

## The sale of an additional 130 MW provides record-high order backlog

### 3 Months September 2018 – November 2018

- Net sales 107.8 (18.1) MSEK.
- EBIT 9.7 (3.0) MSEK. Profit before tax 2.1 (9.8) MSEK. Net profit 1.0 (7.4) MSEK.
- Earnings per share, before and after dilution equals 0.04 (0.30) SEK.
- During the three month period 0 (0) wind turbines were taken into operations with a total installed capacity of 0 (0) MW.
- During the three month period the equivalent of 1.0 (0.4) wind turbines with an installed capacity of 2.0 (0.8) MW was handed over to customers.
- At the end of the period Eolus had 410 (346) MW under asset management.
- Electricity production from wind farms owned was 3.8 (9.5) GWh with an average revenue of 610 (428) SEK/MWh.
- In September Eolus wholly owned subsidiary Eolus North America, Inc, acquired a solar plus storage project under development in western U:S. with a planned capacity of 500 MW solar and 250 MW storage.
- In September Eolus signed an agreement with Siemens Gamesa for the delivery of seven wind turbines of the model SWT-DD-130 with a capacity of 4.3 MW each to the Norwegian project Stigafjellet.
- In September Eolus signed a four-year credit agreement with Swedbank comprising liquidity and construction facilities totaling 1 050 MSEK.
- In October Eolus signed an agreement with KGAL regarding the sale of wind farm Bäckhammar (130 MW) for a preliminary purchase price of EUR 131 million. In a corresponding move Eolus placed an order for 31 wind turbines with Vestas. The wind farm is expected to be commissioned in August 2020.

### Significant events after the balance sheet date

- In January 2019, wind farm Anneberg (11 MW) in Tidaholm municipality was completed and handed over to KGAL. Anneberg is the first wind farm in Sweden commissioning Vestas V136 wind turbines.

Financial summary	Q1	Q1	Full year
	Sep 2018 - Nov 2018	Sep 2017 - Nov 2017	Sep 2017 - Aug 2018
Net sales, MSEK	107,8	18,1	1 366,0
EBIT, MSEK	9,7	3,0	202,4
Profit before tax, MSEK	2,1	9,8	198,9
Changes in market valuation of financial derivatives, MSEK	3,6	10,4	2,5
Net profit, MSEK	1,0	7,4	194,3
Earnings per share before and after före dilution, SEK	0,0	0,30	7,81
Equity per share, SEK	31,9	26,70	32,68
Cashflow from operating activities, MSEK	-303,2	-87,5	241,7
Total assets, MSEK	1 541,5	891,2	1 895,0
Net debt - /net cash +, MSEK	-30,7	79,4	371,1
Signed customer contracts, MSEK	4 418,3	1 057,4	2 887,5
No of turbines taken into operation, amount	-	-	25,0
No of turbines handed over to customers, amount	1,0	0,4	30,8
Turbines taken into operation, MW	-	-	83,8
Turbines handed over to customers, MW	2,0	0,8	93,3
Managed turbines, MW	410	346	415
Electricity generation, GWh	3,8	9,5	30,2
Equity/assets ratio, %	51,7	74,8	43,1
Return on equity after tax, %	25,7	5,4	26,4

## Priority projects

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

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

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

Project	Location	Number of WTG	Capacity, MW	Estimated production, GWh	Planned commissioning	Comment
Nylandsbergen	Sundsvall, Sweden, SE2	18	68	230-250	2019	The wind farm is sold to Aquila Capital who will take over the facility upon completion which is expected to be in the second half of 2019. Turbine supply agreement signed with Vestas. Agreement regarding grid connection signed with E.ON Elnät. Construction of roads and foundations are ongoing.
Kråktorpet	Sundsvall, Sweden, SE2	43	163	550-590	2019	The wind farm is sold to Aquila Capital who will take over the facility upon completion which is expected to be in the second half of 2019. Turbine supply agreement signed with Vestas. Agreement regarding grid connection signed with E.ON Elnät. Construction of roads and foundations are ongoing.
Wind Wall	Tehachapi, California, USA	11 to 12	38-40	135-145	2020	Repowering project. Full-value production tax credit granted for the project.
Stigafjellet	Bjerkheim, Norway, NO2	7	30	110-130	2020	The wind farm is sold to ewz who will take over the facility upon completion which is expected to be in the second half of 2020. Grid capacity reserved. Turbine supply agreement signed with Siemens Gamesa.
Sötterfällan	Jönköping, Sweden, SE3	10	36	125-135	2019	The wind farm is sold to KGAL who will take over the facility upon completion which is expected to be in the summer of 2019. Turbine supply agreement signed with Vestas. Construction of roads and foundations are ongoing.
Bäckhammar	Kristinehamn/ Degerfors, Sweden, SE3	30	130	400	2020	The wind farm is sold to KGAL who will take over the facility upon completion which is expected to be in the summer of 2020. Turbine supply agreement signed with Vestas.
Öyfjellet	Vefsn, Norway, NO4	80-100	400	1,400-1,500	2021	Fully concessioned. Grid capacity reserved. 15 year PPA signed with Alcoa. Sales process initiated.

<b>Consolidated income statement</b>	<b>Q1</b>	<b>Q1</b>	<b>Full year</b>
<b>KSEK</b>	<b>Sep 2018</b>	<b>Sep 2017</b>	<b>Sep 2017</b>
	<b>- Nov 2018</b>	<b>- Nov 2017</b>	<b>- Aug 2018</b>
Net sales	107 773	18 139	1 365 977
Other operating income	7 744	14 206	22 533
	<b>115 517</b>	<b>32 346</b>	<b>1 388 511</b>
<b>Operating expences</b>			
Change in inventories of wind turmbines, wind turbines under construction and projekts under development	140 871	98 208	171 724
Cost for goods and project development	-222 800	-108 282	-1 248 858
Other external costs	-12 602	-9 476	-51 542
Employee benefits expenses	-9 091	-7 656	-32 702
Depreciation/amortization and impairment of property, plant and equipment and intangible	-1 154	-2 207	-14 765
Result from participations in associated companies	-	-	-4 589
Other operating expenses	-1 086	56	-5 367
<b>Operating profit</b>	<b>9 656</b>	<b>2 988</b>	<b>202 411</b>
Profit/loss from financial items	-7 535	6 762	-3 532
<b>Profit before tax</b>	<b>2 121</b>	<b>9 751</b>	<b>198 879</b>
Tax on profit	-1 128	-2 335	-4 566
<b>Net profit for the period</b>	<b>993</b>	<b>7 416</b>	<b>194 313</b>
Whereof related to the shareholder of the parent company	1 015	7 461	194 460
Whereof related to minority stakeholders	-22	-46	-147
<b>Net profit for the period</b>	<b>993</b>	<b>7 416</b>	<b>194 313</b>
Total shares	24 907	24 907	24 907
Profit per share before/after dilution (SEK)	0,04	0,30	7,81

<b>Consolidated statement of comprehensive income</b>			
<b>KSEK</b>			
<b>Net profit for the period</b>	<b>993</b>	<b>7 416</b>	<b>194 313</b>
<b>Other comprehensive income</b>			
Translation differences	-136	-147	-538
<b>Other comprehensive income for the period net after tax</b>	<b>-136</b>	<b>-147</b>	<b>-538</b>
<b>Total comprehensive income for the period</b>	<b>857</b>	<b>7 269</b>	<b>193 775</b>
Whereof related to the shareholder of the parent company	884	7 198	193 582
Whereof related to minority stakeholders	-27	71	193
<b>Total comprehensive income for the period</b>	<b>857</b>	<b>7 269</b>	<b>193 775</b>

<b>Consolidated balance sheet</b>	<b>Nov 30</b>	<b>Nov 30</b>	<b>Aug 31</b>
<b>KSEK</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	87 899	-	96 162
Property, plant and equipment	40 661	109 427	52 024
Participations in associated companies	-	3 763	37
Deferred tax asset	3 648	2 651	3 095
Other financial assets	20 502	31 314	25 953
<b>Total fixed assets</b>	<b>152 711</b>	<b>147 154</b>	<b>177 271</b>
<b>Current assets</b>			
Inventories, work in progress	750 326	453 287	574 666
Advance payment to suppliers	379 644	94 531	307 225
Account receivable - trade	28 004	32 531	53 018
Other receivables	50 134	40 055	37 023
Prepaid expenses and accrued income	101 198	6 384	5 973
Cash and bank balances	77 638	107 853	739 825
<b>Total current assets</b>	<b>1 388 836</b>	<b>744 076</b>	<b>1 717 730</b>
<b>TOTAL ASSETS</b>	<b>1 541 546</b>	<b>891 230</b>	<b>1 895 002</b>
<b>KSEK</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity related to the share holders of parent company	794 898	664 988	814 013
Equity related to minority stake holders	1 885	1 789	1 912
<b>Total equity</b>	<b>796 783</b>	<b>666 777</b>	<b>815 924</b>
<b>Non-current liabilities</b>			
Non-current interest bearing liabilities	77 800	8 250	81 780
Provision, non current	1 557	3 867	2 107
Deferred taxes	40 786	59 746	39 994
Other liabilities	264	836	264
<b>Total non-current liabilities</b>	<b>120 406</b>	<b>72 699</b>	<b>124 145</b>
<b>Current liabilities</b>			
Current interest bearing liabilities	30 533	20 252	286 960
Bills payable	99 778	30 154	140 806
Derivative instruments	10 938	14 123	12 647
Current tax liabilities	5 762	12 326	35 099
Accrued expenses and deferred income	40 407	17 959	61 606
Advance payment from customers	434 934	54 856	318 782
Other liabilities	2 004	2 084	99 031
<b>Total current liabilities</b>	<b>624 357</b>	<b>151 754</b>	<b>954 932</b>
<b>Total equity and liabilities</b>	<b>1 541 546</b>	<b>891 230</b>	<b>1 895 002</b>

<b>Consolidated cash flow statement</b>	<b>Q1</b>	<b>Q1</b>	<b>Full year</b>
	<b>Sep 2018</b>	<b>Sep 2017</b>	<b>Sep 2017</b>
<b>KSEK</b>	<b>- Nov 2018</b>	<b>- Nov 2017</b>	<b>- Aug 2018</b>
<b>Operating activities</b>			
Operating profit	9 656	2 988	202 411
Non cash items	-4 034	-7 114	15 399
	<b>5 621</b>	<b>-4 125</b>	<b>217 810</b>
Interest received	289	914	2 667
Interest paid	-2 756	-1 115	-7 174
Income tax paid	-30 218	-3 663	-3 424
<b>Net cash flow from operating activities before changes in working capital</b>	<b>-27 063</b>	<b>-7 989</b>	<b>209 879</b>
Adjustments of working capital	-276 185	-79 482	31 845
<b>Cash flow from operating activities</b>	<b>-303 248</b>	<b>-87 471</b>	<b>241 724</b>
Acquisition of intangible assets	-96 162	-	-
Acquisition of property, plant and equipment	-667	-1 104	-1 388
Sales of property, plant and equipment	34	67	437
Acquisition of participations in subsidiaries/asset acquisition	-1 668	-	-
<b>Cash flow from investing activities</b>	<b>-98 463</b>	<b>-1 037</b>	<b>-952</b>
Borrowings	-	-	360 000
Repayment of loans	-260 407	-5 429	-25 807
Paid dividends	-	-	-37 361
<b>Cash flow from financing activities</b>	<b>-260 407</b>	<b>-5 429</b>	<b>296 832</b>
<b>Cash flow for the year</b>	<b>-662 119</b>	<b>-93 938</b>	<b>537 604</b>
Cash and cash equivalents at beginning of year	739 825	201 509	201 509
Exchange-rate differences in cash and cash equivalents	-68	282	712
<b>Cash and cash equivalents at year-end</b>	<b>77 638</b>	<b>107 853</b>	<b>739 825</b>

## Consolidated statement of changes in equity

KSEK	Share capital	Additional paid-in capital	Reserves	Retained earnings	Total, Eolus's shareholders	Non-controlling interests	Total equity
<b>At 1 September 2017</b>	<b>24 907</b>	<b>190 843</b>	<b>369</b>	<b>441 673</b>	<b>657 791</b>	<b>1 719</b>	<b>659 510</b>
Net profit for the year				7 461	7 461	-46	7 416
Other comprehensive income			-263		-263	116	-147
<b>Total comprehensive income</b>			<b>-263</b>	<b>7 461</b>	<b>7 198</b>	<b>71</b>	<b>7 269</b>
<b>Transactions with shareholders</b>							
<b>At 30 November 2017</b>	<b>24 907</b>	<b>190 843</b>	<b>106</b>	<b>449 133</b>	<b>664 988</b>	<b>1 789</b>	<b>666 777</b>
Net profit for the year				186 999	186 999	-102	186 897
Other comprehensive income			-601	-14	-615	224	-391
<b>Total comprehensive income</b>			<b>-601</b>	<b>186 985</b>	<b>186 384</b>	<b>122</b>	<b>186 506</b>
<b>Transactions with shareholders</b>							
Dividend				-37 361	-37 361		-37 361
<b>At 31 August 2018</b>	<b>24 907</b>	<b>190 843</b>	<b>-496</b>	<b>598 759</b>	<b>814 012</b>	<b>1 912</b>	<b>815 924</b>
<b>At 1 September 2018</b>	<b>24 907</b>	<b>190 843</b>	<b>-496</b>	<b>598 759</b>	<b>814 013</b>	<b>1 912</b>	<b>815 924</b>
<u>Adjustment for changed accounting principle:</u>							
IFRS 15 Income from agreements with customers				-20 000	-20 000		-20 000
<b>Justerat per 1 september 2018</b>	<b>24 907</b>	<b>190 843</b>	<b>-496</b>	<b>578 759</b>	<b>794 013</b>	<b>1 912</b>	<b>795 924</b>
Net profit for the year				1 015	1 015	-22	993
Other comprehensive income			-97	-34	-131	-5	-136
<b>Total comprehensive income</b>			<b>-97</b>	<b>981</b>	<b>884</b>	<b>-27</b>	<b>857</b>
<b>Transactions with shareholders</b>							
<b>At 30 November 2018</b>	<b>24 907</b>	<b>190 843</b>	<b>-593</b>	<b>579 740</b>	<b>794 898</b>	<b>1 885</b>	<b>796 783</b>