

# Consolidated income statement

CHF thousand	01.01.-30.06.2018 unaudited	01.01.-30.06.2017 unaudited
Net sales from goods and services	1,047,122	897,374
Own costs capitalised	2,744	2,499
Change in inventory of sales orders	2,002	1,605
Other operating income	1,106	3,726
<b>Total operating revenue</b>	<b>1,052,974</b>	<b>905,204</b>
Share of earnings from associates and joint ventures	-1,843	-1,999
Energy procurement	-933,024	-778,604
Concession fees	-9,258	-8,925
Personnel expenses	-36,846	-33,512
Materials and third party services	-14,516	-15,892
Other operating expenses	-25,860	-24,265
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>31,627</b>	<b>42,007</b>
Depreciation and value adjustments of tangible assets	-20,899	-20,386
Amortisation and value adjustments of intangible assets	-1,636	-1,701
<b>Earnings before interest and taxes (EBIT)</b>	<b>9,092</b>	<b>19,920</b>
Financial income	2,736	4,296
Financial expenses	-11,519	-14,069
<b>Earnings before taxes</b>	<b>309</b>	<b>10,147</b>
Income taxes	-84	-9,195
<b>Group earnings</b>	<b>225</b>	<b>952</b>
Share of group earnings attributable to Repower shareholders	-1,028	-56
Share of group earnings attributable to minorities	1,253	1,008
Share of group earnings attributable to Repower shareholders per registered share (in CHF) *	-0.14	-0.01
Average number of registered shares in circulation	7,390,747	7,390,328

\* The undiluted group earnings are calculated on the basis of the weighted average number of shares. There are no factors resulting in a dilution of earnings per share.

# Consolidated balance sheet

CHF thousand	30.06.2018 unaudited	31.12.2017
<b>Assets</b>		
Tangible assets	730,625	745,166
Intangible assets	11,560	10,588
Investments in associates and joint ventures	3,680	3,632
Financial assets	22,041	62,783
Deferred tax assets	33,075	34,141
<b>Non-current assets</b>	<b>800,981</b>	<b>856,310</b>
Inventories	36,944	24,745
Trade accounts receivable	323,577	382,940
Other receivables	30,597	32,513
Prepaid expenses and accrued income	4,136	2,876
Securities	101,467	20,530
Positive replacement values of held for trading positions	169,621	108,028
Cash and cash equivalents	303,921	394,479
<b>Current assets</b>	<b>970,263</b>	<b>966,111</b>
<b>Total assets</b>	<b>1,771,244</b>	<b>1,822,421</b>

CHF thousand	30.06.2018 unaudited	31.12.2017
<b>Liabilities and shareholders' equity</b>		
Share capital	7,391	7,391
Treasury shares	-16	-15
Capital reserves	202,007	202,004
Retained earnings (including group earnings)	510,597	511,625
Accumulated translation differences	4,718	5,498
<b>Shareholders' equity excluding minorities</b>	<b>724,697</b>	<b>726,503</b>
Minorities	43,087	42,953
<b>Shareholders' equity</b>	<b>767,784</b>	<b>769,456</b>
Non-current provisions	20,564	19,537
Deferred tax liabilities	19,805	21,368
Non-current financial liabilities	356,562	378,452
Other non-current liabilities	62,167	63,081
<b>Non-current liabilities</b>	<b>459,098</b>	<b>482,438</b>
Current financial liabilities	6,425	40,151
Negative replacement values of held for trading positions	169,201	107,153
Current provisions	-	259
Trade accounts payable	324,796	380,401
Other current liabilities	27,984	26,102
Deferred income and accrued expenses	15,956	16,461
<b>Current liabilities</b>	<b>544,362</b>	<b>570,527</b>
<b>Liabilities</b>	<b>1,003,460</b>	<b>1,052,965</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,771,244</b>	<b>1,822,421</b>

# Consolidated cash flow statement

	01.01.-30.06.2018 unaudited	01.01.-30.06.2017 unaudited
CHF thousand		
Group earnings	225	952
Income taxes	84	9,195
Share of earnings from associates and joint ventures	1,843	1,999
Dividends from associates and joint ventures	1	-
Net financial income	8,783	9,773
Depreciation/amortisation, impairment and reversal of impairment of tangible and intangible assets	22,535	22,087
Gain/loss on the disposals of tangible and intangible assets	-251	-2,162
Change in non-current provisions (without interest)	578	-630
Change in replacement values of held for trading positions	500	-533
Other non-cash income and expenses	-1,483	-392
Other financial cash outflow and inflow	-9,844	-3,330
<b>Funds from operations (FFO)</b>	<b>22,971</b>	<b>36,959</b>
Changes		
Inventory	-12,447	-2,619
Trade accounts receivable	55,840	45,213
Other receivables (without income taxes)	2,143	3,770
Prepaid expenses and accrued income	-1,575	-614
Current provisions	-259	51
Trade accounts payable	-53,444	-56,492
Other current liabilities (without taxes)	2,768	-3,036
Deferred income and accrued expenses	-60	-2,234
Income taxes	-539	858
<b>Cash flow from operating activities</b>	<b>15,398</b>	<b>21,856</b>

	01.01.-30.06.2018 unaudited	01.01.-30.06.2017 unaudited
CHF thousand		
Additions of tangible assets	-8,426	-9,326
Disposals of tangible assets	400	13,299
Additions of current and non-current financial assets	-91,000	-108,000
Disposals of current and non-current financial assets	49,566	15,318
Additions of intangible assets	-2,660	-1,495
Disposals of group companies (less cash and cash equivalents disposed of)	-	4,612
Dividends received from third parties	3	3
Interest received	102	98
<b>Cash flow from investing activities</b>	<b>-52,015</b>	<b>-85,491</b>
Increase in financial liabilities	-	115,126
Repayment of financial liabilities	-46,677	-32,348
Dividend payments	-841	-553
Purchase/sale of treasury shares	2	-18
Sale of minorities	-	5,721
Interest paid	-4,575	-3,297
<b>Cash flow from financing activities</b>	<b>-52,091</b>	<b>84,631</b>
Effect of currency translation	-1,850	2,966
<b>Change in cash and cash equivalents</b>	<b>-90,558</b>	<b>23,962</b>
Cash and cash equivalents at 1 January	394,479	318,171
<b>Cash and cash equivalents at 30 June</b>	<b>303,921</b>	<b>342,133</b>

## Changes in consolidated shareholders' equity

	Share capital	Treasury shares	Capital reserves	Retained earnings	Accumulated translation differences	Shareholders' equity excluding minorities	Minorities	Total shareholders' equity
CHF thousand								
<b>Equity at 1 January 2017</b>	<b>7,391</b>	<b>-21</b>	<b>201,998</b>	<b>491,169</b>	<b>-649</b>	<b>699,888</b>	<b>37,047</b>	<b>736,935</b>
Group earnings				-56		-56	1,008	952
Effect of currency translation					1,205	1,205	359	1,564
Dividends						-	-553	-553
Purchase/sale of treasury shares		-20	2	-		-18		-18
Changes in consolidation				-30	30	-		-
Purchase/sale of minorities				2,825	-5	2,820	2,901	5,721
Capital increase at minorities						-		-
<b>Equity at 30 June 2017 unaudited</b>	<b>7,391</b>	<b>-41</b>	<b>202,000</b>	<b>493,908</b>	<b>581</b>	<b>703,839</b>	<b>40,762</b>	<b>744,601</b>
<b>Equity at 1 January 2018</b>	<b>7,391</b>	<b>-15</b>	<b>202,004</b>	<b>511,625</b>	<b>5,498</b>	<b>726,503</b>	<b>42,953</b>	<b>769,456</b>
Group earnings				-1,028		-1,028	1,253	225
Effect of currency translation					-780	-780	-278	-1,058
Dividends						-	-841	-841
Purchase/sale of treasury shares		-1	3			2		2
<b>Equity at 30 June 2018 unaudited</b>	<b>7,391</b>	<b>-16</b>	<b>202,007</b>	<b>510,597</b>	<b>4,718</b>	<b>724,697</b>	<b>43,087</b>	<b>767,784</b>

# Notes to the interim consolidated financial statements

## 1 ACCOUNTING AND VALUATION PRINCIPLES

### General information

The consolidated semi-annual financial statements presented here comprise the unaudited semi-annual financial statements for the six months to 30 June 2018. This interim report has been prepared in accordance with Swiss GAAP FER 31 Complementary Recommendation for Listed Companies in abridged form, and should therefore be read in conjunction with the consolidated financial statements for the year to 31 December 2017.

The presentation of the derivation of cash flow from operating activities has been revised. Instead of the subtotal for cash flow from operating activities before change in net current assets, the key performance indicator (KPI) funds from operations (FFO) is stated as a subtotal. This figure includes the change in replacement values of held-for-trading positions.

### Currencies

The following exchange rates were used as a basis for converting the figures in the income statement and balance sheet into CHF:

Currency	Unit	Closing exchange rate		Average exchange rate	
		30.06.2018	31.12.2017	01.01.-30.06.2018	01.01.-30.06.2017
EUR	1	1.15690	1.17020	1.16975	1.07650

## 2 SEGMENT REPORTING

	Market Switzerland	Market Italy	Other segments and activities	Group
CHF thousand				
<b>30.06.2018 unaudited</b>				
<b>Net sales from goods and services</b>	<b>328,976</b>	<b>741,423</b>	<b>-23,277</b>	<b>1,047,122</b>
Net sales from goods and services	318,715	728,353	54	1,047,122
Net sales from goods and services between segments	10,261	13,070	-23,331	-
<b>Earnings before interest and taxes (EBIT)</b>	<b>5,463</b>	<b>6,839</b>	<b>-3,210</b>	<b>9,092</b>
CHF thousand				
<b>30.06.2017 unaudited</b>				
<b>Net sales from goods and services</b>	<b>305,163</b>	<b>623,477</b>	<b>-31,266</b>	<b>897,374</b>
Net sales from goods and services	294,389	602,880	105	897,374
Net sales from goods and services between segments	10,774	20,597	-31,371	-
<b>Earnings before interest and taxes (EBIT)</b>	<b>-1,054</b>	<b>23,122</b>	<b>-2,148</b>	<b>19,920</b>

### 3 COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS

#### **Changes in consolidations**

There were no changes in consolidations in the first half of 2018.

#### **Changes in financial assets and securities**

The changes in the financial assets essentially relate to TCHF 40,000 reclassified as securities in current assets. A further TCHF 40,000 net was reinvested in investments with a term of up to one year.

#### **Material events and business transactions**

In January 2018 Repower prematurely repurchased and destroyed TCHF 18,555 in bonds. This resulted in a loss of TCHF 1,595 in net financial income.

The overhaul of the Teverola power plant scheduled for the first quarter took considerably longer than expected owing to technical problems. The asset has been back on the grid since mid-June. The planned downtime coupled with the unscheduled delay in getting the plant up and running again had a substantial negative impact on results for the first half year.

The interruption in the operation of the plant is insured. From Repower's point of view there is a receivable from the insurance company for lost sales revenues. However, at the time the Repower semi-annual financial statements were prepared it was not possible to determine the amount of this receivable, which is why a contingent asset is recognised.

### 4 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The consolidated interim financial statements were approved by the board of directors on 14 August 2018.

Since 30 June 2018 there have been no other events which require disclosure.