Interim Report 3 | 2014

1 May – 31 October 2014

aleo solar AG i.L.

Figures at a glance

		31.10.2014	30.04.2014
Production output	MWp	0,0	9,4
Gross revenue[1]	EUR million	0,8	12,6
Revenue	EUR million	0,9	16,1
EBIT[2]	EUR million	-6,2	-28,8
EBIT margin[3]	in %	-688,9	-178,9
EBT (profit before tax)	EUR million	-6,2	-30,6
Consolidated profit/loss for the period	EUR million	-5,9	-30,8
Non-current assets	EUR million	0,0	0,0
Current assets	EUR million	35,1	61,4
Total assets	EUR million	35,1	61,4
Equity	EUR million	-9,4	-13,7
Equity ratio	in %	-26,8	-22,3
Cash and cash equivalents	EUR million	32,4	47,5
Investments	EUR million	0,0	0,1
Depreciation, amortisation and impairment losses	EUR million	0,0	0,1
Cost of materials	EUR million	1,4	11,5
Cost of materials ratio[4]	in %	175,0	91,3
Earnings per share[5]	EUR	-0,45	-2,36
Employees at 31 October/30 April 2014	no.	20	280
Employee expenses ratio[6]	in %	1,1	49,2
Revenue per employee	EUR thousand	45,0	57,5

1 Revenue plus change in inventories of finished and unfinished goods
2 EBIT = Earnings before interest and tax and share of profit or loss from equity-accounted investments
3 EBIT/revenue
4 Cost of materials/gross revenue for the period
5 Based on 13,030,400 shares
6 Employee expenses/gross revenue for the period

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Letter from the liquidators

To our Shareholders, Customers, Staff and Business Associates

Ladies and Gentlemen,

The plant in Prenzlau was closed down at the end of March. The promotional operating business was discontinued on 30 April 2014. The main business activity is therefore the liquidation of the Company, which includes the following tasks:

- rapid implementation of all measures required to liquidate the Company,
- systematic monitoring of ongoing legal disputes,
- reduction of running costs and administrative expenses plus efficient management of liquid assets.

Once the liquidation has been concluded, we expect to post at most a negligible liquidation profit, if any.

York zu Putlitz, liquidator

Dr Randolf Müller, liquidator

Matthias Beck, liquidator

Volker Voss, liquidator

The share

In the reporting period, the value of aleo solar's shares climbed 78.6 percent, from EUR 0.84 (XETRA closing price at 31 July 2014) to EUR 1.50 (XETRA closing price at 31 October 2014).

While the stock posted a slight loss of 4.8 percent in August (XETRA closing price at 31 July 2014: EUR 0.84; 28 August 2014: EUR 0.80), it recorded a substantial gain of 50.0 percent in September with a XETRA closing price of EUR 1.20 (30 September 2014). In October, the Company's share price rose by another 25.0 percent to a closing price of EUR 1.50.

The average XETRA closing price from August to October 2014 was EUR 1.10, up 50.6 percent on the figure for the previous quarter (EUR 0.73).

The average daily trading volume of aleo's shares in the reporting period was 5,312 shares, down substantially compared with the previous quarter (12,201 shares). In August 2014, the average daily trading volume was 1,789 shares, a drop of 61.8% compared with the previous month (4,679 shares). In the following month of September 2014, trading volume increased significantly by 264.8 percent to an average of 6,527 shares per day and remained largely at this level after dropping by just 0.3 percent in October 2014 (6,507 shares).

We attribute the strong increase in both liquidity and the share price from mid-September to the publication of the decision of Deutsche Balaton AG to submit a voluntary public acquisition offer (18 September 2014) and the submission of this public acquisition offer (9 October 2014).

As at 31 October 2014, 1,232 shareholders were invested in aleo solar AG i.L., with 3.8 percent of shares being held by private shareholders.

The largest share (90.7 percent) was held by the Robert Bosch Group. Furthermore, the following entities directly or indirectly (attributable pursuant to section 22 (1) sentence 1 no. 1 German Securities Trading Act – WpHG) hold the following shares in aleo solar AG i.L.:

1. The voting share of Delphi Unternehmensberatung Aktiengesellschaft on 12 November 2014 was 4.70 percent, of which 3.66 percent is attributable to this entity.
2. The voting share of Mr Wilhelm Konrad Thomas on 12 November 2014 was 4.70 percent, of which 4.70 percent is attributable to him.
3. The voting share of VV Beteiligungen Aktiengesellschaft on 12 November 2014 was 3.66 percent, of which 3.66 percent is attributable to this entity.
4. The voting share of Deutsche Balaton Aktiengesellschaft on 12 November 2014 was 3.66 percent.

A total of 9.3 percent of the Company's shares were in free float, as defined by Deutsche Börse.

As requested by aleo solar AG i.L., the Frankfurt Stock Exchange revoked the admission of the Company's shares to the regulated market (General Standard, Prime Standard segment). The revocation will be effective from the end of 05 March 2015.

The shares will continue to be listed for OTC trading at the Hamburg and Munich stock exchanges.

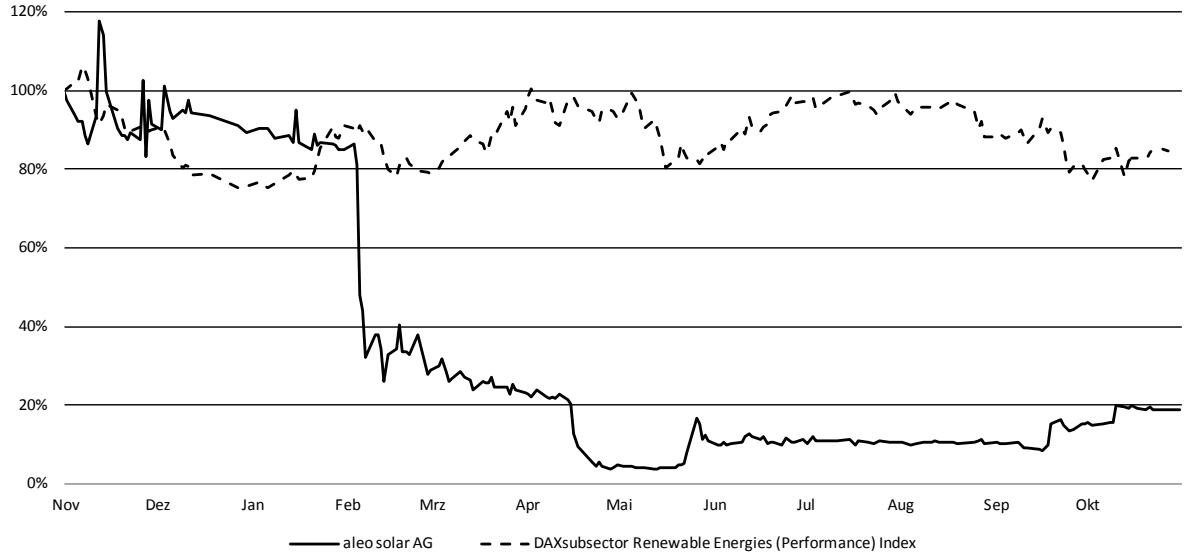
The liquidators expect the move to result in a substantial reduction of the costs and administrative work required for listing and financial reporting.

Annual General Meeting

The Annual General Meeting of aleo solar AG i.L. was held on 27 August 2014. The shareholders in attendance approved all proposed resolutions submitted by the management with a large majority and formally approved the actions of both the Management Board and the Supervisory Board for the 2013 financial year. At the same time, the Annual General Meeting adopted a resolution to reduce the number of Supervisory Board members to three: Dr Stefan Hartung, Lars Fiebig and Dr Sebastian Biedenkopf, Director of the Corporate Legal Department at Robert Bosch GmbH, will comprise the Supervisory Board. Dr Biedenkopf had already been appointed as the successor to Dr Heiko Carrie. This appointment was confirmed by the Annual General Meeting. Furthermore, PricewaterhouseCoopers Wirtschaftsprüfungsgesellschaft AG was appointed as the auditor of the financial statements for the 2014 short liquidation financial year.

Share price performance

(daily closing prices, 31 October 2013 = 100%)



Performance indicators for aleo solar's shares 2014	
Number of shares	13,030,400
Share capital as at 31 October 2014 in EUR	13,030,400
Closing price in EUR (XETRA) on 31 October 2014	1.50
High in EUR (XETRA) on 13 January 2014	7.72
Low in EUR (XETRA) on 29 April 2014	0.22

Key data on aleo solar's shares	
Share class	No-par value registered shares
Market segment	Prime Standard / Regulated Market
Sector	Renewable energies
Trading venues	XETRA Frankfurt Stock Exchange; Berlin Stock Exchange, Hamburg Stock Exchange, Stuttgart Stock Exchange (Baden-Württemberg), Düsseldorf Stock Exchange, Munich Stock Exchange (Bavaria)
Indices	CDAX, Technology All Share, Prime All Share, DAXsubsector Renewable Energies (Performance), DAXsector Industrial
ISIN	DE000A0JM634
WKN (German Securities Code)	A0JM63
Stock exchange symbol	AS1
Reuters	AS1G.DE
Bloomberg	AS1:GR
Common Code	025908597

Business development

1. Economic and political environment

On 15 April 2014, the Extraordinary General Meeting of aleo solar AG passed a resolution to dissolve the Company. Operations and the promotional operating business were discontinued on 30 April 2014.

In virtually all major European photovoltaic markets, feed-in tariffs have been cut so drastically that new installed capacity has taken a nosedive. In our former key markets, no significant changes have occurred to the general political environment as explained in our Annual Report on the period ended 30 April 2014.

2. Course of business

The course of business in the period from 1 May to 31 October 2014 was largely characterised by the sale of our operating business and the commencement of the Company's liquidation. Revenue decreased significantly as a result. The Company also collected receivables and began to sell remaining assets.

3. Results of operations

The Company's results of operations in the reporting period from 1 May to 31 October 2014 were dominated by the sale of the material operating business of the AS Group to aleo solar GmbH (formerly: SCP Solar GmbH), which took effect on 16 May 2014, as well as by the liquidation of the Company.

In the financial statements for the short financial year from 1 January to 30 April 2014, the following amounts had already been reported as expenses: the negative purchase price of EUR 10.0 million to be paid, the inventories being transferred or the payment of a cash settlement of EUR 11.5 million for an inventory deficit, plus write-downs on fixed assets and corresponding deferred income from government grants totalling EUR 4.4 million. As at 30 April 2014, these expenses were offset against the claim to transaction compensation from Robert Bosch GmbH in the same amount.

After the sale took effect on 16 May 2014, the transaction compensation of EUR 31.0 million and the claim to a refund of the cash equivalent of EUR 5.4 million fell due. The refund of EUR 10.4 million that exceeds the expenses of EUR 26.0 million recognised in the previous year was recognised directly in equity under capital reserves in May 2014.

The consolidated loss after taxes in the reporting period amounted to EUR 5.9 million (prior-year period: loss of EUR 25.6 million).

Revenue declined by 98.6 percent year-on-year to EUR 0.9 million as a consequence of the discontinuation of the promotional operating business. This represents a decrease in the sales volume from 82,721 kW to 460 kW. Revenue of EUR 2.3 million was forecast for the period from 1 May to 31 December 2014.

In the same period, gross revenue fell from EUR 58.6 million to EUR 0.8 million. Inventories of finished goods and work in progress changed by EUR -0.1 million in the reporting period (prior-year period: EUR -8.6 million).

Other income amounted to EUR 3.7 million in the reporting period, down from EUR 5.9 million in the previous year. This largely comprised the reversal of provisions in the amount of EUR 1.3 million, the reversal of bad debt allowances on receivables in the amount of EUR 0.5 million and the deconsolidation of aleo solar distribuzione Italia S.r.l., which accounted for EUR 0.2 million.

Compared with the prior-year period, the cost of materials fell from EUR 50.7 million to EUR 1.4 million. This item is connected with the revenue generated and stems from purchased services for after-sales measures.

The number of employees in the AS Group fell from 743 as at the end of the prior-year period to 16 as at 31 October 2014. Employee benefit expenses were down 93.7 percent year-on-year to EUR 0.9 million in the reporting period. The ratio of employee expenses to gross revenue was 116.1 percent (prior-year period: 25.0 percent). The sharp drop in staff costs can be attributed to the substantially lower headcount as well as to the provisions for employee expenses recognised as at 30 April 2014.

Other expenses decreased year-on-year to EUR 8.4 million in the reporting period (prior-year period: EUR 18.2 million) and mainly comprise additions to provisions (EUR 7.5 million).

EBIT for the period from 1 May to 31 October 2014 amounted to EUR -6.2 million (previous year: EUR -21.8 million). The result for the reporting period was mainly impacted by additions to provisions for service and exchange costs (EUR 3.8 million), IT and storage costs (EUR 1.5 million) as well as consulting costs (EUR 0.8 million). The transaction to sell the main operating business was recognised directly in equity. Compared with the prior-year period, the EBIT margin fell from -32.4 percent to -688.9 percent.

4. Financial position

Cash flows from operating activities amounted to EUR -15.0 million in the reporting period (prior-year period: EUR 9.1 million). This was mainly due to the payments made to the buyer of the operating business (EUR 12.5 million) and the utilisation of provisions (EUR 16.3 million), principally for workforce reduction measures and liquidation costs. The positive cash flows from financing activities of EUR 20.9 million result from the payment of the second tranche of the transaction compensation and the refund of the cash equivalent to be paid for an inventory deficit.

5. Net assets

As a result of the sale of the Company's material operating business, the consolidated balance sheet no longer shows any non-current assets. All assets are of a current nature. Current property, plant and equipment decreased from EUR 0.2 million to less than EUR 0.1 million compared with 30 April 2014.

Following the discontinuation of the promotional operating business, inventories were written down in full as at 31 October 2014. Net inventories as at 30 April 2014 had amounted to EUR 0.5 million.

As a result of payments received, trade receivables fell by EUR 2.0 million compared with 30 April 2014, from EUR 2.1 million to EUR 0.1 million.

The other current assets and prepayments increased to EUR 2.5 million in the reporting period (30 April 2014: EUR 0.4 million). Of this change, EUR 1.6 million is attributable to current VAT refund claims.

Cash and cash equivalents decreased from EUR 47.5 million as at 30 April 2014 to EUR 32.4 million. Here, the payments received from Robert Bosch GmbH for the second tranche of the transaction compensation of EUR 15.5 million and the refund of the cash equivalent of EUR 5.4 million were offset mainly by expenses for payments to the buyer for the first part-payment of the negative purchase price (EUR 7.0 million) and the cash equivalent (EUR 5.4 million) as well as for payments for workforce reduction measures (settlement payments and payments to the transfer company).

Equity increased from EUR -13.7 million as at 30 April 2014 to EUR --9.4 million as at 31 October 2014 and remains used up. The improvement can be attributed to the transaction to sell the main operating business and the associated claim to a refund from the main shareholder Robert Bosch GmbH for compensation of a disadvantage. The claim to a refund in the amount of EUR 10.4 million that exceeds expenses was recognised under capital reserves.

Pensions and similar obligations declined marginally compared with 30 April 2014, amounting to EUR 3.5 million as at 31 October 2014.

Provisions for warranties fell slightly from EUR 5.3 million as at 30 April 2014 to EUR 4.6 million as at 31 October 2014, due mainly to discounting effects.

Current other provisions decreased from EUR 39.9 million as at 30 April 2014 to EUR 30.5 million as at 31 October 2014, mainly due to the utilisation of the provisions for the liquidation of the Company (EUR 6.6 million), for staff-related measures (EUR 6.7 million) and for the repayment of subsidies received (EUR 0.7 million). This is contrasted by additions to provisions for service and exchange costs (EUR 3.8 million), IT and storage costs (EUR 1.5 million) as well as consulting costs (EUR 0.9 million).

Compared with 30 April 2014, trade payables and other liabilities were down by EUR 18.0 million on 31 October 2014 to EUR 3.0 million. This is mainly attributable to the payment of the first instalment of the negative purchase price liability of EUR 7.0 million and a cash settlement of EUR 5.4 million to be paid for the inventories being transferred. In addition, liabilities for wages and salaries as well as payroll tax decreased by EUR 6.4 million.

Total assets as at 31 October 2014 decreased to EUR 35.1 million compared with EUR 61.4 million as at 30 April 2014.

6. Risks and opportunities

The risk position of aleo solar AG i.L. has not changed from the estimated aggregate risk position outlined in the Annual Report on the short financial year ended 30 April 2014. The liquidators of aleo solar AG i.L. currently expects to post at most a negligible liquidation profit, if any, once the liquidation has been concluded.

A potential risk of EUR 1.5 million is expected to arise from the termination of employment contracts and disputes with suppliers. This was disclosed as a contingent liability in the notes.

7. Outlook

The AS Group discontinued its promotional operating business as at 30 April 2014 and is in liquidation. In addition to the anticipated loss from operating activities, the sale of the operating business followed by the liquidation of the Company by 30 April 2014 will lead to further negative effects arising from the planned transaction and the costs of the liquidation. In the reporting period from 1 May to 31 October 2014, a loss was generated on account of the fact that additions to provisions became necessary due to additionally expected costs.

For the short financial year from 1 May 2014 to 31 December 2014, it is assumed that the Company will generate no significant revenue. Neither do we currently expect any additional significant effects on earnings.

The AS Group remains dependent on the financial support of its main shareholder, Robert Bosch GmbH in the form of the promised transaction compensation and liquidation contribution.

Consolidated balance sheet

as at 31 October 2014

(in EUR thousand)	31.10.2014	30.04.2014
Assets		
Current assets		
Property, plant and equipment	10	203
Intangible assets	3	6
Inventories	0	512
Trade receivables	89	2.112
Receivables from affiliated companies	0	10.473
Current income tax receivables	100	267
Other current assets and prepayments	2.506	352
Cash and cash equivalents	32.435	47.453
	35.143	**61.378**
	35.143	**61.378**

(in EUR thousand)		
Equity and liabilities		
Equity		
Subscribed capital (share capital)	13.030	13.030
Capital reserves	155.161	144.723
Retained earnings	24.616	24.615
Currency translation reserve	-166	-39
Other retained earnings	-202.001	-196.067
	-9.360	**-13.738**
Non-current liabilities and deferred income		
Pensions and similar obligations	3.471	3.513
Provision for warranties	4.573	5.269
Other non-current liabilities	1.500	3.000
	9.544	**11.782**
Current liabilities		
Other provisions	30.470	39.850
Accrued liabilities	1.469	1.813
Trade payables and other liabilities	2.965	20.982
Current income tax payables	55	689
	34.959	**63.334**
	35.143	**61.378**

Consolidated statement of comprehensive income

segment reporting for the period from 1 May to 31 October 2014

(in EUR thousand)	1.5. – 31.10. 2014	1.5. – 31.10. 2013	1.8. – 31.10. 2014	1.8. – 31.10. 2013
Revenue	908	67.187	64	28.791
Changes in inventories of finished goods and work in progress	-118	-8.586	0	-4.138
Other income	3.733	5.853	1.392	2.254
Cost of materials	-1.352	-50.707	-446	-22.036
Employee benefit expenses	-917	-14.660	-805	-6.872
Other expenses	-8.399	-18.161	-7.146	-6.686
EBITDA[1]	**-6.145**	**-19.074**	**-6.941**	**-8.687**
Depreciation, amortisation and impairment losses	-24	-2.683	-6	-1.249
EBIT[2]	**-6.169**	**-21.757**	**-6.947**	**-9.936**
Financial income	2	6	2	2
Finance costs	-49	-1.386	-1	-506
Profit before tax	**-6.216**	**-23.137**	**-6.946**	**-10.440**
Income taxes	282	-2.423	224	-565
Consolidated profit/loss for the period[3]	**-5.934**	**-25.560**	**-6.723**	**-11.005**
Items which subsequently could be reclassified to profit or loss				
Currency translation	-127	-1.535	-88	2
Actuarial losses	1	17	0	5
Deferred taxes from actuarial losses	0	-164	0	2
Other comprehensive income	**-126**	**-1.682**	**-88**	**9**
Total comprehensive income[4]	**-6.060**	**-27.242**	**-6.811**	**-10.996**
Diluted / basic earnings per share[5]	-0,46	-1,96	-0,52	-0,84

1 Earnings before interest, taxes, depreciation and amortisation
2 Earnings before interest and taxes
3 Attributable in full to shareholders of the parent (recognised through profit or loss)
4 Attributable in full to shareholders of the parent (recognised through profit or loss and recognised in equity)
5 Based on consolidated profit (in euros per share)

Consolidated cash flow statement

for the period from 1 May to 31 October 2014

(in EUR thousand)	1.5. – 31.10.2014	1.5. – 31.10.2013
Cash flows from operating activities		
Consolidated net profit/loss for the period	-5.934	-25.563
Income taxes	-282	2.426
Depreciation, amortisation and impairment losses	24	2.683
Change in non-current provisions	-738	2
Change in non-current liabilities	-1.500	0
Loss on disposal of non-current assets	172	307
Interest income	-2	-6
Interest expense	49	1.386
Additions to capital reserves from the reallocation of loans granted by the parent company	0	30.000
Non-cash expenses and income	251	-3.202
Change in trade receivables and other current assets	37	26.210
Change in inventories	512	5.480
Change in trade payables and other liabilities, other provisions and accrued liabilities	-28.375	-33.665
= Cash flows provided by/used in operations	**-35.786**	**6.058**
Interest paid	0	-1.263
Interest received	2	6
Income taxes paid	-388	-1.200
= Net cash flows provided by/used in operating activities	**-36.172**	**3.601**
Cash flows from investing activities		
Payments to acquire property, plant and equipment	0	-316
Payments to acquire intangible assets	0	-9
Payments from removals from the basis of consolidation	249	0
Gain on disposal of non-current assets	0	5.841
= Net cash flows provided by/used in investing activities	**249**	**5.516**
Cash flows from financing activities		
Proceeds based on the agreement regarding transaction compensation and liquidation contribution	20.905	0
= Net cash flows provided by/used in financing activities	**20.905**	**0**
Net change in cash and cash equivalents	**-15.018**	**9.117**
Cash and cash equivalents at beginning of the financial year	47.453	24.368
Cash and cash equivalents at end of quarter	**32.435**	**33.485**
Cash and cash equivalents reported in balance sheet	32.435	33.485
Cash and cash equivalents at end of quarter	**32.435**	**33.485**

Consolidated statement of changes in equity

as at 31 October 2014

Equity attributable to shareholders of the parent (in EUR thousand)

	Subscribed capital	Capital reserves	Retained earnings	Currency translation reserve	Other retained earnings	Total Equity
Balance at 01 May 2013	**13.030**	**74.223**	**24.743**	**1.508**	**-89.759**	**23.746**
Consolidated net profit/loss for the p	**0**	**0**	**0**	**0**	**-25.560**	**-25.560**
Currency translation	0	0	0	-1.535	0	-1.535
Revaluations from pension plans	0	0	17	0	0	17
Deferred taxes from revaluation from pension plans	0	0	-164	0	0	-164
Other comprehensive income	**0**	**0**	**-147**	**-1.535**	**0**	**-1.682**
Total comprehensive income	**0**	**0**	**-147**	**-1.535**	**-25.560**	**-27.242**
Appropriation to capital reserves	0	30.000	0	0	0	30.000
Balance at 31 October 2014	**13.030**	**104.223**	**24.596**	**-27**	**-115.319**	**26.504**
Balance at 01 May 2014	**13.030**	**144.723**	**24.615**	**-39**	**-196.067**	**-13.738**
Consolidated net profit/loss for the perio	**0**	**0**	**0**	**0**	**-5.934**	**-5.934**
Currency translation	0	0	0	-127	0	-127
Revaluations from pension plans	0	0	1	0	0	1
Deferred taxes from revaluation from pension plans	0	0	0	0	0	0
Other comprehensive income	**0**	**0**	**1**	**-127**	**0**	**-126**
Total comprehensive income	**0**	**0**	**1**	**-127**	**-5.934**	**-6.060**
Appropriation to capital reserves	0	10.438	0	0	0	10.438
Balance at 31 October 2014	**13.030**	**155.161**	**24.616**	**-166**	**-202.001**	**-9.360**

Notes to the consolidated financial statements

1. Basis

Aleo solar AG i.L., Prenzlau, prepared its consolidated financial statements for the short financial year ended 30 April 2014 on the basis of the departure from the going concern basis. The International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and their interpretations by the IFRS Interpretations Committee (IFRS IC) as endorsed by the European Union do not provide any specific guidance for sets of financial statements with negative going concern prognoses. Accordingly, in the preparation of these interim consolidated financial statements for the period ended 31 October 2014, the guidance of the IFRSs and the interpretations of the IFRS IC were applied only where these specifically apply to a transaction, other event or condition. The interim consolidated financial statements for the period ended 31 October 2014 must therefore be read in connection with the consolidated financial statements for the period ended 30 April 2014.

An agreement was signed on 5 February 2014 for the sale of the main operating business of the AS Group subject to the conditions precedent of the approval of the antitrust authority and the approval of the Extraordinary General Meeting. Both the antitrust authority and the General Meeting have agreed to the agreement in the meantime. The sale became effective on 16 May 2014.

aleo solar AG i.L. adopted a short financial year for the period from 1 May to 31 December 2014. The current interim report uses previous year figures which due to the short financial year do not correspond to the interim reporting periods in the previous year's reports.

2. Accounting policies

The same consolidation methods and accounting policies applied to the consolidated financial statements for the period ended 30 April 2014 were applied to the preparation of the interim consolidated financial statements and the computation of the comparative figures for the previous year. A detailed description of these methods and policies is contained in the notes to the consolidated financial statements for the period ended 30 April 2014, which can also be downloaded from www.as-abwicklung.de.

The following new standards, amendments and interpretations that were adopted by the EU are effective for the first time for the financial year of the AS Group beginning on 1 January 2014:

IFRS 10 Consolidated Financial Statements

IFRS 11 Joint Arrangements

IFRS 12 Disclosures of Interests in Other Entities

IFRIC 21 – Levies

IAS 19 – Employee benefits

IAS 27 Separate Financial Statements

IAS 28 – Investments in Associates and Joint Ventures

IAS 32 – Financial Instruments: Disclosure – Offsetting Financial Assets and Financial Liabilities

IAS 39 – Novation of Derivatives and Continuation of Hedge Accounting

At this time, the new standards do not materially affect the AS Group. Potential effects will be reviewed during the course of the current financial year.

3. Disclosures about financial instruments

The following table shows both the carrying amounts and the fair values of the individual financial assets and liabilities for each individual category of financial instruments.

Financial instruments (in EUR thousand)	**Measurement category pursuant to IAS 39**	**Carrying amount 31.10.2014**	**Fair value 31.10.2014**
Assets			
Trade receivables	LAR	89	89
Creditors with debit balances	LAR	8	8
Cash and cash equivalents	LAR	32.435	32.435
Equity and liabilities			
Trade payables	FLAC	1.364	1.364
Of which aggregated by IAS 39 measurement category:			
Loans and receivables (LAR)		32.532	32.532
Financial liabilities at amortised cost (FLAC)		1.364	1.364

4. Estimates and assumptions

Preparation of the interim financial statements requires management to make certain assumptions and estimates that affect the presentation and amount of recognised assets, liabilities, income and expenses, as well as the disclosure and amount of contingent liabilities.

The main estimates and assumptions are in line with the consolidated financial statements for the period ended 30 April 2014. Please refer to the notes in section 8 “Disclosures on the interim consolidated financial statements” for additional information.

5. Basis of consolidation

In addition to aleo solar AG i.L., the subsidiaries included in the consolidated financial statements are generally those in which the Company has gained control in accordance with IFRS 10. This is usually the case with subsidiaries in which aleo solar AG i.L. directly or indirectly holds a majority of voting rights. The interim consolidated financial statements include aleo solar AG i.L., Prenzlau, as the parent, and AS Abwicklung und Solar-Service Deutschland GmbH i.L., Oldenburg, AS Abwicklung Dritte Produktion GmbH i.L., Oldenburg, AS Solar Service Italia S.r.l. i.l. (formerly: aleo solar Italia S.r.l.), Treviso / Italy, aleo solar España SL, Barcelona / Spain, aleo solar distribución España SL, Barcelona / Spain, AS Solar Service NA, Inc. (formerly: aleo solar North America Inc.), Denver / USA, as well as aleo solar Australia Pty Ltd., Thornbury / Australia. All of these companies are in liquidation. All subsidiaries are wholly owned. aleo solar UK Ltd. was not included for reasons of immateriality.

The shares in aleo solar distribuzione Italia S.r.l. domiciled in Milan/Italy were transferred to aleo solar GmbH in May 2014 in connection with the sale of the material operating business; the company was deconsolidated in the reporting period. The deconsolidation gain amounts to EUR 0.2 million.

The equity interest in the associated company LCX Solar Ltd., Shepperton/UK, in which the AS Group held a 33.33 percent stake and which previously was included in the consolidated financial statements using the equity method, was sold in the reporting period. The gain on disposal was less than EUR 0.1 million.

6. Segment reporting

Under IFRS 8, aleo solar AG i.L., Prenzlau, is required to include a segment report in the notes to its consolidated financial statements. Operating segments are components of an entity for which discrete financial information is available, and whose operating results are reviewed regularly by the entity's chief operating decision makers to make decisions about resources to be allocated to the segment and assess its performance.

The AS Group generates its revenue in the field of "Solar modules", which it also uses for internal reporting purposes. This comprises the production and marketing of solar modules under the Company's aleo brand and selling other equipment for solar modules (merchandise). The sale of merchandise is an ancillary business to the supply of solar modules.

The AS Group's business activities are managed on a market-driven basis due to the internationalisation of its markets. Management has therefore divided the segment reporting by region. The AS Group bases its reporting on three regions: Germany, Other Europe and Rest of World. This is also reflected in the structure of internal reporting. In addition to EBIT and revenue, the Company's principal management tool is price per watt peak. The selling prices achieved in the regions are regularly compared and reconciled with the Group's total expenses. Inter-segment revenue is calculated on an arm's length basis. Revenue from external third parties is reported to corporate management using the same benchmarks as in the statement of comprehensive income.

The segment revenue reported to strategic corporate management is the revenue generated in the individual regions regardless of which national entity actually generates the revenue. This revenue is calculated in accordance with IFRSs but is not allocated on a national entity basis.

Reported EBIT is the EBIT of the individual national entities. There is therefore no reconciliation of revenue per segment to EBIT per segment because the basis for the allocation of revenue and the basis for the allocation of EBIT are different in the management reporting.

The risks arising from impairments and operating leases are spread equally among all segments.

Issues that concern more than one segment such as the property, plant and equipment of the production facilities, equity instruments or compliance are not included in the segment reporting and are therefore unable to cause distortion of segment earnings. Likewise, deferred taxes and pensions are not allocated to the segments.

Net finance costs, profit or loss from equity-accounted investments and impairment losses from equity-accounted investments and other financial assets are not part of the segment reporting because they are not reported to the decision-makers in the internal reporting.

aleo solar AG i.L. has classified the business as a discontinued operation. However, the discontinued operation is not presented separately in the segment reporting because this is not required by IFRS 8. In this case, separate disclosures are not required in accordance with IFRS 5.5B because these are not required by a different IFRS.

Segment reporting for the period from 1 May to 31 October **(in EUR thousand)**

Geographical segments	Germany		Other Europe		Other countries		Total	
	2014	2013	**2014**	2013	**2014**	2013	**2014**	2013
Revenue (external)	**806**	28.956	**102**	24.165	**0**	14.066	**908**	67.187
Revenue (internal, intersegment)	**167**	34.715	**0**	10.001	**0**	5.607	**167**	50.323
Operating profit/loss (EBIT)	**-5.807**	-31.167	**-171**	11.473	**-191**	-2.063	**-6.169**	-21.757

Reconciliation

Revenue	**2014**	2013
Total segment revenue	**1.075**	117.510
Elimination of intersegment revenue	**-167**	-50.323
Consolidated revenue	**908**	67.187
EBIT		
Segment profit (EBIT)	**-6.169**	-21.757
Adjustment for non-attributable income and expense (net finance costs and profit or loss from equity-accounted investments)	**-47**	-1.380
Consolidated profit/loss before tax	**-6.216**	-23.137

7. Seasonal and cyclical influences on business activities

Following the shut-down of production in March 2014 and the discontinuation of the promotional operating business in April 2014, seasonal and cyclical influences on the business activities of the AS Group are no longer relevant. The revenue of the AS Group will decrease further until no more revenue is generated.

8. Disclosures on the interim consolidated financial statements

The changes in net assets, financial position and results of operations are explained in the Group management report.

Current income taxes
The current income taxes result from tax refunds for previous years.

Deferred taxes
In accordance with IAS 12, no deferred tax assets were recognised because the Company at this time does not expect to generate a profit in the foreseeable future.

Earnings per share
The disclosure of earnings per share for this interim financial report relates to the 13,030,400 shares as at 31 October 2014 (30 April 2014: 13,030,400).

Extraordinary items
On 5 February, 2014, aleo solar AG i.L. entered into an agreement to sell the AS Group's material operating business, including the production site in Prenzlau and the aleo brand to aleo solar GmbH (formerly: SCP Solar GmbH), Hamburg.

The purchase agreement results in a negative contribution to earnings at aleo solar AG i.L. The buyer pays a purchase price of EUR 1 for the production facility in Prenzlau including fixed assets, inventories, industrial rights and equity investments in one subsidiary of the AS Group. Property, plant and equipment and industrial property rights were therefore written down to EUR 1 as at 31 March 2014.

For its part, aleo solar AG i.L. continues to be obligated to pay to aleo solar GmbH a negative purchase price of EUR 10.0 million and a cash equivalent of EUR 5.4 million for non-transferred inventories. This cash equivalent and the first instalment of the negative purchase price of EUR 7.0 million were paid to aleo solar GmbH in May 2014. Further instalments will become due in 2015 and 2017.

The provisions for expected losses were reduced substantially as a result of meeting parts of a purchase obligation. Furthermore, provisions for the potential repayment of subsidies were adjusted.

The contingent liabilities in the amount of EUR 1.5 million concern potential liabilities in connection with suppliers and employees. At this point in time, the Company does not expect these to be utilised.

The shareholder Robert Bosch GmbH made an undertaking in connection with the sale of the operating business to pay transaction compensation to aleo solar AG i.L. of EUR 31 million in addition to a refund of the cash equivalent for non-transferred inventories of EUR 5.4 million. A part-payment of EUR 15.5 million was made in the first quarter of 2014 and the remaining EUR 20.9 million was paid in May 2014. Above and beyond these payments, a liquidation contribution of up to EUR 50.0 million can be called in order to ensure orderly liquidation of the Company.

On 15 April 2014, the Extraordinary General Meeting of aleo solar AG passed a resolution to close the sales agreement after meeting the remaining conditions precedent and liquidate aleo solar AG with effect from 1 May 2014. The resolutions on the change of name, relocation of the Company's registered office and the short financial year have been filed with but not yet entered in the commercial register.

For the reasons outlined above, the report for the period ended 31 October 2014 was prepared under the assumption of the departure from the going concern principle.

9. Additional disclosures

Dividend payment
No dividend was paid in the reporting period. No proposals for dividend payments were made.

Liquidators
On 15 April 2014, the Extraordinary General Meeting of aleo solar AG passed a resolution to liquidate the Company beginning 1 May 2014 and appointed

| York zu Putlitz
| Dr Randolf Müller
| Matthias Beck
| Volker Voss

as liquidators.

Supervisory Board
The members of aleo solar AG i.L.'s Supervisory Board in the reporting period were:

| Dr Stefan Hartung, Chairman
| Christoph Kübel
| Dr Sebastian Biedenkopf
| Lars Fiebig
| Uwe Glock
| Kurt Schreier

10. Related party transactions

The Company believes that all transactions presented in the following were effected on an arm's length basis.

	Services and products provided		Services and products received	
(in EUR thousand)	**2014**	2013	**2014**	2013
Robert Bosch GmbH	**0**	0	**83**	439
Entities of the Robert Bosch Group	**4**	880	**81**	2.885

The transactions described above concern the purchase and sale of goods and services.

11. Events after the reporting period

There were no reportable events after the reporting period.

Oldenburg, 18 December 2014

York zu Putlitz, liquidator

Dr Randolf Müller, liquidator

Matthias Beck, liquidator

Volker Voss, liquidator

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