

## Press Release

### **ABO Wind posts solid annual net profits**

#### **Dividend payout suggested**

- Annual surplus in the amount of Euro 360,000 after taxes
- Wind farm in France hooked up to the grid – continued internationalization
- Construction commencement for three biogas facilities
- No negative consequences from new tax regulations for funds

(Wiesbaden, 20 May 2005) ABO Wind AG has concluded the fiscal year 2004 with a solid annual surplus in the amount of Euro 360,413 after taxes. This represents an equity return of 10.6 percent. Earnings before interest and taxes, EBIT, amounted to Euro 856,124. After its balanced annual report in 2003, the company is returning to the success of previous years which is all the more enjoyable as several competitors suffered from groundings and collapse. “Looking back at 10 years of successful corporate development shows that the primary focus on developing wind power with growth in experience,” Dr. Jochen Ahn, CEO of ABO Wind AG states. A dividend payout of 20 cents per share will be suggested to the General Assembly.

#### **Wind farms created with 30 MW of installed power**

Project development during this past year has been successful. Of the total wind farms of 30 MW planned and commissioned for 2004, 21 MW were generated in Germany, and 9 MW in France. In contrast to the year prior, these projects, with a volume totaling more than Euro 35 million, represent our own developments exclusively, ascertaining that the added value chain of these projects remains within ABO Wind AG.

#### **The inventory of farm park projects is enjoyable – and construction of three biogas facilities has commenced.**

At the beginning of 2005, two approved and financed wind farms are available to the company, their construction to start imminently. Additional permits are expected throughout the year so that by year’s end, at least 30 MW will be hooked up to the grid in Germany. In France, several projects with 10 to 12 MW each are pending for approval. In Spain, the Velez Rubio project with 50 MW of power output is awaiting its final permits, indicating that this project will be ready for construction during this current year. In addition, several projects of 4 to 5 MW each are in the processing stage where construction might still start in 2005 due to the simplified approval process. In the area of biomass, the heating power plant with 4 MW, in the processing stages for the past two years, has obtained the building permit and is thus ready for construction. Several banks are researching outside financing, and detailed construction proposals are available. The executive boards proceed on the assumption of an early sale. Construction of three biogas facilities in Saxony-Anhalt, each with approximately 500 KW of power generated from fermentation of liquid manure and various energy plants, has started in April 2005. They are scheduled for the financial markets as part of a yield fund during the current year.

### **International expansion improved competitiveness**

We have continued to expand our foreign pillars in France and Spain and their respective subsidiaries, and have prepared a market entry in further countries. Overall, already more than half of all project development work is implemented in European foreign countries. At the same time, financing and marketing have taken on an international direction. "Using sales to French, Swedish, Greek, and Canadian investors, we were able to buffer the initially weakened demand from German buyers. In the meantime, however, this step has significantly strengthened the competitiveness of ABO Wind. Thus, the looming discontinuation of tax write-offs on wind fund losses will not only bypass ABO Wind without much damage but may even offer additional business opportunities," Dr. Ahn stated. When comparing prior years and the current situation, with significantly expanded financing options and increased international customers who wouldn't benefit from any tax write-offs anyway, ABO Wind may be able to acquire project rights which might have been non-obtainable or non-fundable in the past.

### **Wind power with good prospects internationally**

Overall, on a global scale, the basic attitude toward expanding renewable energy sources, and wind power in particular, has continued to improve in 2004. Although developments in France and Spain have progressed at a slower pace than hoped for, the assessment that greenhouse effects and dependence on fossil fuels would promote the global and long-term expansion of renewable energy, has proven to be correct in 2004 as well.

### **Wind power remains a solid pillar of ABO Wind**

"Therefore, we continue to place emphasis on the development of wind farms, and on continued improvement of the competitive situation. Project development in European foreign countries is targeted for strengthening with the plan of either adding the formation of a subsidiary in a European country or by attempting to develop individual projects in several European countries from within Germany. In addition, we are striving to enter other, non-European markets with the sizable know-how acquired by the company by now," said Dr. Ahn.

### **Outlook for a positive business development**

Based on the project situation, our stronger position within the competitive market, and financing options, both executive boards expect a higher profit for 2005 than for the past year, and we foresee promising prospects in the long run as well.

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