an active market for a security or observable data that there is a measurable decrease in the estimated future cash flows from a group of financial assets.

A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost is also objective evidence of impairment.

The Group considers a 20% decline as significant and a period of nine months as prolonged.

Receivables from Goods and Services, Other Receivables and Assets

Receivables from goods and services and other receivables will be recorded in the balance sheet at acquisition costs minus loss in value for any expected uncollectible items. The valuation of other assets is done at acquisition costs minus loss in value.

Loss in Value of Financial Assets
A loss in value occurs as soon as objective criteria signal a loss event and this event has a reliably estimable negative effect on the expected future payment flows. Objective criteria for the loss in value of receivables can be default, delinquency or insolvency of a debtor, unfavorable changes in debtor repayment patterns as well as financial conditions that lead to loss of receivables.

Cash and Cash Equivalents
Cash equivalents include bank accounts and short-term monetary investments with institutions of credit with a residual period of up to three months. They are valued at the fair value, which ordinarily corresponds to the nominal value.

Derivative Financial Instruments
To financially limit and control the risk of interest rate changes, W.E.B Wind Energy Group uses interest swaps. These derivative financial instruments are valued at acquisition costs on contract conclusion and valued at the current market value in the following periods.

For interest swaps, the current market value corresponds to the amount that the Corporate Group would either retain or be required to pay on balance sheet date for termination of the financial instrument. This is calculated applying the relevant interest rates and term structure of interest rates on the balance sheet date.

The change in value of derivative financial instruments that are to be classified according to IAS 39 as cash flow-hedge-instruments is booked as P/L neutral in Other Financial Result well as in the valuation reserves in accordance with IAS 39. Once the securitization transaction is realized, it is recorded as affecting company results.

Positive fair values are recorded in the Receivables and Other Assets, negative values in Other Obligations.

W.E.B meets the requirements of IAS 39 for the application of hedge accounting as follows: At the time of signing the contract of the hedging instrument, both the relationship between the financial instrument used as an instrument of securitization and the basic transactions as well as the strategy and goal of securitization are documented. This includes both the concrete assignment of the securitization instruments to the corresponding assets and obligations or (firmly arranged) future transactions as well as the measurement of the effectiveness of the securitization instruments used. Existing securitization measures are constantly monitored for effectiveness, which must lie between 80% and 125%. If a securitization arrangement becomes ineffective, it is dissolved.

Financial Obligations and Bonds
Financial obligations and bonds are recorded on payment at the amount of the actually received sum (nominal value minus premium/discount and costs of establishing financing) and, in consequence, determined according to the method of effective interest on the agreed redemption amount and recognized accordingly (amortized cost).

Obligations from Goods and Services
Obligations from Goods and Services and Other Obligations are valued at amortized cost that corresponds to the agreed payment amount as a rule.

2.4.7 Capital Leasing

Wind and photovoltaic power plants leased by means of a capital lease are capitalized at fair value or with the cash value of the minimum leasing rates, whichever value is lower. They are subject to linear amortization over the planned useful life or the shorter contract period. The payment obligations resulting from the leasing contracts are classified as liabilities under financial obligations.

2.4.8 Inventories

Inventories are valued at the lower value of the acquisition costs or manufacturing costs and the net sales value on balance sheet date.

Acquisition costs include all costs of purchasing, processing as well as other costs that are incurred in order to bring the inventories to their current location and in their current condition.

2.4.9 Assets Available for Sale and/or Groups of Assets

Assets that can be sold in their current condition and whose sale is highly likely are listed as 'Assets Available for Sale'. These can be individual long-term assets, groups of assets or business divisions (activities that have been terminated or discontinued operations). Debts that are to be sold along with the assets in a single transaction are a component of a group of assets intended for sale or a discontinued activity and will be listed separately as 'Debts Available for Sale'.

2.4.10 Provisions

Provisions are created for all existing legal or de facto obligations to third parties existing on balance sheet date that stem from prior events and will likely lead to a loss of resources in the future and whose total amount can be reliably estimated. Provisions are set at the likely settlement amount and are not balanced with claims to reimbursement. If the provision to be valued encompasses a large number of items, the obligation will be estimated by weighting all possible events with their respective likelihoods of occurrence (expected value method).

In case the calculated cash value of the provision applying a discount rate of 3.5% differs significantly from the nominal value, the cash value of the obligation is used. In the reporting period, the discount rate was changed from 5% to 3.5% – the resulting changes are separately recorded as additions in Technical Plants and Machines as well as in Capital Leasing.

2.4.11 Taxes

The income tax expense or income comprises current and deferred tax. In the case of transactions recorded in Other Financial Result, the related income tax is recorded as not affecting the Other Financial Result as well. The current taxes of the individual companies of W.E.B Wind Energy Group are calculated from the companies' taxable income and the tax rate applicable in the respective country.

The calculation of deferred taxes is performed for all temporary differences between the valuations of assets and debts in the IFRS Corporate Group Financial Statements and their tax values in the individual companies. Furthermore the likely realizable tax advantage from

existing loss carry-forwards will be included in the calculation. Exceptions from this comprehensive tax deferral are found in differences from goodwill that is not tax-deductible as well as temporary differences associated with participations. Deferred tax assets are not capitalized if it is not likely that the inherent tax advantage is realizable. As in the previous year, the calculation of deferred taxes was based on the taxes rates of 25% in Austria, 30% in Germany, 33.33% in France, 31% in Canada, 36.5% in Italy, and 19% in the Czech Republic.

2.4.12 Revenue Recognition

Revenues from the sale of energy generated with our own wind farms, photovoltaic facilities and hydroelectric power plants are recognized at the time the electricity is delivered according to the respective feed-in tariff.

Revenues for operations management and other commercial and technical services are recognized at the date of complete fulfillment of the service.

2.4.13 Interest Expenses and Other Financial Result

The interest expenses encompass the interest on any external financing arrangements and capital lease transactions as well as expenses of an interest like nature.

Included in the item 'Other Financial Results' are charges, results from securities transactions, results from disposal of participations as well as results from changes in foreign currency exchange rates affecting financial obligations.

The interest is recorded according to the effective interest method.

The recognition of dividends is done at the date on which the decision on dividend distribution is made.

2.4.14 Uncertainties in Accounting Estimates and Assumptions

Preparation of the Corporate Group Financial Statements in conformity with IFRS requires discretionary judgements on whether other companies are dominated or jointly controlled by W.E.B Wind Energy Group, whether W.E.B Wind Energy Group is able to enjoy significant influence in another company, and whether a company represents a joint operation of W.E.B Wind Energy Group.

The company management believes that such judgement on the significant influence of W.E.B Wind Energy Group on its fully consolidated subsidiaries as included in the Corporate Group Financial Statements will not change in the course of the next fiscal years. One exception is the dominating influence on ELLA AG because the company intends to increase its capital leading to diluting effects on the share of WEB Windenergie AG in this company. It is not yet possible to evaluate whether the dominating influence on the company and, in consequence, its full consolidation, will be lost.

Inherent to following assumptions there is a considerable risk that they could lead to a significant adjustment of assets and liabilities in the coming fiscal years:

- The assessment of the intrinsic value of investments amounting to approximately 15,369.9 TEUR (previous year: 4,978.0 TEUR) in the project planning of wind farms that are not finally approved for realization is performed on the basis of the likelihood of realization of the respective wind farm. A lack of acceptance in the population or approvals that cannot be achieved may rapidly change this likelihood of realization. In the reporting period, project costs of 93.8 TEUR were derecognized due to unlikely project realization.

- In order to substantiate the intrinsic value of investments in existing plants (book value as of 12/31/2014: 252,313.3 TEUR; previous year: 230,165.7 TEUR), their value in use corresponding to the value of future cash flows is calculated. The result of such calculations is based on several assumptions, the most important ones including future revenues from generated electricity (primarily for projects without subsidized tariffs or after expiry of the subsidized period) and the discounting interest rate for future cash flows. Tariff assumptions are based on electricity trading prices and expect medium to long-term revenues of 38.01 EUR per MWh and a price increase of 3% p.a. The interest rate before taxes amounts to 5.47% for Austrian, Canadian and German projects, and 5.65% for French projects. A changed tariff and/or interest rate would have the following effect on the result of fiscal year 2014:

Electricity Price	-10%	Base case
WACC	TEUR	TEUR
+0.5%	-374.1	-254.6
Base Case	-37.6	0

- The assessment of the intrinsic value of the hydroelectric power plant Imst with a book value of 7,656.1 TEUR as of 12/31/2014 (previous year: 7,889.0 TEUR) is based on a cash flow forecast over the planning horizon and a discount rate reflecting the investment risk. In the reporting year, this interest rate amounted to 4.84% after taxes. The value of the power plant significantly depends on both the interest rate and the future development of electricity prices. An increased interest rate by 0.5% and decreased electricity prices by 10% would have resulted in an impairment of 514.8 TEUR.

- The valuation of provisions for demolition costs with a book value of 6,943.2 TEUR as of 12/31/2014 (previous year: 5,280.2 TEUR) is based on expert assessments and experiences concerning costs for demolition of comparable plants as well as under the assumption that a part of the material to be disposed of can be reused. As provisions are created as part of the plants' historical costs, any increase or decrease of provisions has no immediate effect but an effect over the plants' useful life.

- A tax audit is currently performed. Since the circumstances of the case involve a cross-border situation, it is assumed that the potential additional tax claim of one tax administration is offset by a claim for restitution against the tax authority of the other state. This situation was included in the Corporate Group Financial Statements by recording the tax claim of one tax authority (918.7 TEUR) as well as the claim for restitution against the tax authority of the other state (895.1 TEUR).

3 Notes to the Balance Sheet

3.1 Long-term Assets

(1) Intangible Assets

TEUR	Software	Rights of use	Total
2014			
Historical cost as per 01/01/2014	**618.2**	**6,850.5**	**7,468.7**
Currency effects	0.4	0.0	0.4
Additions	112.0	209.0	321.0
Disposals	0.5	0.0	0.5
Account transfers	0.0	0.0	0.0
Historical cost as per 12/31/2014	**730.1**	**7,059.5**	**7,789.6**
Cumulative changes in value as per 01/01/2014	**424.3**	**3,231.8**	**3,656.1**
Currency effects	0.4	0.0	0.4
Depreciation	89.3	278.3	367.6
Disposals	0.1	0.0	0.1
Cumulative changes in value as per 12/31/2014	**513.9**	**3,510.1**	**4,024.0**
Net book value as per 12/31/2014	216.2	3,549.4	3,765.6
Net book value as per 12/31/2013	193.9	3,618.7	3,812.6
2013			
Historical cost as per 01/01/2013	**512.9**	**6,755.2**	**7,268.1**
Currency effects	-1.0	0.0	-1.0
Additions	102.2	95.3	197.5
Disposals	0.4	0.0	0.4
Account transfers	4.5	0.0	4.5
Historical cost as per 12/31/2013	**618.2**	**6,850.5**	**7,468.7**
Cumulative changes in value as per 01/01/2013	**348.3**	**2,954.0**	**3,302.3**
Currency effects	-0.9	0.0	-0.9
Depreciation	77.1	277.8	354.9
Disposals	0.2	0.0	0.2
Cumulative changes in value as per 12/31/2013	**424.3**	**3,231.8**	**3,656.1**
Net book value as per 12/31/2013	193.9	3,618.7	3,812.6
Net book value as per 12/31/2012	164.6	3,801.2	3,965.8

The main components of intangible assets are water rights in Imst, Austria (1,002.9 TEUR) and license agreements with Wörbzig, Germany (771.9 TEUR). As of 12/31/2014 the remaining amortization period for the water rights in Imst was 31.5 years and 5 years for the licensing agreements with Wörbzig.

(2) Tangible Assets	Land and Buildings	Technical Plants and Machines	Capital Leasing	Other Equipment, Operating and Office Equipment	Advance Payments, Plant under Construction	Total
TEUR						
2014						
Acquisition/Production costs as per 01/01/2014	**11,123.0**	**304,791.9**	**58,071.6**	**2,800.1**	**35,483.0**	**412,269.6**
Currency effects	2.3	253.2	0.0	3.6	1,375.3	1,634.4
Additions	233.0	7,298.1	0.0	687.6	59,151.3	67,370.0
Addition due to adjustment in demolition cost provision	0.0	780.2	153.4	0.0	0.0	933.6
Disposals	0.7	2,140.7	0.0	307.7	3,187.1	5,636.2
Account transfers	-1.5	35,445.5	0.0	88.5	-35,532.5	0.0
Acquisition/Production costs as per 12/31/2014	**11,356.1**	**346,428.2**	**58,225.0**	**3,272.1**	**57,290.0**	**476,571.4**
Cumulative depreciation as per 01/01/2014	**2,178.8**	**104,759.6**	**20,049.2**	**1,380.4**	**0.0**	**128,368.0**
Depreciation	157.8	17,211.4	2,945.2	407.5	0.0	20,721.9
Currency effects	0.0	-29.8	0.0	4.6	0.0	-25.2
Disposals	0.0	251.8	0.0	195.5	0.0	447.3
Cumulative depreciation as per 12/31/2014	**2,336.6**	**121,689.4**	**22,994.4**	**1,597.0**	**0.0**	**148,617.4**
Net book value as per 12/31/2014	9,019.5	224,738.8	35,230.6	1,675.1	57,290.0	327,954.0
Net book value as per 12/31/2013	8,944.2	200,032.3	38,022.4	1,419.7	35,483.0	283,901.6
2013						
Acquisition/Production costs as per 01/01/2013	**11,113.6**	**276,258.6**	**57,984.0**	**2,454.0**	**8,835.5**	**356,645.7**
Currency effects	-10.3	-1,443.2	0.0	-9.8	-1,054.0	-2,517.3
Additions	112.4	2,562.8	482.7	328.4	55,428.3	58,914.6
Disposals	92.7	199.3	395.1	66.2	15.6	768.9
Account transfers	0.0	27,613.0	0.0	93.7	-27,711.2	-4.5
Acquisition/Production costs as per 12/31/2013	**11,123.0**	**304,791.9**	**58,071.6**	**2,800.1**	**35,483.0**	**412,269.6**
Cumulative depreciation as per 01/01/2013	**2,021.4**	**90,817.6**	**17,290.8**	**1,080.8**	**0.0**	**111,210.6**
Depreciation	157.4	14,353.2	2,923.0	355.8	0.0	17,789.4
Currency effects	0.0	-317.8	0.0	-4.7	0.0	-322.5
Disposals	0.0	93.4	164.6	51.5	0.0	309.5
Cumulative depreciation as per 12/31/2013	**2,178.8**	**104,759.6**	**20,049.2**	**1,380.4**	**0.0**	**128,368.0**
Net book value as per 12/31/2013	8,944.2	200,032.3	38,022.4	1,419.7	35,483.0	283,901.6
Net book value as per 12/31/2012	9,092.2	185,441.0	40,693.2	1,373.2	8,835.5	245,435.1

The main additions to the position 'Land and Buildings' refer to the purchase of land adjacent to the office and storage areas of WEB Windenergie AG headquarters, Austria (109.7 TEUR) as well as for the wind farm Klein-Harras, Austria (114.9 TEUR).

The main additions to the position 'Technical Plants and Machines' refer to the wind farms Matzen-Klein Harras and Neuhof III, Austria (6,008.3 TEUR) and the wind farm Altentreptow III, Germany (9,490.4 TEUR). Account transfers took place from the position 'Plants under Construction' to 'Technical Plants and Machines' for the wind farms Neuhof III and Altentreptow III.

The position 'Advance Payments, Plants under Construction' mainly consists of the projects Parbasdorf II, Spannberg II, Auersthal II and Dürnkrut-Götzendorf II in Austria, the projects Isle Madame, North Beaverbank, Black Pond, Nine Mile River and Martock Ridge in Canada, and the project Les Gourlus in France.

Information on Leased Power Plants

From the book value of the tangible assets for this fiscal year, 35,230.6 TEUR can be attributed to assets leased by means of capital leasing. These concern the wind power plants of the wind farms Langmannersdorf, Neuhof and Stattersdorf as well the photovoltaic power plants Montenero I and Montenero II of WEB Italia.

Obligations from capital lease contracts have the following maturities after being offset with advance payments at the amount of 7,219.9 TEUR (previous year: 7,219.9 TEUR):

Obligations from capital lease contracts

Maturities of the minimum lease payments

	12/31/2014			12/31/2013		
TEUR	Nominal value	Discounting	Cash value	Nominal value	Discounting	Cash value
Due in up to 1 year	4,244.8	908.2	3,336.6	4,229.8	1,000.3	3,229.5
Due in 1 to 5 years	15,185.0	2,432.2	12,752.8	15,829.3	2,892.5	12,936.8
Due in more than 5 years	9,388.6	1,169.9	8,218.7	12,946.8	1,586.7	11,360.1
Total	**28,818.4**	**4,510.3**	**24,308.1**	**33,005.9**	**5,479.5**	**27,526.4**

The residual periods of the lease contracts held by W.E.B Wind Energy Group were in a range of more than two to roughly 14 years as of 12/31/2014. The leased assets serve as collateral for the lease obligations. Cash value includes calls.

(3) Shares in Associated Companies

The following table shows the reconciliation of the carrying amounts of at equity accounted participations:

	2014	2013
TEUR		
Book value as per 01/01	1,898.5	2,590.7
Distributions	-24.5	-612.7
Disposals	0.0	0.0
Additions from changes in the consolidation group	0.0	0.0
Appreciations	129.6	-79.5
Book value as per 12/31	**2,003.6**	**1,898.5**

The reported book values are essentially those of Sternwind Errichtungs- und Betriebs GmbH & Co KG.

W.E.B Wind Energy Group provided the newly founded associated companies with capital for the realization of wind farm projects. The companies operate wind farms and develop projects. The risks correspond to those of W.E.B Wind Energy Group.

A collection of the proportionate profit / loss of at equity included companies can be found in Appendix 2, 'Financial Information'.

(4) Other Financial Assets

The development of the reported financial investment proceeded as follows:

	Shares in affiliated companies	Securities[1]	Investments	Loans	Total
TEUR					
2014					
Value before depreciation					
Status 01/01/2014	37.6	837.2	1,371.3	441.0	2,687.1
Reclassification	0.0	0.0	0.0	0.0	0.0
Additions	0.0	4.4	0.0	0.0	4.4
Disposals	0.0	-4.8	0.0	-73.5	-78.3
Status 12/31/2014	37.6	836.8	1,371.3	367.5	2,613.2
Cumulative changes in value					
Status 01/01/2014	0.0	-155.7	-297.4	-36.9	-490.0
Fair value changes	0.0	115.0	0.0	0.0	115.0
Impairments	0.0	0.0	0.0	0.0	0.0
Appreciations	0.0	0.0	0.0	11.0	11.0
Disposals	0.0	0.0	0.0	0.0	0.0
Status 12/31/2014	0.0	-40.7	-297.4	-25.9	-364.0
Book value as per 01/01/2014	37.6	681.5	1,073.9	404.1	2,197.1
Book value as per 12/31/2014	**37.6**	**796.2**	**1,073.9**	**341.6**	**2,249.3**
2013					
Value before depreciation					
Status 01/01/2013	37.6	889.8	1,371.3	514.5	2,813.2
Reclassification	0.0	0.0	0.0	0.0	0.0
Additions	0.0	4.1	0.0	0.0	4.1
Disposals	0.0	-56.8	0.0	-73.5	-130.3
Status 12/31/2013	37.6	837.2	1,371.3	441.0	2,687.1
Cumulative changes in value					
Status 01/01/2013	0.0	-276.9	-421.9	-49.8	-748.6
Fair value change	0.0	121.0	0.0	0.0	121.0
Impairments	0.0	0.0	0.0	0.0	0.0
Appreciations	0.0	0.0	124.5	12.9	137.4
Disposals	0.0	0.2	0.0	0.0	0.2
Status 12/31/2013	0.0	-155.7	-297.4	-36.9	-490.0
Book value as per 01/01/2013	37.6	612.9	949.4	464.7	2,064.6
Book value as per 12/31/2013	**37.6**	**681.5**	**1,073.9**	**404.1**	**2,197.1**

[1] Exclusively 'Available for Sale'

Of the loans reported as of 12/31/2014, an amount of 73.5 TEUR (previous year: 73.5 TEUR) is due within one year.

The investments are composed as follows:

	Category	Share	12/31/2014	12/31/2013
TEUR				
oekostrom AG für Energieerzeugung und -handel	FAAC	5.5%	622.5	622.5
Windkraft Simonsfeld AG	FAAC	2.09%	286.2	286.2
Weinviertler Energie GmbH & Co KG	FAAC	17.56%	150.0	150.0
GESY Green Energy Systems GmbH	FAAC	1.0%	15.2	15.2
Total			**1,073.9**	**1,073.9**

On balance sheet date, a reciprocal shareholding situation existed with Windkraft Simonsfeld AG (2.09%); it held 1,095 shares of WEB Windenergie AG.

With regards to the declarations made in accordance with Sect. 238 (2) Austrian Commercial Code (UGB) concerning investments, please refer to Appendix 1. A list of the proportional profits/losses from investments is found in Appendix 2 'Financial Information'.

(5) Other long-term Assets

	12/31/2014	12/31/2013
TEUR		
Loan SWIFI/SWI	6,738.4	0.0
Loan Eschenau	13.6	13.1
Total	**6,752.0**	**13.1**

The loan listed as of 12/31/2014 was granted to Windpark Eschenau GmbH and shows the following development:

Loan Windpark Eschenau GmbH	12/31/2014			12/31/2013		
TEUR	Updated AC (BV after VA)[1]	Effective rate	Cash value	Updated AC (BV after VA)[1]	Effective rate	Cash value
Due in up to 1 year	5.0	5.00%	5.0	0.0		
Due in more than 1 year	8.6	5.00%	8.6	13.1		
	13.6	**5.00%**	**13.6**	**13.1**	**5.00%**	**13.1**

The loan SWIFI/SWI listed as of 12/31/2014 was granted to the Canadian partners for financing their equity share in ScotianWEB Limited Partnership with the partners' share as collaterals. With an interest rate of 14% p.a. and a due date for payment on 1 April 2018, the loan shows the following development:

	Capital	Accrued interest	Total
TEUR			
Scotian Wind Inc. (SWI)	3,330.0	375.4	3,705.4
Scotian WindFields Inc. (SWIFI)	2,712.5	320.5	3,033.0
Total	**6,042.5**	**695.9**	**6,738.4**

Loan SWIFI/SWI	12/31/2014			12/31/2013		
TEUR	Updated AC (BV after VA)[1]	Effective rate	Cash value	Updated AC (BV after VA)[1]	Effective rate	Cash value
Due in up to 1 year	0.0			0.0		
Due in more than 1 year	6,738.4			0.0		
	6,738.4	**14.00%**	**7,510.8**	**0.0**	**0.00%**	**0.0**

[1] AC ... acquisition costs
BV ... book values
VA ... value adjustment

3.2 Short-term Assets

(6) Inventories

TEUR	12/31/2014	12/31/2013
Consumables and replacement parts	2,209.5	2,197.2

The inventories primarily consist of replacements parts for wind power plants, since they can be used not just in connection with tangible assets. The valuation of consumables and replacement parts is based on the lower value of acquisition costs or fair value at balance sheet date. Acquisition costs are calculated according to the moving average price.

(7) Trade Receivables

TEUR	12/31/2014	12/31/2013
Receivables from electricity supply	8,012.6	7,010.2
Receivables from leasing and renting	104.1	211.2
Other	0.0	20.3
Total	**8,116.7**	**7,241.7**

The item 'Other' primarily includes receivables from a wind power plant manufacturer in connection with compensation for loss of earnings.

Receivables from goods and services are neither impaired nor overdue.

(8) Receivables from Affiliated Companies

TEUR	12/31/2014	12/31/2013
Receivables from SASU Energie Verte Plaine d'Artois	0.0	101.1
Total	**0.0**	**101.1**

Additional Disclosures

2013	Updated AC (BV after VA)[1]	Market value	Interest	Updated acquisition costs	
TEUR	12/31/2013	12/31/2013	fix/ variable	Due in up to 1 year	Due in more than 1 year
Receivables from associated companies					
SASU Energie Verte Plaine d'Artois	101.1	101.1	fix	101.1	0.0

[1] BV ... book values
VA ... value adjustment

(9) Other Receivables and Assets

The remaining Other Receivables are composed as follows:

TEUR	12/31/2014	12/31/2013
Financial assets		
Receivables from finance authorities	3,196.4	1,576.4
Clearing accounts	287.4	366.0
Receivables from investment subsidies	0.0	139.3
Other	696.0	747.7
Subtotal	4,179.8	2,829.4
Non-financial assets		
Pre-paid fees	980.7	1,939.7
Receivables from foreign input tax	64.7	114.7
Subtotal	1,045.4	2,054.4
Total	**5,225.2**	**4,883.8**

For the positions cash and cash equivalents, trade receivables as well as for short-term other receivables, the book values are deemed to be realistic estimates of their current fair values due to the short residual period.

Analysis of Impaired Financial Assets

Impaired receivables and loans	Book value before value adjustment	Individual value adjustment	Book value after value adjustment
TEUR	12/31/2014	12/31/2014	12/31/2014
Due in up to 1 year	496.8	496.8	0.0
Total	**496.8**	**496.8**	**0.0**

TEUR	12/31/2013	12/31/2013	12/31/2013
Due in up to 1 year	705.4	705.4	0.0
Total	**705.4**	**705.4**	**0.0**

The receivables were reviewed for recoverability using the probability of default as the basis of the assessment. There are no significant receivables that are overdue but have not been adjusted in value.

(10) Cash and Cash Equivalents

TEUR	12/31/2014	12/31/2013
Short-term deposits with financial institutions	27,340.1	9,301.2
Cash	11.7	9.2
Total	**27,351.8**	**9,310.4**

Of the amounts included in this item, restrictions were in effect on the use of 15,207.2 TEUR (previous year: 0.0 TEUR) on the balance sheet date. These restrictions are the result of disbursed financing for further Canadian plants that will be constructed in the following months. The restricted assets of 12,912.5 TEUR may only be used for plant construction payments. The remaining restricted assets serve as collaterals for creditors.

The liquid assets match the funds of liquid assets at the end of the period in the cash flow statement.

3.3 Equity

The capital stock of WEB Windenergie AG is composed as follows: 28,845,300.00 EUR (previous year: 28,845,300.00 EUR) in 288,453 shares (previous year: 288,453). The capital stock was paid in full.

The capital stock of W.E.B consists of registered shares with restricted transferability, whose nominal value is 100.00 EUR per share. Their transfer is generally subject to the company's approval according to the articles of association. This approval is granted by the Board of Directors in consultation with the Supervisory Board.

The capital reserves amount to 23,323,840.56 EUR (previous year: 23,323,840.56 EUR) and results from contributions of the shareholders (and contributions in kind) minus the allocated issuance costs.

On 10/07/2014, WEB Windenergie AG issued another wind power bond. The total issue volume was 10,000.0 TEUR with a possible increase up to 15,000.0 TEUR. The denomination was 1.0 TEUR with an issue price of 100% (1.0 TEUR nominal). The maturity period for the wind power bond is unlimited as of 10/07/2014. The interest is fixed at 6.5% p.a. of the nominal value. Interest payments may be suspended in years when there is no dividend distributed for the previous fiscal year. Suspended payments are remedied including compound interest. As the maturity period is unlimited, there is no specified due date. The pro-rated repayment is due annually with one tenth of its nominal value in years when WEB Windenergie AG distributes a dividend for the previous fiscal year. There is no repayment or interest payment obligation in effect on the balance sheet date because the earliest date for such obligation to enter into effect is the date on which the decision on dividend distribution for the fiscal year 2014 is made at the shareholders' meeting 2015. The subscription period was from 09/01/2014 to 09/26/2014. The bond is listed on the third market of the Vienna stock exchange (ISIN AT0000A191A) and is registered as a collective certificate with the Austrian Volksbanken-Aktiengesellschaft. As of 12/31/2014, the hybrid capital book value amounts to 4,355.5 TEUR and consists of the issued hybrid bond of 4,438.0 TEUR minus respective issuance costs.

The other reserves are comprised of the difference from the currency translation in the amount of -342.7 TEUR (previous year: -677.9 TEUR) and the valuation reserve according to IAS 39 of -1,716.6 TEUR (previous year: -378.5 TEUR). The valuations of securities and securitizing transactions are also included in the valuation reserve.

The result per share was determined by dividing the corporate group result by the weighted number of shares in circulation in 2014 (288,453 units). There are no option rights for the issuance of new shares or other circumstances leading to diluting effects.

The retained earnings encompass the profits earned in the corporate group minus profit distributions. The amount that can be distributed to the shareholders from these results is the item 'Balance Sheet Profit' in the individual financial statements of WEB Windenergie AG per 12/31/2014 in accordance with Austrian GAAP.

WEB Windenergie AG is subject to the minimum capital requirements of the Austrian Stock Corporation Act. These minimum capital requirements were fulfilled in the fiscal year.

3.4 Non-controlling interests

2014	Scotian-WEB Limited Partnership	SWEB Development Limited Partnership	ELLA AG
TEUR			
Voting rights	45.00%	49.00%	0.99%
Non-controlling interests	67.00%	49.00%	0.99%
Headquarters	New Brunswick (CAN)	New Brunswick (CAN)	Pfaffenschlag (AT)
Revenues	1,546.1	3,117.1	0.0
Earnings after income tax	240.5	1,307.7	-165.7
thereof attributable to non-controlling shareholders	108.2	640.8	-1.5
Current assets	14,454.8	2,018.1	144.5
Non-current assets	51,114.3	1,291.3	381.7
Short-term obligations	7,254.0	2,159.6	148.4
Long-term obligations	42,189.7	0.0	38.5
Net asset value	16,125.4	1,149.8	339.3
thereof attributable to non-controlling interests	7,256.4	563.4	3.1
Operating cash flow	9,105.2	-915.7	-160.1
Cash flow from investing activities	-37,796.9	-12,383.3	-344.7
Cash flow from financing	44,387.1	12,365.7	543.5
Cash flow total	15,695.4	-933.4	38.7
Distribution to non-controlling shareholders during the year	168.0[1]		

2013	Scotian-WEB Limited Partnership	SWEB Development Limited Partnership
TEUR		
Voting rights	45.00%	49.00%
Non-controlling interests	67.00%	49.00%
Headquarters	New Brunswick (CAN)	New Brunswick (CAN)
Revenues	0.0	874.9
Earnings after income tax	-2.6	-78.9
thereof attributable to non-controlling shareholders	-1.2	-38.6
Current assets	3,812.3	13,469.6
Non-current assets	10,995.9	1,760.9
Short-term obligations	12,358.2	15,428.8
Long-term obligations	0.0	0.0
Net asset value	2,450.0	-198.3
thereof attributable to non-controlling interests	1,102.5	-97.2
Operating cash flow	-1,493.8	404.7
Cash flow from investing activities	-10,995.9	11,006.8
Cash flow from financing	12,489.7	-10,577.3
Cash flow total	0.0	834.1

[1] Included in cash flow from financing

3.5 Long and short-term Debts

(11) Financial Obligations

	Obligations towards financial institutions		Obligations from capital lease contracts		Total	
TEUR	Book values 12/31/2014	Book values 12/31/2013	Book values 12/31/2014	Book values 12/31/2013	Book values 12/31/2014	Book values 12/31/2013
Short-term	22,366.8	20,348.6	3,336.7	3,229.5	25,703.5	23,578.1
Long-term	157,148.3	112,301.0	20,971.4	24,296.9	178,119.7	136,597.9
Total	**179,515.1**	**132,649.6**	**24,308.1**	**27,526.4**	**203,823.2**	**160,176.0**

A list of the due dates of the obligations from capital lease contracts can be found under (2) Tangible Assets, Statements concerning Leased Power Plants.

The substantial conditions of financial obligations are broken down as follows:

Maturity period	Substantial Conditions	Currency	Book value 12/31/2014
			TEUR
2015	EURIBOR + 1.00% margin	EUR	709.0
2016	from EURIBOR + 1.25% margin to EURIBOR + 1.55% margin	EUR	2,965.1
2017	from EURIBOR + 1.00% margin to EURIBOR + 1.91% margin	EUR	7,201.0
2017	2.35% fix	EUR	525.0
2017	2.60% fix	EUR	2,354.0
2018	from EURIBOR + 1.00% margin to EURIBOR + 2.10% margin	EUR	11,837.0
2018	2.60% fix	EUR	889.6
2018	5.92% fix	EUR	6,609.5
2019	from EURIBOR + 0.90% margin to EURIBOR + 1.00% margin	EUR	9,088.7
2019	3.35% fix	EUR	6,563.8
2019	LIBOR + 1.00% margin	CHF	349.6
2020	PRIBOR + 1.20% margin	CZK	1,551.1
2020	EURIBOR + 1.38% margin	EUR	5,247.3
2021	from EURIBOR + 0.90% margin to EURIBOR + 1.50% margin	EUR	4,874.0
2024	EURIBOR + 1.30% margin	EUR	10,454.5
2025	from EURIBOR + 1.625% margin to EURIBOR + 1.65% margin	EUR	15,851.0
2025	PRIBOR + 2.20% margin	CZK	2,274.1
2026	PRIBOR + 3% margin	CZK	1,723.9
2026	3.55% fix	EUR	12,383.2
2026	EURIBOR + 2.125% margin	EUR	1,002.8
2027	from EURIBOR + 2.00% margin to EURIBOR + 2.30% margin	EUR	40,998.2
2028	EURIBOR + 2.40% margin	EUR	8,792.3
2030	2.89% fix	EUR	6,541.1
2033	6.22% fix	CAD	10,084.9
2033	6.11% fix	CAD	32,952.5
			203,823.2

As of 12/31/2014, the EURIBOR amounted to 0.078%, PRIBOR to 0.34% and LIBOR to -0.0256%. All indicated financial obligations are regularly repaid.

In the reporting year, the effective interest rate for all financial obligations included in this position amounted to 3.05% (previous year: 3.05%).

The following additional collaterals are in place for obligations towards financial institutions and obligations from capital lease contracts:

- Chattel mortgages of the power plants
- Rights to enter into electrical supply contracts, purchasing agreements, rights of use contracts and leasing contracts
- Assignment of claims from the feed-in contracts with energy utilities
- Assignment of claims from business interruption insurances and machinery breakdown insurances
- Limited personal easements to the operating properties
- Cadastral registration of ownership

(12) Bonds and Other Long-term Obligations

	12/31/2014	12/31/2014		12/31/2014		12/31/2013
TEUR	Nominal amount	Issuance costs	Effective interest rate	Book value	thereof short-term	Previous year
Bond 2010–2015	10,163.0	-62.2	5.00%	10,100.8	10,101.0	10,038.7
Bond 2011–2016	6,464.0	-47.2	5.00%	6,416.8	0.0	6,393.2
Bond 2013	23,534.9	-202.7	4.85%	23,332.2	1,003.0	24,303.4
Bond 2014	10,566.0	-219.1	1.65%	10,346.9	0.0	0.0
ELLA bond	38.5	0.0	0.00%	38.5	0.0	0.0
Total bonds	**50,766.4**	**-531.1**		**50,235.3**	**11,104.0**	**40,735.3**
Other long-term obligations				**20.0**	**5.0**	**242.5**
				50,255.3	**11,109.0**	**40,977.8**

On 12/10/2010, WEB Windenergie AG issued the first wind power bond in Austria.
The total issue volume was 10,000.0 TEUR with a possible increase up to 20,000.0 TEUR. The denomination was 1.0 TEUR with an issue price of 100% (1.0 TEUR nominal). The maturity period for the first wind power bond in Austria is five years – from 12/10/2010 to 12/09/2015. The bond is 100% due on 12/09/2015 at the nominal value. The interest is fixed at 5% p.a. of the nominal value. The subscription period was from 11/02/2010 to 12/03/2010. The bond is traded on the third market of the Vienna stock exchange with ISIN AT0000AOK1K9 and is registered as a collective certificate with the Austrian Kontrollbank Aktiengesellschaft. Issuance costs of 310.6 TEUR were incurred which were distributed over the bond's maturity period using the effective interest rate method. As of 12/31/2014, the total amount of the subscribed bond amounts to 10,100.8 TEUR after adjusting for issuance costs.

On 12/16/2011, WEB Windenergie AG issued another wind power bond. The issue volume was 5,000.0 TEUR with a possible increase of up to at 8,000.0 TEUR.
The denomination was 1.0 TEUR with an issue price of 100% (1.0 TEUR nominal). The maturity period for the wind power bond is five years – from 12/16/2011 to 12/15/2016. The bond is 100% due on 12/16/2016 at the nominal value. The interest rate is fixed at 5% p. a. The bond is listed on the third market of the Vienna stock exchange (ISIN: AT0000A0QZH8) and is registered as a collective certificate with the Austrian Kontrollbank Aktiengesellschaft. Issuance costs of 118.1 TEUR were incurred which were distributed over the bond's maturity period using the effective interest rate method. As of 12/31/2014, the total amount of the subscribed bond amounts to 6.416.8 TEUR after adjusting for issuance costs.

On 04/08/2013, WEB Windenergie AG issued another package of wind power bonds. The issue volume was 5,000.0 TEUR respectively (in total 15,000.0 EUR) with a possible increase of respectively up to 15,000.0 TEUR (in total 45,000.0 EUR). The denomination was 1.0 TEUR with an issue price of 100% (1.0 TEUR nominal). The maturity periods for the wind power bonds are five years – from 04/08/2013 to 04/08/2018 and ten years – from 04/08/2013 to 04/08/2023. The bonds are 100% due on 04/08/2018 and 04/08/2023 at the nominal value. One bond is due annually with one tenth of its nominal value; the last due date is 04/08/2023. The interest rate is fixed at 4% p.a., fixed at 5.25% p.a. and fixed at 5.5% p.a., respectively of the nominal value. The bonds are listed on the third market of the Vienna stock exchange (ISIN: AT0000A0Z7A0, AT0000A0Z785, AT0000A0Z793) and are registered as collective certificates with the Austrian Volksbanken-Aktiengesellschaft. Issuance costs of 280.5 TEUR were incurred which were distributed over the bonds' maturity periods using the effective interest rate method. As of 12/31/2014, the total amount of the subscribed bonds amounts to 23,332.2 TEUR after adjusting for issuance costs.

On 10/07/2014, WEB Windenergie AG issued another wind power bond. The total issue volume was 10,000.0 TEUR with a possible increase up to 15,000.0 TEUR. The denomination was 1.0 TEUR with an issue price of 100% (1.0 TEUR nominal). The maturity period for the wind power bond is five years – from 10/07/2014 to 10/06/2019. The bond is 100% due on 10/06/2019 at the nominal value. The interest rate is fixed at 3.5% p. a. of the nominal value. The subscription period was from 09/01/2014 to 09/26/2014.The bond is listed on the third market of the Vienna stock exchange (ISIN: AT0000A191B7) and is registered as a collective certificate with the Austrian Volksbanken-Aktiengesellschaft. As of 12/31/2014, the total amount of the subscribed bonds amounts to 10,346.9 TEUR after adjusting for issuance costs.

On 28 November 2014, ELLA AG issued bonds at a total issue volume of 249.9 TEUR. The denomination ranged from 0.1 to 1.0 TEUR with an issue price of 100%. The maturity periods for the bonds are five years and seven years and start with the first day of the subscription and payment month and end with the fifth or seventh anniversary of the maturity period's start. The interest rate is fixed at 4% p.a., and fixed at 5.0% p.a. respectively of the nominal value and is annually disbursed to the subscriber. Moreover, the issue of usufruct bonds at a total issue volume of 249.9 TEUR was started. The denomination ranged from 0.1 to 1.0 TEUR with an issue price of 100%. The usufruct maturity periods are five years and seven years and start with the first day of the subscription and payment month and end with the fifth or seventh anniversary of the maturity period's start. The interest rate is fixed at 5% p.a., and fixed at 6.0% p.a. respectively of the nominal value and is disbursed in vouchers for using the electric charging stations – the vouchers are valid for ten years. The subscription period has not ended yet. As of 12/31/2014, the total amount of the subscribed bonds amounts to 38.5 TEUR after adjusting for issuance costs.

The remaining long-term obligations include other loans at the amount of 20.0 TEUR (previous year: 30.0 TEUR). In the previous year, an additional obligation to a wind power plant manufacturer was reported in connection with the refitting of wind power plants at the amount of 212.5 TEUR with a residual period of over one year.

(13) Income Taxes, Tax Deferrals

The net amount of the corporate group's deferred taxes, derived from the balance sheet items, is calculated as follows:

	12/31/2014	12/31/2013
TEUR		
Active deferred taxes	340.3	622.6
Passive deferred taxes	-11,675.3	-11,150.2
Net position	**-11,335.0**	**-10,527.6**

Income Taxes	2014	2013
TEUR		
Expenses current period income taxes	-1,736.2	-1,648.4
Current income taxes from previous periods	580.8	-60.4
Change in deferred taxes	-1,295.1	-506.8
Deferred taxes from previous periods	7.6	0.0
Income taxes	**-2,442.9**	**-2,215.6**

The tax expenses for the year 2014 at the amount of 2,442.9 TEUR (previous year: 2,215.6 TEUR) is 68.7 TEUR higher (previous year: 132.4 TEUR) than the calculated tax expenses amounting to 2,374.2 TEUR (previous year 2,083.2 TEUR), which results from the application of the tax rate of 25% on the profit before income taxes.

The difference between the calculated and reported tax expenses of the corporate group is based on the following factors:

Tax Reconciliation	2014	2013
TEUR		
Profit before tax	9,496.6	8,332.9
Tax rate	25%	25%
Calculated income tax	-2,374.2	-2,083.2
Adjustment to foreign tax rates	-225.3	-199.2
Tax reductions due to		
Income from investments	310.0	438.0
Other	5.4	181.2
Tax increases due to		
Non-deductible interest	-410.7	-507.6
Non-deductible fees	-40.5	-48.0
Other	-268.5	33.0
Income tax of the period	**-3,003.8**	**-2,185.8**
Current income taxes from previous periods	580.8	-60.4
Deferred taxes from previous periods	7.6	0.0
Adjustment to valuation allowance of deferred taxes	-27.5	40.6
Change in tax rate	0.0	-10.0
Reported tax expense	**-2,442.9**	**-2,215.6**
Effective tax rate	**25.7%**	**26.6%**
Effective tax rate (adjusted for aperiodic effects)	**31.6%**	**26.3%**

The differences between the tax balance sheet and the IFRS balance sheet, as well as the capitalized loss-carry forwards as of balance sheet date have the following effects on the deferred taxes reported in the balance sheet:

Deferred taxes	12/31/2014	12/31/2013
TEUR		
Assets		
Tangible fixed assets (differences in useful life)	-21,597.7	-21,965.5
Shares in associated companies	-106.3	-88.3
Other long-term assets	590.6	610.4
Other short-term assets	889.2	1,050.1
	-20,224.2	**-20,393.3**
Liabilities		
Financial obligations	7,608.9	8,865.7
Bonds (financing costs)	-149.8	-111.9
Long-term provisions	471.2	317.9
Other short-term obligations	710.1	106.8
	8,640.4	**9,178.5**
Loss carry-forwards	**248.8**	**687.2**
Net amount of deferred taxes	**-11,335.0**	**-10,527.6**

The net position for deferred taxes changed as follows in the reporting period:

Deferred taxes	2014	2013
TEUR		
Opening balance 01/01	-10,527.6	-9,701.7
Foreign currency difference	6.7	2.9
Additions, changes in the consolidation group	0.0	0.0
Disposals, changes in the consolidation group	0.0	0.0
P&L-neutral changes	473.4	-322.0
P&L-affecting changes	-1,287.5	-506.8
Closing balance 12/31	**-11,335.0**	**-10,527.6**

The utilization of deferred tax assets on taxable loss carry-forwards is generally dependent on the existence of taxable profits in future periods. Moreover, there is a surplus of accrued deferred tax liabilities arising from other items. In the forecast figures, assumptions of positive tax-effective results are applied correspondingly.

The other P&L-neutral changes essentially refer to the profits and losses directly recorded in Other Financial Results from financial instruments available for sale and cash flow hedges.

	2014			2013		
TEUR	Pre-tax amount	Income tax	Post-tax amount	Pre-tax amount	Income tax	Post-tax amount
Changes from currency conversions	392.1	0.0	392.1	-657.5	0.0	-657.5
Changes in market value of financial instruments available for sale	115.0	-30.0	85.0	97.2	-22.4	74.8
Changes in market value of cash flow hedges	-1,877.8	454.7	-1,423.1	1,183.1	-299.6	883.5
Total other result	**-1,370.7**	**424.7**	**-946.0**	**622.8**	**-322.0**	**300.8**

As of 12/31/2014 there are no significant temporary differences or tax loss carry-forwards for which no deferred tax assets were applied.

No tax deferrals were formed on temporary differences between the tax valuation of investments and the proportional equity capital from shares in the subsidiary, since it cannot be assumed that these differences will reverse in the foreseeable future or that such reversal will not be subject to income tax.

(14) Other Provisions

The position **Other Provisions** is composed as follows:

Provisions schedule 2014	Status	Additions	Additions – interest rate adjustment	Reversals	Usage	Interest portion	Interest portion – adjustment interest rate	Currency adjustment	Status
TEUR	01/01/2014								12/31/2014
Demolition costs	5,280.2	514.1	933.6	0.0	0.0	265.9	-46.5	-4.1	6,943.2
Provision for severance	11.3	1.8	0.0	0.0	0.0	0.0	0.0	0.0	13.1
Total	**5,291.5**	**515.9**	**933.6**	**0.0**	**0.0**	**265.9**	**-46.5**	**-4.1**	**6,956.3**
thereof long-term	5,291.5								6,956.3

The provision for demolition costs is a long-term provision. It was discounted at 5% for reasons of contractual obligations to tear down plants at the end of their useful life. The adjustment of the discounting rate of 5% compared to 3.5% in previous years resulted in the P&L-neutral capitalization of demolition costs amounting to 933.6 TEUR as well as an interest rate adjustment amounting to -46.5 TEUR.
The additions include P&L-neutral capitalizations of demolition costs at the amount of 511.5 TEUR.

As there were only contribution-driven pension commitments in place on the balance sheet date and as the respective ongoing payments were made, no pension provisions were reported on balance sheet date.

(15) Derivative Financial Instruments

As of 12/31/2014, the following financial derivative transactions were in place:

	Name	Description	Volume 12/31/2014	Term	Hedge-Accounting	Market value 12/31/2014	Market value 12/31/2013
			TEUR			TEUR	TEUR
1)	IRS EUR	Interest rate swap EUR/3M Euribor >> 2.63% fix (TEUR 20,000)	20,000.0	10/06/2014	Cash flow hedge	0.0	-364.5
2)	IRS EUR	Interest rate swap EUR/3M Euribor >> 1.905% fix (TEUR 10,000)	10,000.0	05/25/2015	Cash flow hedge	-72.7	-224.1
3)	IRS EUR	Interest rate swap EUR/3M Euribor >> 1.1225% fix (TEUR 7,500)	4,857.7	07/01/2019	Cash flow hedge	-107.7	-54.7
4)	IRS EUR	Interest rate swap EUR/3M Euribor >> 1.60% fix (TEUR 13,581)	11,317.5	12/31/2024	Cash flow hedge	-701.9	-51.6
5)	IRS CZK	Interest rate swap CZK//1M Pribor >> 1.75% fix (TEUR 2,155.8)	1,735.2	08/31/2026	Cash flow hedge	-128.8	-9.8
6)	IRS EUR	Interest rate swap EUR/3M Euribor >> 1.2775% fix (TEUR 13,644.6)	13,098.8	12/31/2026	Cash flow hedge	-621.4	0.0
7)	IRS EUR	Interest rate swap EUR/3M Euribor >> 1.29% fix (TEUR 14,875)	14,000.0	12/31/2026	Cash flow hedge	-668.6	0.0
8)	IRS EUR	Interest rate swap EUR/3M Euribor >> 1.24% fix (TEUR 6,727.5)	6,313.2	06/30/2026	Cash flow hedge	-281.3	0.0
		Total				**-2,582.4**	**-704.7**

Interest swaps agreements (Interest Rate Swaps – IRS) transform financial debts subject to variable interest into financial debts subject to fixed interest, therefore reducing the risk of changes in interest payments.

The securitization arrangement for P&L-neutral reporting was effective with existing financing in the fiscal year due to the valuation unit; after taking tax effects into account, changes in market value amounting to -1,423.1 TEUR (previous year: 883.5 TEUR) were recorded in the Other Financial Result.

Notes to derivatives existing as per 12/31/2014:

1) Interest Rate Swap EUR
This interest rate swap expired in 2014.

2) Interest Rate Swap EUR
An interest rate swap with a basic amount of 10,000.0 TEUR and a term until 05/25/2015 was concluded in 2010. With this transaction, W.E.B swaps variable interest (3-month EURIBOR) for fixed interest (1.905%).

3) Interest Rate Swap EUR
An interest rate swap with a basic amount of 7,500.0 TEUR reducing in parallel to financing with a term until 07/01/2019 was concluded in 2012. With this transaction, W.E.B swaps variable interest (3-month EURIBOR) for fixed interest (1.1225%).

4) Interest Rate Swap EUR
An interest rate swap with a basic amount of 13,581.0 TEUR reducing in parallel to financing with a term until 12/31/2024 was concluded in 2012. With this transaction, W.E.B swaps variable interest (3-month EURIBOR) for fixed interest (1.60%).

5) Interest Rate Swap CZK
An interest rate swap with a basic amount of 2,155.8 TEUR reducing in parallel to financing with a term until 08/31/2026 was concluded in 2012. With this transaction, W.E.B swaps variable interest (1-month Pribor) for fixed interest (1.75%).

6) Interest Rate Swap EUR
An interest rate swap with a basic amount of 13,644.6 TEUR reducing in parallel to financing with a term until 12/31/2026 was concluded in 2014. With this transaction, W.E.B swaps variable interest (3-month EURIBOR) for fixed interest (1.2775%).

7) Interest Rate Swap EUR
An interest rate swap with a basic amount of 14,875 TEUR reducing in parallel to financing with a term until 12/31/2026 was concluded in 2014. With this transaction, W.E.B swaps variable interest (3-month EURIBOR) for fixed interest (1.29%).

8) Interest Rate Swap EUR
An interest rate swap with a basic amount of 6,727.5 TEUR reducing in parallel to financing with a term until 06/30/2026 was concluded in 2014. With this transaction, W.E.B swaps variable interest (3-month EURIBOR) for fixed interest (1.24%).

(16) Payables and Other Payables

Payables	12/31/2014	12/31/2013
TEUR		
Market value derivative financial instruments	2,582.4	704.7
Trade payables	5,728.0	4,112.7
Accruals of invoices	2,844.6	2,860.3
Payables tax authority	103.9	185.8
Obligations towards affiliated companies	0.0	925.1
Accruals for claims of employees and members of the board of directors and social security	1,082.2	979.3
Accruals interest bonds	978.2	896.2
Other	536.6	481.9
Total	**13,855.9**	**11,146.0**

The position accruals for claims of employees and members of the board essentially contains a payable for unused vacation in the amount of 319.7 TEUR (previous year: 288.3 TEUR), a payable for time credit in the amount of 71.6 TEUR (previous year: 78.8 TEUR) and a payable for bonuses of 485.1 TEUR (previous year: 417.2 TEUR).

The position accruals of invoices essentially contains the payment obligation of preparing the annual financial statements in the individual companies at the amount of 30.0 TEUR (previous year: 8.2 TEUR) and for the audit of the annual financial statement at the amount of 28.6 TEUR (previous year: 48.6 TEUR). In addition, this item includes obligations for the preparations of the DCF-valuation at the amount of 15.0 TEUR (previous year: 18.0 TEUR), the preparation of the business report amounting to 68.4 TEUR (previous year: 60.0 TEUR), and obligations for legal consulting costs amounting to 117.3 TEUR (previous year: 84.6 TEUR).

4 Notes on the Profit and Loss Statement

(17) Revenues

The revenues are composed as follows:

TEUR	2014	2013
Revenues from the generation of electricity at		
Wind power plants	49,215.8	43,218.0
Photovoltaic power plants	4,220.1	4,370.9
Hydroelectric power plants	371.8	504.1
Other revenues	187.9	0.9
Total	**53,995.6**	**48,093.9**

Electricity revenues were recognized on the basis of credits from electricity purchasers compiled at the end of each month (largely state-owned organizations or organizations close to the state). In the reporting year, 71.7% (previous year: 69.1%) of the budgeted generation was remunerated with legally regulated subsidy rates.

The other revenues resulted from generated electricity sales to final customers. In the previous year, other revenues resulted from compensation for loss of earnings from wind power plants paid by wind power plant manufacturers and insurance companies.

(18) Other Operating Income

	2014	2013
TEUR		
Income from the reversal of provisions	267.1	36.2
Revenues from invoice forwarding	163.4	189.7
Insurance compensation	108.0	101.2
Revenues from direct marketing and support activities	91.7	106.0
Revenues from services	78.2	32.9
Revenues from trading goods	70.7	275.8
Revenues from operations management	60.8	77.9
Revenues from invoice forwarding, diesel	48.9	54.5
Rental income	42.4	40.8
Reimbursements, subsidies	3.1	242.4
Income from previous years	0.0	315.8
Other revenues and income	192.3	178.6
Total	**1,126.8**	**1,651.8**

The position 'Revenues from invoice forwarding' includes revenues from the invoice forwarding for expenses that did not affect W.E.B Wind Energy Group.

(19) Cost of Material and Purchased Services

	2014	2013
TEUR		
Grid loss charges	867.5	769.2
Energy consumption power plants	585.1	378.7
Cost of sales	138.8	264.5
Depreciation of inventories	36.0	0.0
Other	0.2	0.0
Total	**1,627.6**	**1,412.3**

(20) Personnel Expenses

	2014	2013
TEUR		
Salaries and wages	4,333.3	3,982.2
Expenses for legally mandated fees and contributions	1,022.0	925.0
Contributions to staff provision fund	53.9	49.6
Other personnel expenses	25.5	36.6
Total	**5,434.7**	**4,993.4**

The development of the average number of employees proceeded as follows:

	2014	2013
headcount		
Salary-earners	64.2	59.2
Wage-earners	15.9	14.1
Apprentices	1.0	1.0
Total	**81.1**	**74.3**

Part-time employees are taken into account in this list on a full-time equivalent basis.

(21) Depreciation

The depreciation/amortization of tangible assets and intangible assets in the reporting period was 21,089.5 TEUR (prior year: 18,147.0 TEUR).
In the previous fiscal year, no impairments were reported.

(22) Other Operative Expenses

TEUR	2014	2013
Maintenance and operating costs, power plants	4,323.5	3,920.6
Leasing and rental expenses, power plants	1,216.8	1,140.0
Consulting expenses	895.0	1,097.3
Insurance expenses, power plants	531.1	432.1
Vehicle expenses	411.8	448.5
Advertising and PR expenses	387.2	361.2
Maintenance operations	378.2	181.4
Travel expenses	312.8	281.7
External business services	153.1	187.4
Project development expenses	121.0	239.3
Supervisory board compensation	87.0	87.0
Training and continuing education	56.4	109.2
Membership fees	54.8	70.9
Supplies	37.4	42.4
Czech photovoltaic fee	0.0	153.8
Other expenses	1,513.7	935.8
Total	**10,479.8**	**9,688.6**

The expenses for the audit of the financial statements in the fiscal year by KPMG Niederosterreich GmbH Wirtschaftsprufungs- und Steuerberatungsgesellschaft and its domestic network companies amounted in total to 49.0 TEUR (previous year: 48.6 TEUR), of which 18.5 TEUR (previous year: 18.5 TEUR) were attributable to the audit of the single financial statements, 27.8 TEUR (previous year: 27.8 TEUR) to the audit of the corporate group financial statement, and 2.7 TEUR (previous year: 2.3 TEUR) to other services.

Bad Debts
In the previous fiscal year, no receivables were impaired.

(23) Interest Income

TEUR	2014	2013
Clearing accounts/ hire-purchase agreement	802.7	174.3
Default interest	31.7	0.5
Time deposits/bank balance	14.8	43.5
Other	1.3	2.3
Total	**850.5**	**220.6**

(24) Interest Expenses

In the reporting year, interest expenses amounted to 7,857.6 TEUR (previous year: 6,216.8 TEUR). This position includes interest on bonds amounting to 2,118.8 TEUR (previous year: 1,685.2 TEUR).

In the reporting period, interest expenses of 982.8 TEUR (previous year: 160.0 TEUR) as defined in accordance with IAS 23 Borrowing Costs were capitalized as part of the acquisition costs of assets. These assets consisted of the wind power plants located in Neuhof, Austria and Isle Madame, Martock Ridge, Black Pond, North Beaverbank, and Nine Mile River, Canada. The capitalized interest is depreciated over the useful life of the respective asset. The borrowing costs were related to the assets and could be directly allocated.

The interest rate on financing was 6.04% on average (previous year: 2.37%).

(25) Other Financial Result

TEUR	2014	2013
Result foreign currencies – exchange rate differences	330.7	-709.1
Disposals of financial assets, valuation results, other	-25.8	-296.5
Interest demolition cost provisions	-219.4	-237.6
Total	**-137.1**	**-1,243.2**

5 Additional Disclosures on Financial Instruments

Carrying amounts, valuations and fair values by valuation category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their position in the fair value hierarchy. It contains no information about the fair value of financial assets and financial liabilities that are not measured at fair value if the carrying amount is a reasonable approximation of fair value.

				Fair value			
2014	Valuation category	Book value	Book value	Level 1	Level 2	Level 1	Level 2
TEUR		12/31/2014	12/31/2013	12/31/2014	12/31/2014	12/31/2013	12/31/2013
Assets							
Cash and cash equivalents	Cash	27,351.8	9,310.4				
Trade accounts receivable	LAR	8,116.7	7,241.7				
Loan and other receivables	LAR	12,648.3	3,507.1				
thereof long-term		6,752.0	13.1				
thereof short-term		5,896.3	3,494.0				
Other non-derivative financial assets							
Participations (not consolidated)	FAAC	1,111.5	1,111.5				
Securities available for sale	AFS	796.1	681.5	796.1		681.5	
Loans	LAR	341.6	404.1				
Liabilities							
Financial obligations (incl. leasing)	FLAC	203,823.2	160,176.0		196,995.0		159,688.0
Other obligations (incl. bonds, excl. leasing)	FLAC	61,528.8	51,419.1		55,872.7		52,901.6
thereof long-term		39,084.3	39,968.4				
thereof short-term		22,444.5	11,450.7				
Derivative financial debts							
Derivatives with hedge-relationship	Hedging	2,582.4	704.7		2,582.4		704.7

In determining the fair value of an asset or a liability, W.E.B Wind Energy Group uses, to the extent possible, data observable in the markets. Based on the input factors used in the valuation techniques, the fair values are classified into different positions of the fair value hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: Valuation parameters, other than quoted prices included in Level 1, which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., as derivatives from prices).
- Level 3: Valuation parameters for the asset or liability that are not based on observable market data.

In case the input factors used to determine the fair value of an asset or a liability can be classified into different positions of the fair value hierarchy, the fair value measurement in its entirety is assigned to the position in the fair value hierarchy, corresponding to the lowest input factor, which is essential to the evaluation.

The fair values of financial liabilities (including lease liabilities) are determined by discounting with an interest rate guided by current market rates. In addition to the liabilities to credit institutions, they also contain the liabilities from finance leases. The valuation techniques applied by W.E.B Wind Energy Group and the assumptions in the calculation of the fair values are based in the case of securities and stocks on the market values and in the case of derivative financial instruments on values derived from the current interest rate level.

W.E.B Wind Energy Group records structural transfers between different levels of fair value hierarchy at the end of the reporting period in which they are made.

In the reporting year and the previous year, no transfers between Level 1, Level 2 and Level 3 occurred.

The book values of trade accounts receivable, loans, other receivables and other obligations (excl. leasing and bonds) are approximately equal to their fair values as maturities are mainly short-term.

Other long-term assets include participations (1,073.9 TEUR) and shares in unconsolidated affiliates (37.6 TEUR), for which no price on an active market can be observed and whose fair value cannot be reliably determined.

Net results by valuation categories	From subsequent valuation						
2014	At fair value affecting P/L	At fair value P/L neutral	Currency conversion	Value adjustment	From disposal	Net result	From interest
TEUR						2014	
Cash	0.0	0.0	0.0	0.0	0.0	**0.0**	14.8
Loans and Receivables (LAR)	0.0	0.0	0.0	0.0	0.0	**0.0**	799.9
Available for Sale (AFS)	0.0	-85.0	0.0	0.0	0.0	**-85.0**	0.0
Financial Liabilities at Amortized Cost (FLAC)	0.0	0.0	-2,549.1	0.0	0.0	**-2,549.1**	-6,829.1
Hedging	0.0	1,423.1	0.0	0.0	0.0	**1,423.1**	-1,028.5
Total	**0.0**	**1,338.1**	**-2,549.1**	**0.0**	**0.0**	**-1,211.0**	**-7,042.9**

2013							
TEUR						2013	
Cash	0.0	0.0	0.0	0.0	0.0	**0.0**	43.5
Loans and Receivables (LAR)	0.0	0.0	0.0	0.0	0.0	**0.0**	71.1
Available for Sale (AFS)	0.0	-101.5	0.0	0.0	26.7	**-74.8**	0.0
Financial Liabilities at Amortized Cost (FLAC)	0.0	0.0	12.5	0.0	0.0	**12.5**	-5,281.3
Hedging	0.0	-883.5	0.0	0.0	0.0	**-883.5**	-935.5
Total	**0.0**	**-985.0**	**12.5**	**0.0**	**26.7**	**-945.8**	**-6,102.2**

The carrying amounts of financial assets pledged as collateral amounted to 3,858.2 TEUR (previous year: 1,563.5 TEUR). One part of this amount served as a security for contractual obligations of W.E.B Wind Energy Group to land owners for dismantling of wind turbines at the end of their useful lives. The other part served as a security for the obligations of W.E.B Wind Energy Group to credit institutions.

6 Other Liabilities

Financial Commitments from the use of Off-Balance Sheet Tangible Assets

The total amount of financial commitments from the use of off-balance sheet tangible assets (lease payments for land) for the following year will amount to 949.6 TEUR (previous year: 1,181.2 TEUR). Generally, the indexed fivefold value for the next five years is calculated, with an accurate statement for the next five years being impossible, since the amount of lease payments depends on uncertain factors (price index increases, adjustments linked to the revenues of wind turbines).

The contracted commitments for tangible assets amounted to approximately 19,698.1 TEUR at balance sheet date (previous year: 55,208.8 TEUR).

There were no open payment obligations concerning financial investments (previous year: 0.0 TEUR).

Buy-back Obligation for the Wind Power Plant located in Vielau, Germany

In 2008, a hire-purchase agreement was concluded with QR Dumeier-Kobis GbR, Baunatal, Germany, for the wind power plant located in Vielau in Germany with a contract term to 09/30/2017. W.E.B Wind Energy Group is the legal owner of the wind power plant for the contract term. The hire-purchase agreement includes the option of a regular cancellation on the behalf of the hire-purchaser. In the event of cancellation by the hire-purchaser, the power plant located in Vielau, Germany would revert to the beneficial ownership of W.E.B Wind Energy Group. At present, W.E.B Wind Energy Group estimates the risk of cancellation of the hire-purchase agreement by the hire-purchaser as very low.

Unresolved legal disputes

WEB Windenergie Betriebsgesellschaft Deutschland GmbH is a defendant in an administrative dispute with a neighboring wind turbine operator because of the construction of a wind farm in 2006. Since the wind farm was constructed according to plan, the likelihood that the counterparty's complaints in this action will succeed is very low. However, the lawsuit has not been formally concluded yet and the responsible administrative court is suggesting the initiation of a mediation procedure.

WEB Windenergie AG is involved in two separate legal proceedings concerned with adequate grid loss compensation. According to the expert opinion in one of the proceedings, only one fourth of the paid grid loss compensation was adequate. This case is closed and the judgement of the court of first instance is expected to follow suit with the expert opinion. A similar outcome is expected for the second proceedings as well.

Moreover, WEB Windenergie AG still has a claim for relief pending to determine that the company is not obliged to pay the system service fee as prescribed from 2009 to 2011. As the Supreme Court of Justice ruled that electricity suppliers had to pay an adequate fee for the period in which the Constitutional Court of Austria had annulled the system service fee, WEB Windenergie AG is expected to win its claim. In consequence, APG is expected to file a lawsuit for the payment of an adequate fee. Once again, such adequate fee will have to be determined by an expert. However, a potential settlement deal is currently under discussion.

7 Risk from Financial Instruments

Liquidity Risk

W.E.B Wind Energy Group met all of its payment obligations (interest and principal repayment) from loans in an orderly and timely fashion during the reporting period. This also applies to other obligations to the extent that they were free of content-related or legal objections.

The company strives to comply as quickly as possible with all its payment obligations, provided that no reasons exist that militate against the validity of the obligations.

Payment Obligations from Financial Commitment

	12/31/2014		
TEUR	Up to 1 year	More than 1 year and up to 5 years	More than 5 years
Bonds	13,981.2	34,625.1	12,417.5
ELLA loans	1.8	20.2	28.1
Hybrid bond	732.3	2,640.6	2,651.7
Obligations towards financial institutions	28,077.8	87,079.9	109,067.3
Lease obligations	4,244.8	15,185.0	9,388.6
Other obligations	949.6	3,984.1	17,495.9
Commitment for tangible assets	19,698.1	0.0	0.0
Total	**67,685.6**	**143,534.9**	**151,049.1**

	12/31/2013		
TEUR	Up to 1 year	More than 1 year and up to 5 years	More than 5 years
Bonds	3,058.2	28,665.4	11,496.5
Obligations towards financial institutions	23,236.5	76,374.2	47,336.3
Lease obligations	4,229.8	15,829.3	12,946.8
Other obligations	1,032.9	3,604.3	16,456.8
Commitment for tangible assets	55,208.8	0.0	0.0
Total	**86,766.2**	**124,473.2**	**88,236.4**

For existing financing arrangements, comprehensive pledges of assets and assignments of receivables are in place with the financial institutions. Furthermore, W.E.B Wind Energy Group has committed itself to meet certain financial key figures. Failure to meet these key figures could entitle the financial institutions to call the financing immediately due and payable in full. In the reporting period the contractually specified key financial figures were met. The effects of fluctuations in operative cash flows (e.g. fluctuations in revenues from electricity sale due to changing wind situations) are minimized by active liquidity management.

The investment decisions are made in consideration of the current liquidity situation as well as the future liquidity outlook. The contracted commitments for tangible assets amounted to 19,698.1 TEUR at balance sheet date. In essence, these purchase commitments concern provisional blanket orders for wind power plants from the manufacturer Vestas which would only come due in the event that projects were implemented.

Market Risks

W.E.B Wind Energy Group is subject to market risk, interest rate risk and exchange rate risk with respect to its financial assets, liabilities and planned transactions. The objective of financial risk management is to limit these market risks through ongoing operational and finance-oriented activities. Selected derivative and non-derivative hedging instruments are used depending on the assessment of risk. In principle, only those risks are insured that could have effects on the corporate group's cash flow. Derivative financial instruments are used exclusively as instruments of securitization and not for trading or other speculative purposes.

A list of the derivative financial instruments is found under (15) Derivative Financial Instruments.

Interest Rate Risk

W.E.B Wind Energy Group considers fluctuations in the interest rate as a significant cash flow risk.

As of 12/31/2014, the share of financial obligations subject to variable interest rates (taking into consideration concluded interest rate swaps) for which W.E.B Wind Energy Group bears interest rate risk was 27.9%. An increase of 1 percentage point in interest would have reduced the annual result by 567.3 TEUR p.a. before income taxes (previous year: 716.0 TEUR p.a.) with the credit portfolio as it was on balance sheet date. In terms of existing financial obligations that are subject to fixed interest rates, there is a fair-value risk in the conventional scope.

The above scenario analysis assumes that all other factors remain unchanged.

As of 12/31/2014, interest rate swaps at a nominal amount of 61,322.4 TEUR were concluded. In this matter, fixed for floating agreements were made. These interest rate swaps are designated as cash flow hedges pursuant to IAS 39. A detailed presentation of the derivative financial obligations including fair values can be found in the table under (15) Derivative Financial Instruments. The average residual period is 9.1 years (previous year: 7.0 years). Interest rate changes affect the valuation of interest rate swaps and their recognition in equity capital. An increase of 1 percentage point in interest would have affected the fair values of interest rate swaps in favor of W.E.B, resulting in a lower value reported in Other Financial Result.

Currency Risk

Currency risks arise with financial instruments that are valued in a currency other than the functional currency of the specific group company.

The currency risks of W.E.B Wind Energy Group result from investments and operative activities in non-Euro countries. W.E.B Wind Energy Group currently owns investment and operative activities in the Czech Republic and Canada. These investments were partially financed through equity but primarily through financing loans in the respective national currency.

There are no collaterals for the equity financing share. The essential equity risk related to Canada amounts to 7,622.2 TEUR. The resulting conversion differences are recorded in equity. In the fiscal year 2014, they amounted to -181.9 TEUR for subsidiaries in the Czech Republic and -160.8 TEUR for subsidiaries in Canada.

Foreign currency financial obligations are composed as follows at balance sheet date:

Financial obligations	12/31/2014	12/31/2013
TEUR		
Bank loan CHF	349.6	411.1
Bank loan CAD	43,689.8	0.0
Loan WEB AG – WEB NA CAD	9,781.6	9,669.5
Bank loan CZK	5,549.0	6,159.6

Starting in fiscal year 2011, investments have been made in Canada within the scope of project development and construction works. In this respect, project financing has been taken out in Canadian Dollar in the reporting period. As such financing corresponds to a financial instrument in the functional currency of WEB Wind Energy North America Inc., no significant currency risk arises. In addition, there is a EUR loan at the amount of 9,781.6 TEUR (previous year: 9,669.5 TEUR) granted by the parent company WEB Windenergie AG. As this transaction corresponds to a financial instrument in a currency other than the functional currency of WEB Wind Energy North America Inc., a currency risk arises. This risk resulted in a profit/loss of 384.3 TEUR (previous year: -354.6 TEUR) in the fiscal year.

In the context of operative activities, the billing was performed in the functional currency of the respective group company. Receivables and liabilities from goods and services exist mainly in the functional currency of the respective group company.

Foreign currency financial obligations were composed as follows at the respective balance sheet date:

Financial obligations	12/31/2014	12/31/2013
In thousands of units		
Amount in reporting currency	59,370.0	16,240.2
thereof		
CHF	424.2	504.6
CAD	61,441.0	0.0
CAD loan WEB AG – WEB NA	13,755.9	14,186.1
CZK	154,140.7	168,464.4

An increase or decrease in value of the respective functional currency compared to the following major currencies by 10% would have affected the profit before tax and equity as follows:

2014	10% appreciation	10% depreciation
TEUR	result	result
CHF	-38.8	31.8
Total	**-38.8**	**31.8**
2013	**10% appreciation**	**10% depreciation**
TEUR	result	result
CHF	-45.7	37.4
Total	**-45.7**	**37.4**

2014	10% appreciation	10% depreciation
TCAD	result	result
EUR	-1,528.4	1,250.5
Total	**-1,528.4**	**1,250.5**
2013	**10% appreciation**	**10% depreciation**
TCAD	result	result
EUR	-1,576.2	1,289.6
Total	**-1,576.2**	**1,289.6**

Credit Risk

W.E.B Wind Energy Group is exposed to default risk in its operative business and in certain investment and financing activities. In the investment and financing area transactions are, to the extent possible, concluded with counterparties of impeccable creditworthiness.

The maximum risk of loss corresponds to the book value of the financial asset as well as the liabilities mentioned in Chapter 6, since there are no other agreements such as offsetting agreements.

The risk of loss of receivables is limited by the fact that the biggest portion of revenue is generated with state or state-affiliated organizations. The risk of loss of receivables that exists nevertheless is dealt with by means of single value corrections and lump-sum single value corrections. The credit risk from receivables is low since they are predominantly short-term and based on multi-year business relationships. As of 12/31/2014, the maximum default risk in connection with receivables from goods and services was 8,116.7 TEUR (previous year: 7,241.7 TEUR) and total for all receivables and loans etc. 18,706.8 TEUR (previous year: 10,748.8 TEUR).

8 Other Disclosures

8.1 Notes on Cash Flow Statement

The composition of cash and cash equivalents can be found in Note (10) Cash and cash equivalents.

Interest inflows are classified as part of investment activities and interest outflows are classified as financing activities.

Payments of income taxes amounted to 2,129.0 TEUR (previous year: 1,286.2 TEUR) and largely stem from operative activities.

8.2 Objectives of Capital Management

The objectives of capital management are securing the continuation of business and the continued expansion of renewable power generation in Europe and Canada on the one hand and an adequate return on equity on the other and. The aim is to achieve a long-term return on equity of between 7% and 10%. To hedge against business risks while simultaneously ensuring an optimal use of the available equity capital, an equity ratio of 20% to 30% is set as a long-term goal. In 2014, it was possible to achieve a return on equity of 7.55% (previous year: 7.21%) at an equity ratio of 25.79% (previous year: 27.42%).

In the reporting period, a dividend payout of 3,461.4 TEUR (previous year: 3,461.4 TEUR) was realized – this corresponds to a dividend of EUR 12.00 (previous year: 12.00 EUR) per share. In the long run, significant portions of the consolidated net income are planned to be distributed as dividends.

In 2015, the distribution of a dividend for 2014 at the amount of EUR 15.00 per share is planned. This corresponds to around 60% of the consolidated net income.

8.3 Business Relations to related Companies and Individuals

Included in the related companies and persons (related parties) for W.E.B Wind Energy Group are all non-consolidated affiliated and associated companies and joint ventures. Furthermore the Board of Directors and members of the Supervisory Board and their close family members are considered in the related companies and persons.

A list of companies in the corporate group company is included in Appendix 1, Corporate Group Companies.

In the reporting year and the previous year, there were no significant business transactions with non-consolidated subsidiaries.

With the participation in SASU Energie Verte Plaine d'Artois as recorded in the balance sheet according to the equity method, a loan contract was concluded in 2012 at usual market conditions. This loan was repaid in full in the reporting year. No interest income (previous year: 71.1 TEUR) was recorded – as of 12/31/2014, there were no open receivables (previous year: 101.1 TEUR).

With the participation in Tauernwind Windkraftanlagen GmbH as reported in the balance sheet according to the equity method, there was a long-term loan contract in place in the fiscal year that had been concluded in October 2011. This loan was repaid at the end of November 2013.

There were business management contracts with investments in Sternwind Errichtungs- und Betriebs GmbH and Sternwind Errichtungs- und Betriebs GmbH & Co KG, both as reported on the balance sheet according to the equity method. They were concluded at the usual market conditions. In the reporting year, revenues at the amount of 29.2 TEUR (previous year: 18.8 TEUR) were recorded – as of 12/31/2014, there were open receivables of 352.4 TEUR (previous year: 349.9 TEUR).

There is a consulting arrangement with the law office Sattler und Schanda, in which a member of W.E.B's Supervisory Board, Dr. Reinhard Schanda, is a partner. Dr. Angela Heffermann, an attorney employed in the firm, is responsible for handling the legal consulting. In its meeting held on 06/26/2009, the supervisory board approved continuation of the consulting arrangement. In the reporting year, expenses at the amount of 40.5 TEUR (previous year: 88.6 TEUR) were recorded – as of 12/31/2014, there were no open claims from the law office Sattler und Schanda (previous year: 0.0 TEUR).

A hire-purchase agreement with a company whose shareholders are close relatives of the members of the Board of Directors and executive management has been in place for the wind power plant located in Vielau, Germany since 2008. The contract was concluded at usual market conditions. In the reporting year, revenues

of 5.4 TEUR (previous year: 7.2 TEUR) were recorded – as of 12/31/2014, there were open receivables of 104.1 TEUR (previous year: 211.2 TEUR).

In the reporting period, expenses amounting to 8.5 TEUR (previous year: 0.0 TEUR) and revenues of 1.3 TEUR (previous year: 0.0 TEUR) from a company whose co-owner is a member of the Board of Directors were recorded for renting electric vehicles as well as other services. As of 31/12/2104, there were open receivables of 0.8 TEUR (previous year: 0.0 TEUR).

With a company whose partner is a board member of an affiliated company in Canada, there are contracts for construction services for project implementation in Canada. The contract was concluded at usual market conditions. In the reporting period, payments amounting to 3,578.0 TEUR (previous year: 682.0 TEUR) were made – as of 12/31/2014, there were open receivables of 250.1 TEUR (previous year: 70.5 TEUR).

In the reporting period, payments amounting to 720.8 TEUR (previous year: 1,055.8 TEUR) were made to a minority shareholder for administration, payroll accounting and other expenses in connection with project development in Canada – as of 12/31/2014, there were open receivables of 79.2 TEUR (previous year: 0.0 TEUR).

Furthermore, payments amounting to 97.7 TEUR (previous year: 87.4 TEUR) were made to a company whose partner is a member of the board of directors in an affiliated company in Canada. The payments were directly related to project implementation in Canada – as of 12/31/2014, there were no open receivables (previous year: 0.0 TEUR).

In the reporting period, payments amounting to 224.5 TEUR (previous year: 0.0 TEUR) were made to a company whose partner is a member of the board of directors in an affiliated company in Canada. The payments were directly related to grid infrastructure for projects in Canada – as of 12/31/2014, there were open receivables of 14.6 TEUR (previous year: 0.0 TEUR).

A contract exists with the Supervisory Board member Martin Zimmermann for the construction and maintenance of fallow land in the context of wind power plants in Austria. In the reporting period, expenses of 8.6 TEUR (previous year: 3.3 TEUR) were recognized – as of 12/31/2014, there were no open claims (previous year: 0.0 TEUR).

In the fiscal year, three close family members of Board of Directors members were employed. Their total remuneration amounted to 130.7 TEUR (previous year 123.5 TEUR), which is in line with usual market conditions.

Executive Body

a) Board of Directors

In the fiscal year 2014, the Board of Directors consisted of the following members:

- **Andreas Dangl**, born 11/02/1962, Chair of the Board of Directors since 07/06/1999, collective representation
- **DI Dr. Michael Trcka**, born 11/10/1970, CFO since 05/01/2009, collective representation
- **Dr. Frank Dumeier**, born 03/29/1962, COO since 04/01/2010, collective representation

b) Supervisory Board

In the fiscal year 2014, the Supervisory Board consisted of the following members:

- **Mag. Josef Schweighofer**, born 08/26/1964, Member of the Supervisory Board since 07/05/2002, Chair of the Supervisory Board since 01/17/2009, holding that function until the shareholders' meeting in 2016
- **Dr. Reinhard Schanda**, born 01/16/1965, Member of the Supervisory Board since 06/19/2009, Deputy Chair of the Supervisory Board since 06/17/2011, holding that function until the shareholders' meeting in 2014
- **DI (FH) Stefan Bauer**, born 09/20/1977, Member of the Supervisory Board since 05/01/2005, holding that function until the shareholders' meeting in 2016
- **Martin Zimmermann**, born 12/23/1968, Member of the Supervisory Board since 06/17/2011, holding that function until the shareholders' meeting in 2016.

c) Authorized Signatory

Claudia Redl, born 02/01/1983, was appointed as authorized signatory on 09/15/2008. She represents the company with a member of the Board of Directors.

Officer Remuneration

The members of the Board of Directors received compensation in total at the amount of 678.5 TEUR (previous year: 677.9 TEUR) in 2014. Thereof, 226.5 TEUR were variable components relating to the corporate result of 2013 (previous year: 263.8 TEUR relating to the corporate result 2012). Criteria for the performance-related components (variable remuneration) were the number of installed MW in the respective fiscal year as well as reaching or exceeding a predefined return on equity. Ceilings for variable remuneration will be in force starting 2015. No compensation was paid to former members of the Board of Directors in the fiscal year (previous year: 0.0 TEUR).

No advance payments were granted to legal representatives of the company in 2014 (previous year: 0.0 TEUR).

There are contribution-driven pension commitments to the legal representatives. In the fiscal year, contributions of 38.0 TEUR (previous year: 30.0 TEUR) were paid into the pension fund. There are no other benefit plans.

In the reporting period, payments to the Supervisory Board amounted to 87.0 TEUR (previous year: 87.0 TEUR).

EUR	
Josef Schweighofer	25,000.00
Reinhard Schanda	22,000.00
Stefan Bauer	20,000.00
Martin Zimmermann	20,000.00
	87,000.00

W.E.B has concluded a directors' and officers' liability insurance policy (D&O-insurance) which covers certain personal liability risks of responsible persons acting for W.E.B and its subsidiaries. The costs (13.0 TEUR) are borne by the company.

9 Events after the Balance Sheet Date

On 14 January 2015, three 2 MW Vestas V100 wind power plants were commissioned in Martock Ridge in the province of Nova Scotia, Canada. Therefore, WEB Windenergie AG is now operating 201 power plants (188 of which are wind power plants).

At the end of January 2015, a purchasing and service contract for the project Les Gourlus was concluded with plant manufacturer Siemens in France. In the French Champagne near Faux-Vesigneul, the largest wind farm in W.E.B history with almost 40 MW will be built in 2015 and 2016. It is first time that Siemens supplies W.E.B with 12 power plants.
The investment volume for the plants amounts to more than 35 MEUR. The state-of-the-art gearless turbines are manufactured with direct drive generators and produce up to 3.2 MW each.
Construction will begin in summer 2015 with foundations laid by winter. Plant constructions will commence in March 2016, resulting in an expected commissioning in the third quarter of 2016.

In mid-February 2015, four 2 MW Vestas V100 wind power plants were connected to the grid at North Beaver Bank in the province of Nova Scotia, Canada – the largest W.E.B wind farm in Canada so far. The wind farm North Beaver Bank is expected to become one of the most profitable of W.E.B because of the excellent wind situation in Canada as well as of the rather moderate development expenses for Canadian conditions.
In early March 2015, two more Vestas V100 power plants were commissioned in Canada – Isle Madame and Black Pond expand the W.E.B portfolio by 4 MW at highly promising wind locations.

Therefore, the power plants for which the preparatory work had already been carried out in 2014 could be connected to the grid in the first months of 2015. The projects were realized in relatively short periods of time – which is another result and indication of the excellent collaboration with local project partners.

The subsidiary ELLA AG started increasing its capital in January 2015 and concluded the process within one week due to the high demand. A total capital of 249.9 TEUR was attracted, thus increasing the registered capital to 754.9 TEUR.

In mid-March 2015, two photovoltaic power plants on the roof of a company at Brunn am Gebirge, Austria, were connected to the grid with an installed capacity of 350 kWp.

There are no other significant events to report after the balance sheet date.

The present Corporate Group Financial Statements were approved by the Board of Directors on 04/15/2015.

The individual financial statements of the parent company, which after reconciliation with the International Financial Reporting Standards were also included in the Corporate Group Financial Statement, were presented to the Supervisory Board for review on 04/15/2015. The Supervisory Board may approve the annual financial statements or delegate their approval to the shareholders' meeting.

Pfaffenschlag, 15 April 2015

Chairman of the Board of Directors
Andreas Dangl

Finance Director
DI Dr. Michael Trcka

Technical Director
Dr. Frank Dumeier

Appendix 1

Corporate Group Companies

Information on affiliated companies according to Sect. 238 (2) Austrian Commercial Code (UGB)

Company	HQ	Country	Consolidation type	Stake	Balance sheet date	Equity TEUR	Annual surplus/ deficit TEUR	Foreign currency equity	Foreign currency annual surplus/ deficit	Exchange rate
WEB Windenergie AG	Pfaffenschlag	Austria	FC		12/31/2014	64,823	4,140			
WEB Windenergie Betriebsgesellschaft Deutschland GmbH	Leer	Germany	FC	100%	12/31/2014	14,936	1,354			
WEB Windenergie Loickenzin GmbH	Tützpatz	Germany	FC	100%	12/31/2014	23	-1			
WEB Energie du Vent SAS	Lezennes	France	FC	100%	12/31/2014	-4,869	210			
Parc eolien de Champigneul Pocancy SAS	Paris	France	FC	100%	12/31/2014	-11	-21			
WEB Větrná Energie s.r.o.	Brno	Czech Republic	FC	100%	12/31/2014	2,042	362	56,628,717 CZK	10,048,985 CZK	27.735
Friendly Energy s.r.o.	Brno	Czech Republic	FC	100%	12/31/2014	124	60	3,437,648 CZK	1,655,610 CZK	27.735
WEB Italia Energie Rinnovabili s.r.l.	Bozen	Italy	FC	100%	12/31/2014	1,820	308			
WEB Wind Energy North America Inc.	Ontario	Canada	FC	100%	12/31/2014	13,595	53	19,118,076 CAD	74,797 CAD	1.406
ELLA AG	Pfaffenschlag	Austria	FC	99%	12/31/2014	346	-166			
Les Gourlus Holding SAS	Paris	France	FC	100%	12/31/2014	-31	-41			
Parc eloién des Portes du Cambresis	Paris	France	FC	100%	12/31/2014	4	-6			
Regenerative Energy Bulgaria EOOD	Sofia	Bulgaria	NC	100%	12/31/2014	-62	-12	-121,749 BGN	-24,244 BGN	1.956
WEB USA Inc.	Delaware	USA	NC	100%	12/31/2014	Currently set up				
Tauernwind Windkraftanlagen GmbH	Pottenbrunn	Austria	EQ	20%	12/31/2014	1,694	370			
Sternwind Errichtungs- und BetriebsgmbH	Bad Leonfelden	Austria	EQ	49%	12/31/2014	730	127			
Sternwind Errichtungs- und BetriebsgmbH & Co KG	Vorderweißenbach	Austria	EQ	49%	12/31/2014	2,415	192			
WEB Windenergie Betriebs GmbH	Pfaffenschlag	Austria	NC	100%	12/31/2014	29	-2			
Società di gestione impianti fotovoltaici	Montenero	Italy	NC	100%	12/31/2014	14	3			
WP France 4 SAS	Puteaux	France	FC	100%	12/31/2014	-65	-62			
WEB Windenergie Loickenzin Betriebsgesellschaft GmbH & Co KG	Tützpatz	Germany	FC	100%	12/31/2014	181	-9			
WEB Wind Energy Development Inc.	Ontario	Canada	FC	100%	12/31/2014[1]					
WEB Duart North Community Wind Farm GP Corp. (+ Limited Partnership Contract)	Ontario	Canada	FC	100%	12/31/2014[1]					

Company	HQ	Country	Consolidation type	Stake	Balance sheet date	Equity	Annual surplus/ deficit	Foreign currency equity	Foreign currency annual surplus/ deficit	Exchange rate
						TEUR	TEUR			
Scotian Web Inc. (+ Limited Partnership Contract)	New Brunswick	Canada	FC	55%	12/31/2014[1]					
SWEB Development Inc. (+ Limited Partnership Contract)	New Brunswick	Canada	FC	51%	12/31/2014[1]					
WEB Wheatley Community Wind Farm GP Corp. (+ Limited Partnership Contract)	Ontario	Canada	FC	100%	12/31/2014[1]					
WEB Duart South Community Wind Farm GP Corp. (+ Limited Partnership Contract)	Ontario	Canada	FC	100%	12/31/2014[1]					
WEB Wallaceburg Community Wind Farm GP Corp. (+ Limited Partnership Contract)	Ontario	Canada	FC	100%	12/31/2014[1]					
WEB Centralia Community Wind Farm GP Corp. (+ Limited Partnership Contract)	Ontario	Canada	FC	100%	12/31/2014[1]					
WEB Zurich Community Wind Farm GP Corp. (+ Limited Partnership Contract)	Ontario	Canada	FC	100%	12/31/2014[1]					
WEB Constance Community Windfarm GP Corp. (+ Limited Partnership Contract)	Toronto	Canada	FC	100%	12/31/2014[1]					
SASU Energie Verte Plaine d'Artois	Lille	France	EQ	33%	12/31/2014	698	49			
Société d'Electricité du Nord SARL	Lille	France	FC	100%	12/31/2014	-220	103			

FC ... Full consolidation; EQ ... Equity-Valuation; NC ... Not consolidated

[1] Included in the numbers for WEB Wind Energy North America Inc.

Appendix 2

Financial Information on Associated Companies

Company	HQ	Country	Consolidation type	Stake	Balance sheet date	Total				pro rata			
						Asset value	Liabilities	Revenues	Annual surplus / deficit	Asset value	Liabilities	Revenues	Annual surplus / deficit
						TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
Tauernwind Windkraftanlagen GmbH	Pottenbrunn	Austria	EQ	20%	12/ 31/2014	8,863	7,169	2,453	370	1,773	1,434	491	74
Long-term assets / liabilities						8,219	5,949			1,644	1,190		
Short-term assets / liabilities						664	1,219			129	244		
Sternwind Errichtungs- und BetriebsgmbH	Bad Leonfelden	Austria	EQ	49%	12/ 31/2014	1,153	412	340	127	565	202	167	62
Long-term assets / liabilities						591	20			289	10		
Short-term assets / liabilities						562	392			275	192		
Sternwind Errichtungs- und BetriebsgmbH & Co KG	Vorderweißenbach	Austria	EQ	49%	12/ 31/2014	5,566	2,987	1,678	192	2,727	1,464	822	94
Long-term assets / liabilities						5,231	988			2,563	484		
Short-term assets / liabilities						335	1,999			164	979		
SASU Energie Verte Plaine d'Artois	Lille	France	EQ	33%	12/ 31/2014	3,563	2,745	437	49	1,187	915	146	16
Long-term assets / liabilities						3,420	120			1,140	40		
Short-term assets / liabilities						143	2,625			48	875		

FC ... Full consolidation; EQ ... Equity-Valuation; NC ... Not consolidated

Appendix 3

IFRS and IFRIC not relevant for W.E.B Wind Energy Group

1. IFRIC IFRS and IFRIC not yet applicable

The IASB has concluded other standards and interpretations that were accepted by the EU and published in the official register of European Union, but whose application was not yet mandatory in fiscal year 2014. The Company will not opt to make a voluntary early application.

Standard	Content	Coming into effect[1]
IAS 19	Amendment: Defined benefit plans – employee contributions	01/01/2016
IFRIC 21	Charges	01/01/2015
Various	Improvements of the IFRSs 2010–2012	01/01/2016
Various	Improvements of the IFRSs 2011–2013	01/01/2016

[1] The rules are to be applied in each case for the fiscal years that begin on or after the date of the entry into force corresponding to the respective EU ordinances.

The following standards and/or changes in standards and interpretations were concluded by the IASB but were **not yet accepted by the EU** at the time of compiling the corporate group financial statements:

Standard	Content	Coming into effect[1]
Revised Standards		
IAS 1	Amendments: Disclosure Initiative	01/01/2016
IAS 16 IAS 41	Amendments: Bearer Plants	01/01/2016
IAS 16 IAS 38	Amendments: Clarification of Acceptable Methods of Depreciation and Amortization	01/01/2016
IAS 27	Amendments: Equity Method in Separate Financial Statements	01/01/2016
IFRS 9	Financial Instruments	01/01/2018
IFRS 10 IAS 28	Amendments: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	01/01/2016
IFRS 10 IFRS 12 IAS 28	Amendments: Investment Entities: Applying the Consolidation Exception	01/01/2016
IFRS 11	Amendments: Acquisitions of Interests in Joint Operations	01/01/2016
IFRS 14	Regulatory Deferral Accounts	01/01/2016
IFRS 15	Revenue from Contracts with Customers	01/01/2017
Various	Improvements of the IFRSs 2012–2014	01/01/2016

[1] The rules are to be applied in each case for the fiscal years that begin on or after the date of the entry into force corresponding to the respective EU ordinances.

The impact of the future application of the above standards and interpretations on the financial statements of W.E.B cannot be estimated in advance.

Auditor's Report

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of

WEB Windenergie AG,
Pfaffenschlag,

for the **fiscal year from 1 January 2014 to 31 December 2014**. These Consolidated Financial Statements comprise the Consolidated Balance Sheet as of 31 December 2014, the Consolidated Income Statement/Consolidated Statement of Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the fiscal year ended 31 December 2014, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements and the Accounting System

The Company's management is responsible for the group accounting system and for the preparation and fair presentation of these Consolidated Financial Statements in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the EU and the additional requirements of Section 245a UGB (Austrian Commercial Code). This responsibility includes the design, implementation and maintenance of an internal control system, to the extent that this is important for the preparation of the consolidated statements and the negotiation of as true a picture as possible of the Group's net assets, financial position and profit situation so that these consolidated statements are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility and Description of Type and Scope of the Statutory Audit

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the laws and regulations applicable in Austria as well as the International Standards on Auditing (ISAs) as issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). These standards require that we comply with professional guidelines and plan and perform the audit in such a manner that we can judge with a sufficient degree of certainty whether the Consolidated Financial Statements are free from material misstatements.

An audit includes the execution of audit procedures to obtain audit evidence on the amounts and disclosures in the Consolidated Financial Statements. The choice of audit procedures depends on the auditor's judgment, including an assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the Consolidated Financial Statements

in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. The audit also includes our evaluation of the adequacy of the accounting principles and valuation methods applied and the material estimates made by the management well as an assessment of the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonably sound basis for our audit opinion.

Audit Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the Consolidated Financial Statements comply with legal requirements and give an accurate view of the net assets and financial position of the Group as of 31 December 2014, as well as the results of operations and cash flow for the fiscal year from 1 January 2014 to 31 December 2014 in accordance with International Financial Reporting Standards (IFRSs) as applicable in the EU.

Report on the Group Management Report

In accordance with statutory provisions, the Group Management Report is to be audited as to whether it is consistent with the Consolidated Financial Statements and as to whether other disclosures are not misleading with respect to the situation of the Group. The Auditor's Report must also contain a statement as to whether the Group Management Report is consistent with the Consolidated Financial Statements.

It is our opinion that the Group Management Report is consistent with the Consolidated Financial Statements.

Mödling, 15 April 2015

KPMG Niederösterreich GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Mag. Helmut Kerschbaumer	Mag. Johann Mlcoch
Wirtschaftsprüfer	Wirtschaftsprüfer

(Austrian Chartered Accountants)

The Consolidated Financial Statements together with our Auditor's Report may only be published or otherwise disclosed, if the Consolidated Financial Statements and the Management Report are identical to the audited version attached to this Report. The present Auditor's Report a translation of the original Report in German, which is solely valid. Section 281/ 2 UGB (Austrian Commercial Code) applies.

Report of the Supervisory Board

Compliant with Sect. 96 Austrian Stock Corporation Act (AktG)

Dear shareholders,

In the fiscal year 2014, the Supervisory Board consisted of four persons: Mag. Josef Schweighofer (Chair), Dr. Reinhard Schanda (Deputy Chair), and the members DI (FH) Stefan Bauer and Martin Zimmermann. The Supervisory Board responsible for the reporting period held a total of ten supervisory board meetings in 2014. In these meetings, it exercised the duties and responsibilities prescribed by law and the Articles of Association and also issued the required declarations of approval or rejection for certain transactions.

In its meetings and based on regular timely written and oral reports from the Board of Directors, the Supervisory Board discussed the operative business policy and profit situation as well as the future strategic direction of the company, including the major subsidiaries in the corporate group. The comprehensive reporting of the Board of Directors enabled the Supervisory Board to constantly monitor the management activities of the Board of Directors. The control was performed in the context of open and constructive discussions between the Board of Directors and the Supervisory Board and did not provide any grounds for complaints.

The supervisory board meetings were always attended by the entire board, meaning that all members of the W.E.B Supervisory Board were present at each of the meetings.

With the Chairman of the Board of Directors, Andreas Dangl, and the other board members DI Dr. Michael Trcka and Dr. Frank Dumeier, the Board of Directors was composed as in previous years and active throughout the entire year 2014. The management contract with the Chairman of the Board of Directors, Andreas Dangl, was extended to last until 31 December 2017 and with CFO Dr. Michael Trcka to last until 30 April 2019. In addition, the management contract with COO Dr. Frank Dumeier which was due to expire on 31 March 2015 was extended to last until 31 March 2020. Aside from such contract extensions, the members of the W.E.B Board of Directors were reappointed based on their respective functions.

The past fiscal year 2014 was characterized by below average wind conditions. Despite such uncontrollable, external factors, W.E.B was able to achieve satisfying results in 2014, primarily due to expansion operations in previous years and the company's management. While both productivity and efficiency of the new power plants positively contributed to the successful result, the management was able to make use of existing resources economically and more efficiently. In this context, it should be kept in mind that the general interest rate environment was another significant reason for partially balancing the weak wind conditions

and achieve a relatively positive result in the fiscal year 2014. The level of technical availability reached by operations management was excellent as well. Nevertheless, the overall availability of power plants was negatively affected by an over-average amount of grid shutdowns (due to, amongst other reasons, works for wind power expansion).

In early 2014, seven Vestas V90-2.0 MW wind turbines with a total capacity of 14 MW were commissioned at Matzen Klein-Harras, Austria. In addition, four Vestas V112-3.075 MW turbines with a total capacity of 12.3 MW were connected to the grid at Neuhof III, Austria. W.E.B also made great progress in terms of project development in Austria in the past fiscal year. In this context, preparations for constructing ten wind power plants with a total capacity of 28.6 MW have already commenced at three different locations (Parbasdorf II, Auersthal II and Spannberg II). Some will be connected to the grid in the course of this year, the remaining plants by mid-2016 at the latest. In cooperation with partners, W.E.B also intends to realize the third expansion stage in Sternwald: still in 2015, two wind power plants with a total capacity of 6 MW will be erected. W.E.B holds a 49% share in this project. In early 2015, two photovoltaic power plants with a total capacity of 700 kW_p were built and successfully connected to the grid in Brunn am Gebirge, Austria.

The OeMAG (Austrian Green Electricity Clearing & Settlement Company) subsidy program for wind power is already exhausted until 2017 and we expect that subsidy recipients that have already applied or will still apply in 2015 are going to consume the program's subsidy budget until 2020. In consequence, W.E.B will hardly or not at all be able to realize any further growth in Austria for the next few years after 2016, unless there are decisive changes in the regulatory framework. Aside from the projects mentioned above for which subsidized tariffs have already been approved, W.E.B will only be able to grow abroad.

With regard to foreign activities, it is worth mentioning that W.E.B was able to connect one Vestas V100-2.0 MW wind power plant at each of the three locations Saint Rose, Parker Mountain and Little River in the Canadian province Nova Scotia in early 2014. With a total capacity of 6 MW, the first construction phase was successfully completed in Nova Scotia. Furthermore, construction works for a total of eleven Vestas V100-2.0 MW plants commenced at five different locations (Martock Ridge, North Beaverbank, Black Pond, Isle Madame and Nine Mile River) in 2014. In early 2015, these wind power plants with a total capacity of 22 MW were gradually connected to the grid, thus successfully completing construction phase II as well. W.E.B is currently preparing for construction phase III: six wind power plants with a total capacity

of 11.7 MW will be constructed at four locations and connected to the grid by mid-2016. It needs to be mentioned that none of the power plants located in Nova Scotia are exclusively owned by the W.E.B Group but are operated together with a local citizen participation in which the North American subsidiary of W.E.B holds a share of slightly more than 50%.

With regard to the other activities in Canada, W.E.B will participate in a bidding process in Ontario in late summer 2015. This is the only way to receive subsidized tariffs in Ontario. Moreover, we need to mention that there was a management change in the Canadian subsidiary because the former CEO responsible for project development in Canada retired. In 2014, he was succeeded by a local Canadian with experience in the wind power industry. In cooperation with the managing director appointed by the Austrian parent company, he will be responsible for the North American subsidiary. Based on their highly promising first steps, the Supervisory Board is convinced that this team will be able to successfully master the future challenges of the Canadian wind energy market.

In Altentreptow, Germany (Altentreptow III), the three planned Vestas V90-2.0 MW wind turbines with a total capacity of 6 MW could already be connected to the grid in December 2014. Fortunately, this was about three months faster than anticipated. The German Renewable Energy Act (EEG) as amended by the German Bundestag in summer 2014 considers further growth to make sense. In consequence, an additional managing director was appointed for the German subsidiary of W.E.B to manage the company full-time and boost project development in Germany. Further projects include development steps towards repowering of the first and oldest German sites of W.E.B.

The team was expanded in France as well to accommodate for the relatively positive attitude of the French energy policy towards renewables and develop new projects. It is particularly worth mentioning that the Supervisory Board approved of acquiring the rights for a project near Reims called "Les Gourlus" in 2014. In the meantime, preparations for constructing the wind farm have already commenced and will result in a total of 12 wind power plants with a total capacity of 38.4 MW – the largest wind farm in W.E.B history – scheduled to be realized by the end of 2016. It should not go unmentioned that any project failure would have a significant negative effect on W.E.B due to already paid project expenses of about 11 MEUR. This is why both the Board of Directors and the Supervisory Board pay special attention to the successful implementation of this project.

The discussion of the topic of electric mobility and the erection of electric charging stations was already started in 2013. This development resulted in the foundation of ELLA AG in mid-2014 to focus the activities of the charging station market in this entity. Similar to WEB Windenergie AG, ELLA AG will be will be set up as a broad community participation society. A sum of EUR 500,000 was released by the Supervisory Board as seed capital. Going forward, it is intended that this company is to accomplish its further growth through capital increases and debt financing. The first capital increase was already successfully carried out and interested citizens acquired all issued shares. The Chairman of the Board, Andreas Dangl, was appointed by the ELLA AG Supervisory Board to manage the company. He will lead and accompany this new field of business that bears great potential particularly in terms of economic and environmental aspects. In late March 2015, the first annual general meeting of ELLA AG resulted in the decision to carry out another capital increase. In addition, further expansion steps were presented at this shareholders' meeting.

On 26 June 2014, the Supervisory Board approved of the issuance of bonds and so-called hybrid bonds from 1 to 26 September 2014 for the purpose of financing the equity part of the projects described earlier. The bonds have a term of five years at an interest rate of 3.5% p.a. This resulted in total inflows amounting to EUR 10,566,000.

At an interest rate of 6.5% p.a., the issued hybrid bonds resulted in total inflows of EUR 4,355,500. The final repayment and interest payment scheme is based on various parameters (particularly dividend distribution), though.

Moreover, the Supervisory Board approved the development and construction of a large component and spare parts storage depot as well as workshop at the Pfaffenschlag site. The new building is intended to feature 1,800 m² of space at construction costs of just below 2 MEUR. The warehouse for spare parts and components for all European W.E.B power plants is planned to be completed by early 2016. In addition, the new workshop will enable carrying out repairs and maintenance work for all W.E.B wind power plants in Europe. This means that the Waldviertel site will be significantly upgraded going hand in hand with the creation of additional jobs in Pfaffenschlag.

With regard to the strategic direction of interest rate policy, W.E.B will continue to follow the path chosen in the past which is to hedge loans with floating rates with interest rate derivatives. The current interest rate development is taken as an opportunity to enter into long-term interest rate hedges at favorable terms. This policy may lead to partly missing out on the benefits that are inherent to the current interest levels, however it actively counteracts potential increases in interest expenses due to adverse effects in the further development of interest rates. Currently, roughly 75% of interest-bearing liabilities of the corporate group of W.E.B are either subject to fixed interest (bonds) from the start, or hedged with interest rate derivatives in order to achieve a fixed level of interest rates.

The Board of Directors presented the Financial Statements of WEB Windenergie AG dated 31 December 2014 as well as the according Management Report to the Supervisory Board at the supervisory board meeting on 27 April 2015. The appointed auditor, KPMG Niederösterreich GmbH, Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, 2340 Mödling, audited the Financial Statements for the fiscal year 2014 along with the Management Report and issued an unqualified audit certificate. The Financial Statements were duly and extensively discussed in a joint meeting of the Board of Directors, the Supervisory Board and the financial auditor.

The Supervisory Board joined the result of this audit and approved the Annual Financial Statements dated 31 December 2014 that had been submitted by the Board of Directors, approved the attached Management Report of the Board of Directors, and agreed with the proposal for the appropriation of profits. Hereby the annual financial statements are determined to be compliant with Sect. 96 (4) Austrian Stock Corporation Act (AktG).

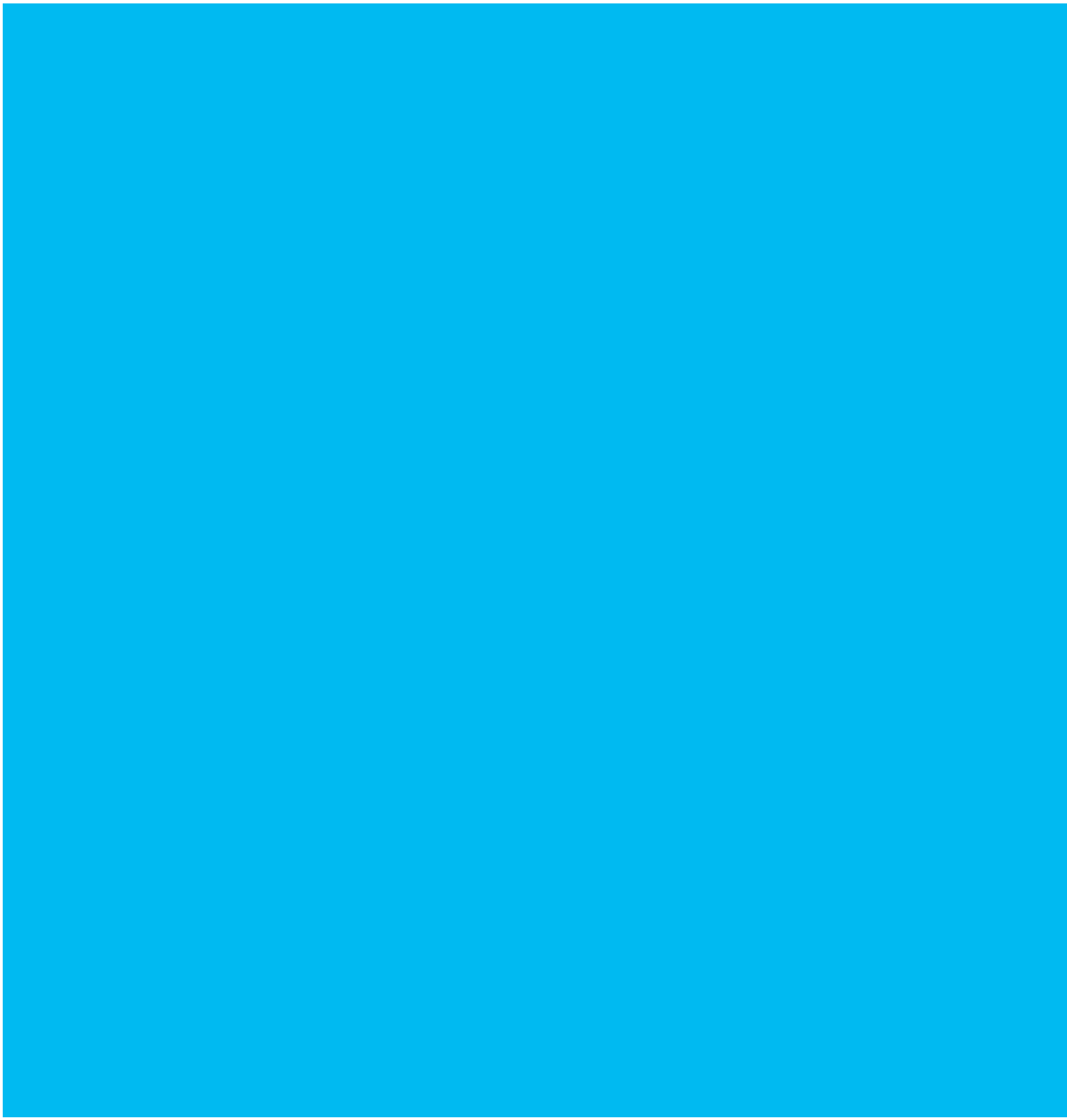
With respect to the appropriation of profits, the Supervisory Board approved the proposal of the Board of Directors to distribute EUR 4,326,795 (EUR 15 per share) of the total profit retained amounting to EUR 5,288,370.04 and forward the remaining profit of EUR 961,575.04 to the new account.

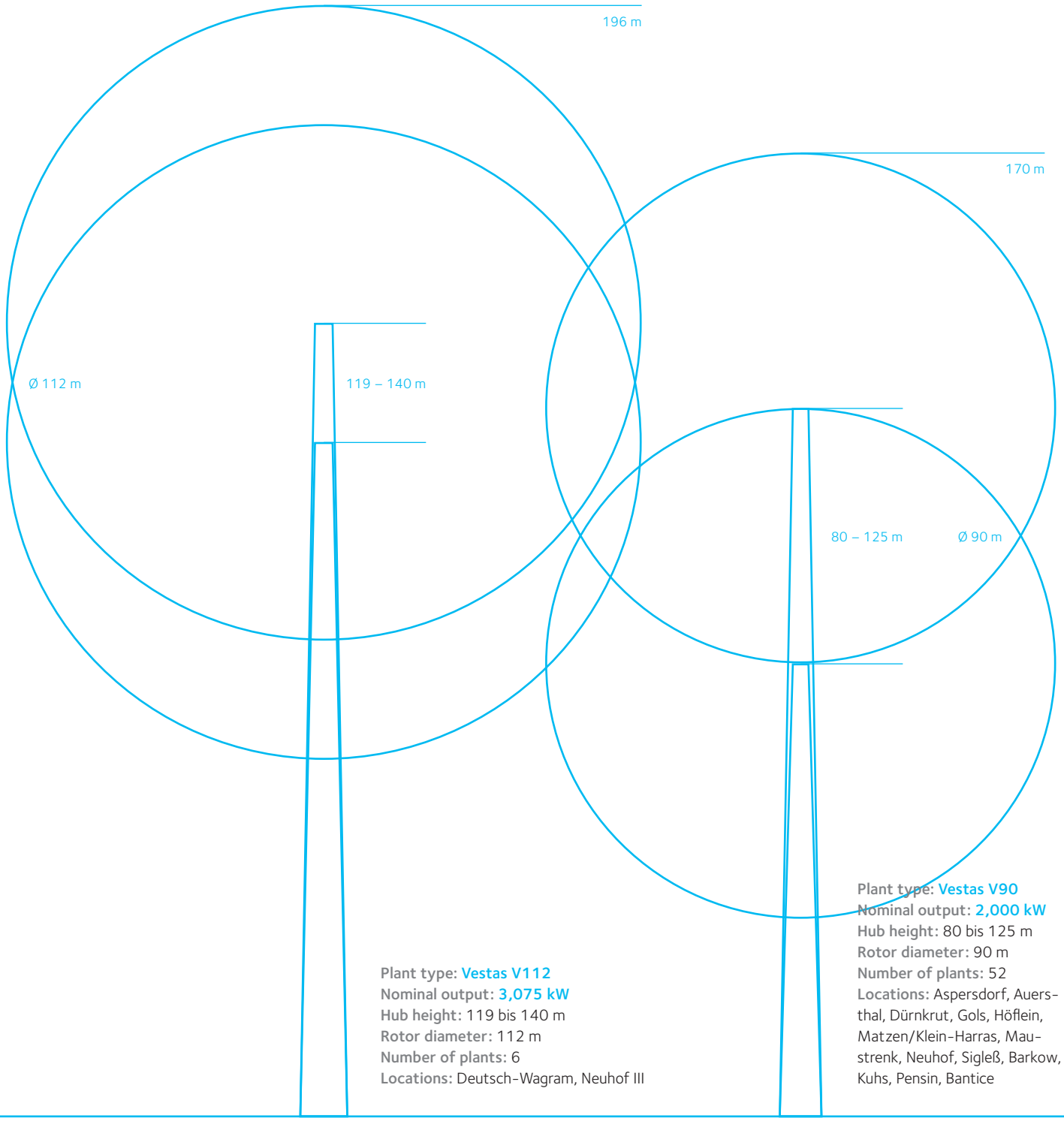
The Supervisory Board received the Consolidated Financial Statements of WEB Windenergie AG dated 31 December 2014 along with the Management Report from the Board of Directors. The appointed auditor, KPMG Niederösterreich GmbH, Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, 2340 Mödling, audited the Consolidated Financial Statements for the fiscal year 2014 along with the Corporate Group Management Report and issued an unqualified audit certificate. The Consolidated Financial Statements were duly and extensively discussed in a joint meeting of the Board of Directors, the Supervisory Board and the financial auditor. The Supervisory Board took notice of and approved the Consolidated Financial Statements as well as the Corporate Group Management Report.

In conclusion, the Supervisory Board would like to thank and express its appreciation for dedication and commitment of the Directors Andreas Dangl, DI Dr. Michael Trcka and Dr. Frank Dumeier, the employees, and all directors and employees of the corporate group subsidiaries in fiscal year 2014. We would also like to express our gratitude to our joint venture and business partners both at home and abroad as well as our bond and shareholders for their trust in us.

For the Supervisory Board

Josef Schweighofer
Chairman of the Supervisory Board
Pfaffenschlag, April 2015





Plant type: Vestas V112
Nominal output: 3,075 kW
Hub height: 119 bis 140 m
Rotor diameter: 112 m
Number of plants: 6
Locations: Deutsch-Wagram, Neuhof III

Vestas V112

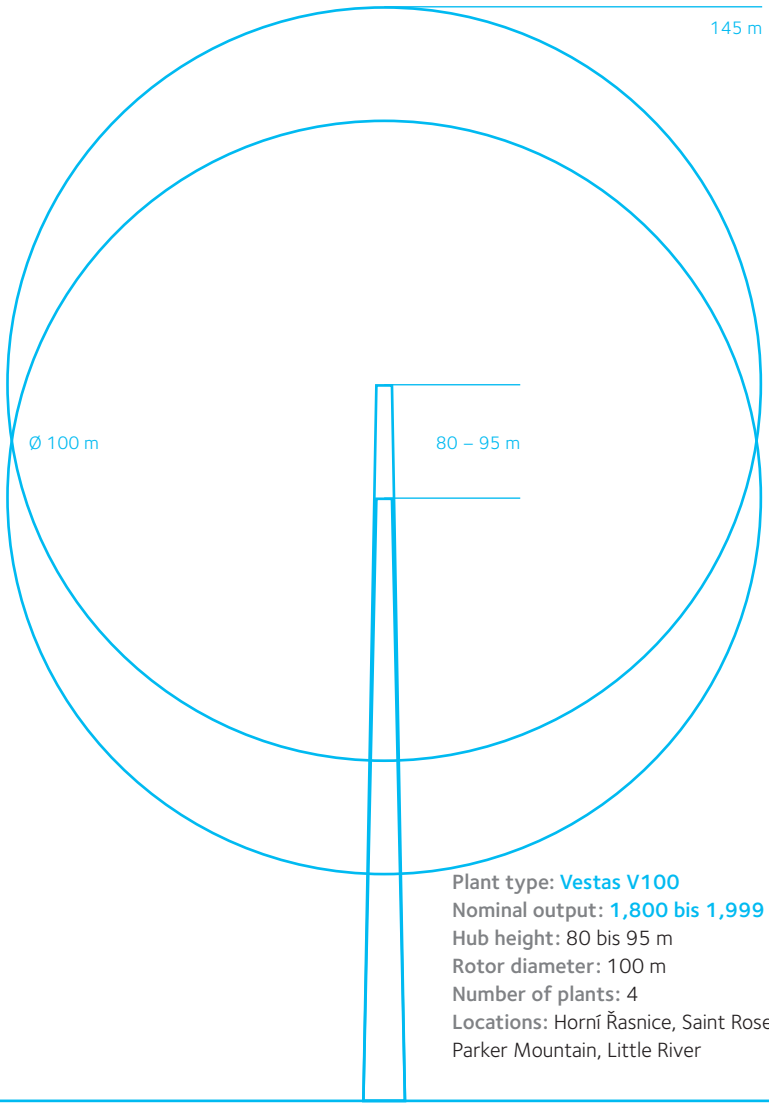
Plant type: Vestas V90
Nominal output: 2,000 kW
Hub height: 80 bis 125 m
Rotor diameter: 90 m
Number of plants: 52
Locations: Aspersdorf, Auersthal, Dürnkrut, Gols, Höflein, Matzen/Klein-Harras, Maustrenk, Neuhof, Sigleß, Barkow, Kuhs, Pensin, Bantice

Vestas V90

Wind Power Plants

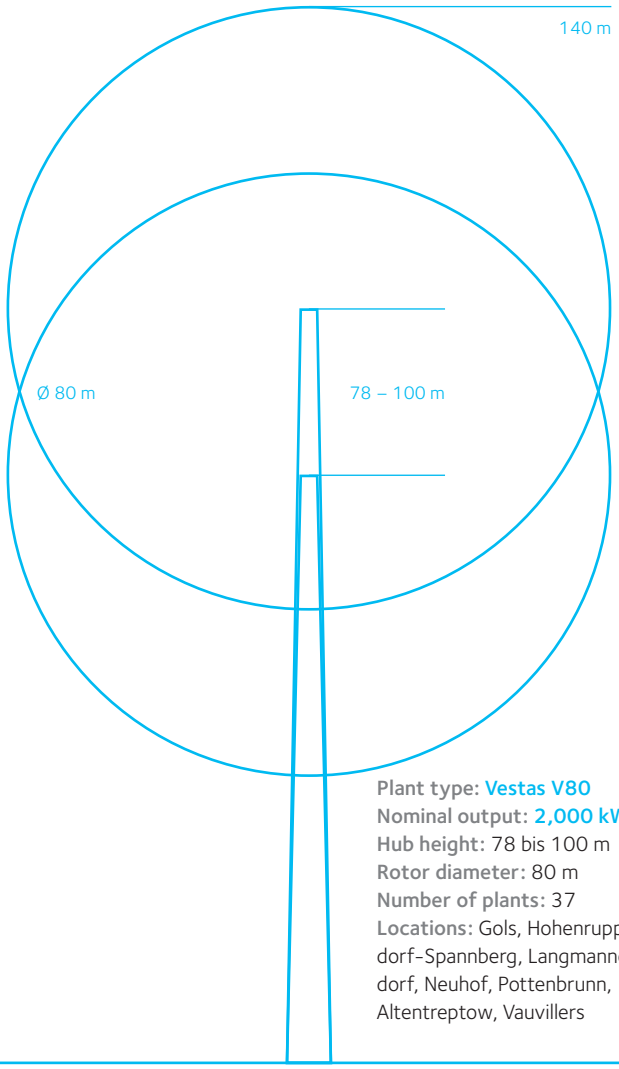
Types and Sizes – W.E.B-Wind Power Plants

Visit our website www.windenergie.at/Locations to find individual wind parks, background information and detailed technical details.



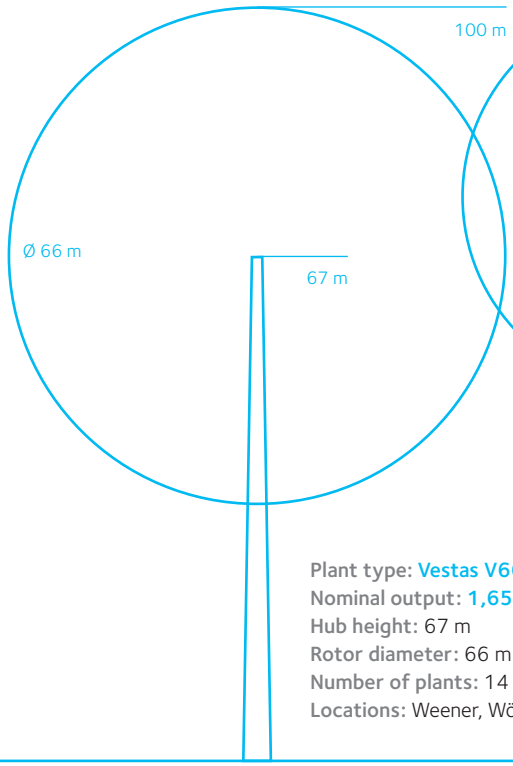
Plant type: Vestas V100
Nominal output: 1,800 bis 1,999 kW
Hub height: 80 bis 95 m
Rotor diameter: 100 m
Number of plants: 4
Locations: Horní Řasnice, Saint Rose, Parker Mountain, Little River

Vestas V100



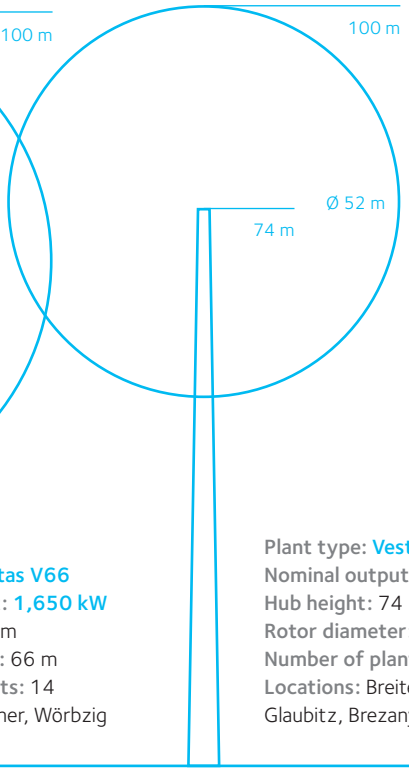
Plant type: Vestas V80
Nominal output: 2,000 kW
Hub height: 78 bis 100 m
Rotor diameter: 80 m
Number of plants: 37
Locations: Gols, Hohenruppersdorf-Spannberg, Langmannersdorf, Neuhof, Pottenbrunn, Altentreptow, Vauvillers

Vestas V80



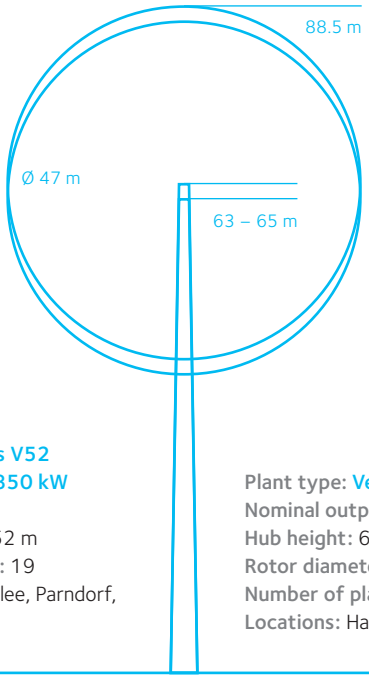
Plant type: **Vestas V66**
Nominal output: **1,650 kW**
Hub height: 67 m
Rotor diameter: 66 m
Number of plants: 14
Locations: Weener, Wörbzig

Vestas V66



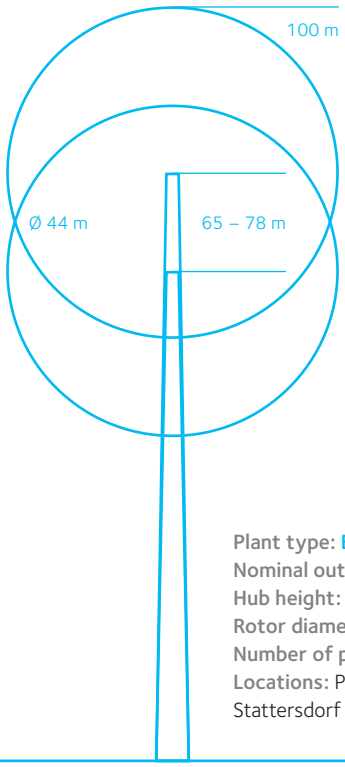
Plant type: **Vestas V52**
Nominal output: **850 kW**
Hub height: 74 m
Rotor diameter: 52 m
Number of plants: 19
Locations: Breitenlee, Parndorf, Glaubitz, Brezany

Vestas V52



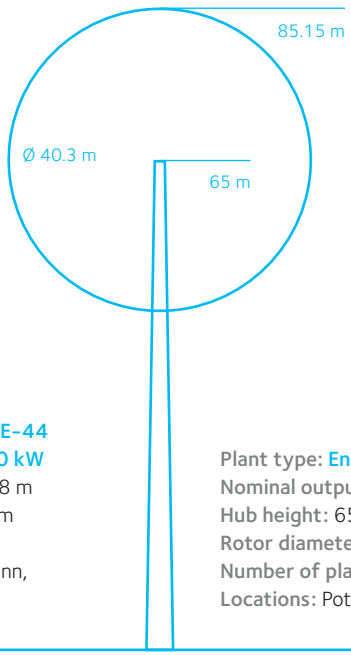
Plant type: **Vestas V47**
Nominal output: **600 kW**
Hub height: 63 bis 65 m
Rotor diameter: 47 m
Number of plants: 4
Locations: Hagenbrunn, Görmin

Vestas V47



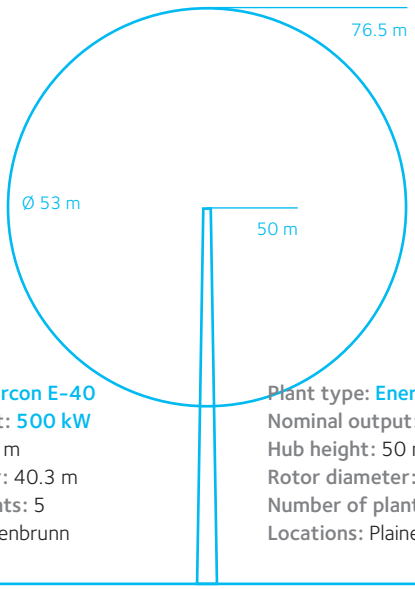
Plant type: **Enercon E-44**
Nominal output: **600 kW**
Hub height: 65 bis 78 m
Rotor diameter: 44 m
Number of plants: 6
Locations: Pottenbrunn, Stattersdorf

Enercon E-44



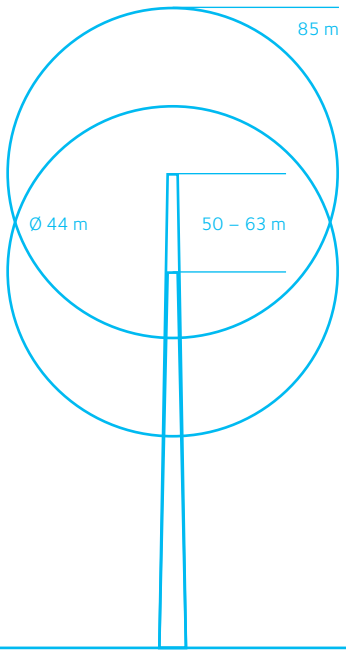
Plant type: **Enercon E-40**
Nominal output: **500 kW**
Hub height: 65 m
Rotor diameter: 40.3 m
Number of plants: 5
Locations: Pottenbrunn

Enercon E-40



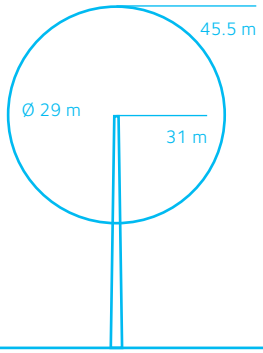
Plant type: **Enercon E-53**
Nominal output: **800 kW**
Hub height: 50 m
Rotor diameter: 53 m
Number of plants: 15
Locations: Plaine de l'Artois

Enercon E-53



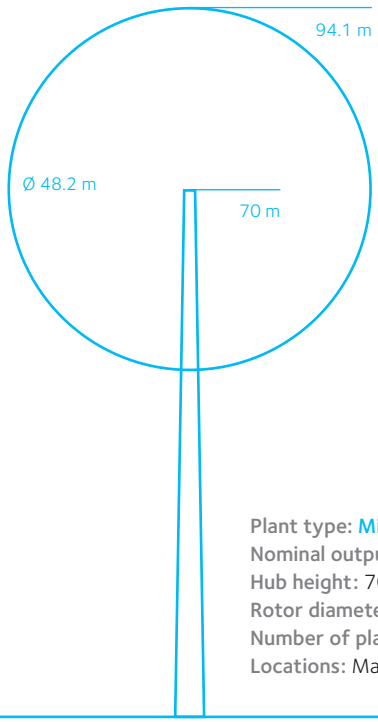
Vestas V44

Plant type: Vestas V44
Nominal output: 600 kW
Hub height: 50 bis 63 m
Rotor diameter: 44 m
Number of plants: 13
Locations: Grafenschlag, Hagenbrunn, Oberstrahlbach, Parbasdorf, Vösendorf, Upgant Schott Schöningh, Upgant Schott Arends



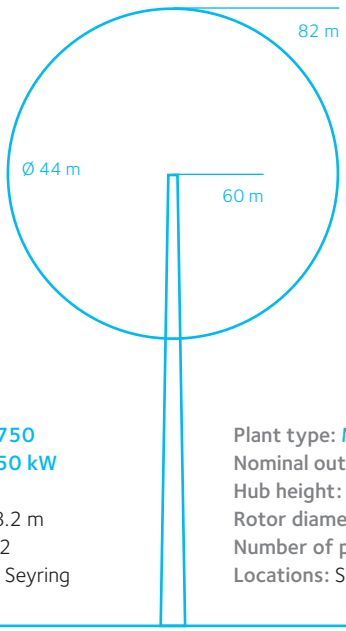
Vestas V29

Plant type: Vestas V29
Nominal output: 225 kW
Hub height: 31 m
Rotor diameter: 29 m
Number of plants: 1
Standort: Michelbach



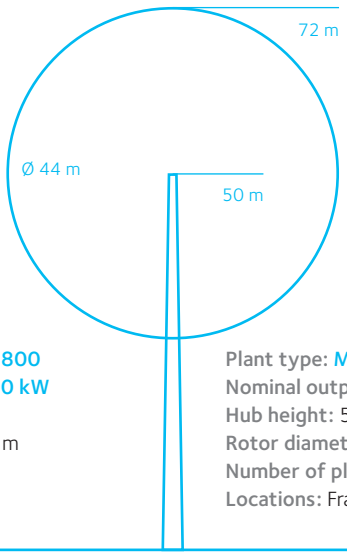
Micon 750

Plant type: Micon 750
Nominal output: 750 kW
Hub height: 70 m
Rotor diameter: 48.2 m
Number of plants: 2
Locations: Matzen, Seyring



Micon 1800

Plant type: Micon 1800
Nominal output: 600 kW
Hub height: 60 m
Rotor diameter: 44 m
Number of plants: 1
Locations: Seyring



Micon NM1500

Plant type: Micon NM1500
Nominal output: 600 kW
Hub height: 50 m
Rotor diameter: 44 m
Number of plants: 3
Locations: Francop

Imprint

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This business report was prepared with great care. Typesetting and typographical errors cannot, however, be excluded. There can also be mathematical differences in the numerical information owing to the use of electronic calculating aids. This business report also contains inferences and suppositions concerning future events. They were made on the basis of all currently available information. We point out that the actual facts and results can diverge from the expectations stated in this report owing to the a very wide variety of factors. In this context, we also point out the reference to foreseeable developments as well as risks and uncertainties in the situation report starting on page 80. Translation errors cannot be excluded, too. Any personal formulations are to be understood as gender-neutral.

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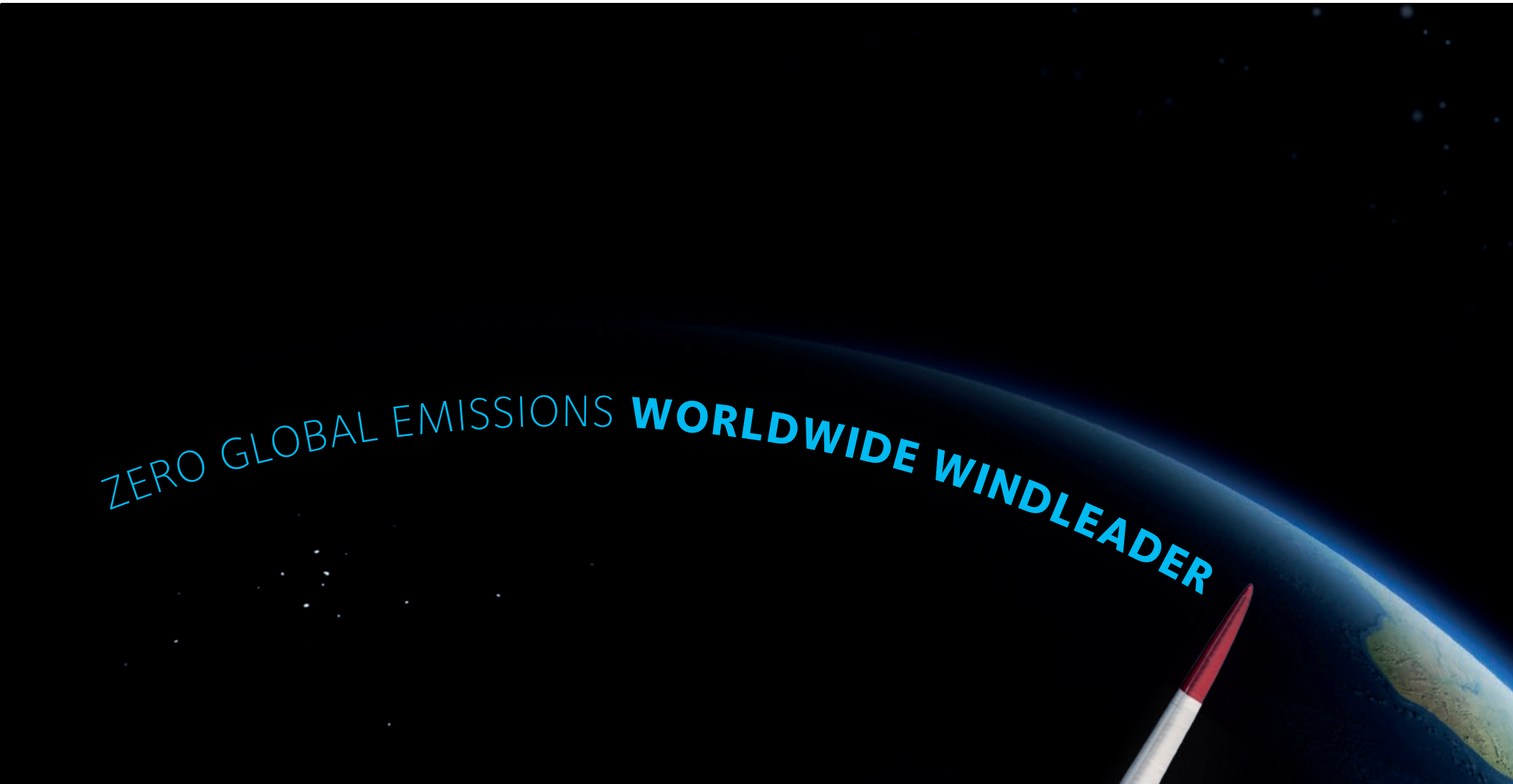
ZERO GLOBAL EMISSIONS WORLDWIDE WINDLEADER

W.E.B wind energy—it's our world

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