

Press Release

ABO Wind with a very good annual surplus Dividend recommended

- Annual surplus in the amount of Euro 781,257 after tax
- New financing methods
- Successful project development – Europe-wide
- “Saxony-Anhalt” biogas fund subscribed within a few days

(Wiesbaden, 13.06.2006) ABO Wind AG concluded the financial year 2005 with a very good annual surplus of Euro 781,257 after tax, thereby more than doubling the previous year’s result. The earnings before interest and taxes, EBIT, amounted to Euro 1,303,423 (previous year: Euro 856,124). “The German wind power industry consolidated at a high level and ABO Wind has emerged as one of the winners from the new order. We are pleased to recommend to the annual general meeting a dividend of 45 cents per share,” said Dr. Jochen Ahn, Executive Management Board of ABO Wind AG.

New methods of financing

In financing, the company has two successes to report: ABO Wind was able to take part in the PREPS mezzanine programme, in which, after successful examination of its creditworthiness, the company was able to obtain a subordinated loan at favourable conditions, together with 50 other companies from other industries. These funds have contributed to doubling project sales for 2006 and 2007, in comparison with previous years, to around Euro 70 million per annum. A further success was the “Breeze Two” bond, initiated by Hypovereinsbank, with which ABO Wind financed and sold a total of 83 wind farms in a single deal by March 2006. In collaboration with various German wind power developers, a portfolio of wind farms totalling 330 megawatts of installed capacity could be financed with “Breeze Two”.

International project development and a good portfolio of projects

Project development was very successful during the past year: Only 24 megawatts of wind power output – of which, 15 megawatts in Germany and nine megawatts in France - were able to be commissioned, however the infrastructure of the Bedburg wind farm with 24 megawatt of installed capacity was accomplished. The wind farm was only unable to be connected to the grid because the turbine manufacturer defaulted on delivery.

At the start of 2006, the company had seven approved and largely financed wind farms available, in addition to Bedburg. During the course of the year, further approvals are anticipated, so that as of the end of the year, at least 30 megawatts are to be newly connected to the grid in Germany and 25 megawatts in France. In Spain, the Executive Board Members expect the crucial grid connection for the “Velez Rubio” project, with 50 megawatts, so that the project will become ready for construction. Furthermore, there are several projects of four to five megawatts each in progress, as these can be approved using a simplified procedure.

The internationalisation of ABO Wind is advancing: Portugal and Argentina have been added to France and Spain as target markets. Further countries are in preparation and the extent of the projects being processed has been significantly expanded overall. Thus, the company is currently planning wind farms with around 300 megawatts, primarily in European countries outside of Germany.

“Saxony-Anhalt” biogas fund subscribed within a few days

The “Saxony-Anhalt Biogas Fund” was a great success and could be placed within a few days. The three biogas plants financed by it, with a total of 1.4 megawatts of installed capacity, were connected to the grid in autumn of 2005. The planning of new biogas plants, which are again intended to be offered as public funds in 2006, is advanced. In contrast, the financing and conclusion of supply contracts for the heating power plant, with four megawatts of output, are proving difficult, however ABO Wind anticipates that the project will be sold during the course of the year.

Outlook

Overall, the basic attitude toward the development of renewable energy and thus, particularly, wind energy, improved again in 2005, in fact, this has taken place worldwide, which can be easily seen from the significantly longer delivery periods for wind farms. ABO Wind is continuing to rely mainly on the development of wind farms and intends to press ahead with the acquisition of project rights with subsequent financing and construction. Operations management, already experienced with international customers, is now also being offered by ABO Wind to third parties and equivalent size advantages in this field are also anticipated, as with financing and sales. "With a limited amount of investment, we intend to open up new markets and further establish ABO Wind as an international project developer. The result for 2005 is the second best in the history of the company. However, we have every reason to believe that we will exceed it in the coming years", says Ahn.

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