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PROFIT AND LOSS REPORT
FIRST HALF 2018
JANUARY - JUNE**

PROFIT AND LOSS REPORT January – June 2018



Table of Contents

- **Executive Summary**
- **Key Figures**
- **Consolidated Income Statement**
- **Consolidated Balance Sheet**
- **Stock Exchange Information**
- **Significant Events within the Reporting Period**
- **About Audax Renovables**
- **Companies of the Group**
- **Legal Disclaimer**

PROFIT AND LOSS REPORT January – June 2018



Executive Summary

- Audax Renovables ended the first half of 2018 with a net profit of EUR 4,133 thousand, in comparison of the profits of EUR 2,024 thousand for the same period of the previous year, which means an increase of 104%.
- The energy produced by Audax Renovables portfolio in the first half of 2018 reached 203.5 GWh. 75% of the energy produced in the first half of 2018 was generated in Spain (representing 75% of the operating income), France provided 7% (8% of the operating income), and Poland 18% (13% of the operating income) of the total amount. The production of the projects in this period has been lower by 7% compared to the first half 2017.
- The average pool price in Spain for this period has been 2.1% lower than the same period of 2017. On the other hand, in Poland the Green Certificates closing price has been 75.17 PLN/MWh (17.8 €/MWh), but in the last period the closing price was 22.46 PLN/MWh (5.3 €/MWh), which means an increase of 235%.
- At the end of June, the approval of the regulatory changes that affect, among other things, the calculation conditions on the taxes of the land occupied by the renewable facilities is published in Poland. As a consequence of this regulatory change, these taxes that Postolin wind farm support significantly decrease.
- The lower turnover due to production decrease and the lower average pool price in Spain together with lower operating expenses by 3% compared to the first half 2017 do not impact in the EBITDA evolution, resulting an increase of 1% compared with the same period of 2017.

Consolidated Income Statement	1H2018	1H2017	Var. (%)
Operating income	17,693	17,706	0
Operating expenses	-5,756	-5,906	-3
EBITDA	11,937	11,800	1
EBIT	8,108	6,070	34
Financial profit / loss	-3,898	-3,805	2
Net profit/loss Attributable to the Parent Company	4,133	2,024	104

EUR thousands

Audax Renovables increases its profit by 104% compared to the same period of the previous year.

PROFIT AND LOSS REPORT January – June 2018



Executive Summary

- At the beginning of the first quarter, the syndicated corporate debt subscribed in January 2012 was restructured through the signing of a new corporate financing agreement with Banco Santander, S.A. and Banco Popular Español, S.A. amounting to 3,400 thousand euros. Afterwards, on 10th April 2018, it was proceeded to completely cancel it through a new optimization debt operation, project finance mode, of Hinojal Wind Farm.
- During first half of fiscal year 2018, as an intra-group deal, 100% of the shares of the company Exploración Eólica La Pedrera, S.L. were sold to the company Audax Energía, S.A. assuming a pre-tax profit of EUR 1,983 thousand, given that the consolidated book value was fully write-off.
- In May of this year Audax Renovables communicated the start of the construction works of the first stage of the wind farm of 66 MW of installed capacity of the Toabré wind farm in Panama, with a total investment amounting to over USD 150 million. This first stage has a financing agreement for 12 years, amounting USD 104 millions, with Banco Prival, S.A. as agent bank.
- The Board of Directors of Audax Renovables, S.A. and Audax Energía, S.A. held on June 29 have drawn up the common project for the merger by take-over of Audax Energía, as the Target Company, by Audax Renovables, as the Acquiring Company. The swap ratio will be 300,287,276 new shares of the Acquiring Company for 1,800,000 shares of the Target Company, as was reported to CNMV under registration number 267392.
- On July 11, 2018 Audax Renovables, S.A. has signed a private contract for the issuance of promissory notes for a maximum amount of EUR 5 million with TORO FINANCE, S.L.U. (BRAVO CAPITAL) due in October 2018.



Hinojal

PROFIT AND LOSS REPORT January – June 2018



Key Figures

- The production breakdown by country is as follows:

Production (GWh)	1H2018	%	1H2017	%	% Var.
Spain	152.0	75%	161.8	74%	-6%
France	15.1	7%	16.5	9%	-9%
Poland	36.3	18%	39.3	18%	-7%
Total	203.5	100%	217.6	100%	-7%

- The turnover breakdown by country is as follows:

Turnover (M€)	1H2018	%	1H2017	%	% Var.
Spain	13.9	79%	14.40	82%	-3%
France	1.4	8%	1.5	9%	-8%
Poland	2.1	13%	1.7	10%	25%
Total	17.4	100%	17.6	100%	-1%

Operational key figures

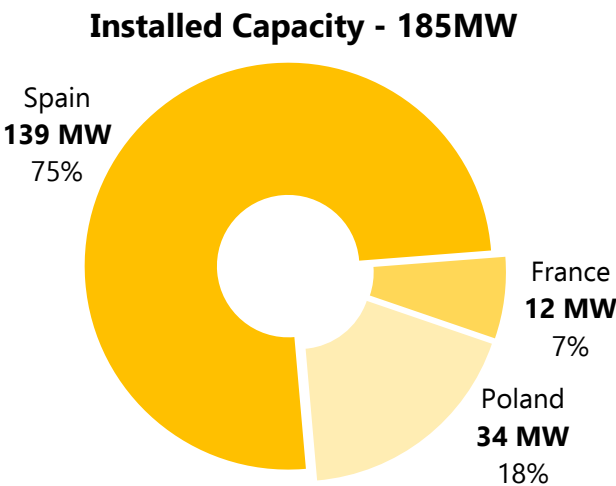
- The southern Spain projects have get lower wind resource during this first half of the year compared with last year same period. On the other hand, Mudéfer wind farm, in Tarragona, has increased its production by 19% compared to the same period of the previous year.
- On an international level, production has been lower than the same period of the previous year due to the lower wind resource. However, the Poland wind farm has benefited from the important revaluation of the green certificates in Poland by 235%, has increased its turnover by 25% compared to the first half of 2017.

PROFIT AND LOSS REPORT January – June 2018



Key figures

- The installed capacity breakdown by country is as follows:



- The portfolio breakdown by country is as follows:

MW	Operating	Under construction	Under development	Total portfolio	%
Spain	139	0	50	189	56%
France	12	0	0	12	4%
Poland	34	0	34	68	20%
Panama *	0	20	45	65	20%
TOTAL	185	20	129	334	100%

* Attributable capacity (30% of 215 MW)



Mudefer

PROFIT AND LOSS REPORT January – June 2018



Consolidated Income Statement

Consolidated Profit and Loss	1H2018	1H2017	Var.	Var. (%)
Net turnover	17,373	17,568	-195	-1
Other income	320	138	182	n.a.
Operating income	17,693	17,706	-13	0
Operating expenses	-5,756	-5,906	150	-3
EBITDA	11,937	11,800	137	1
Amortisation, depreciation and impairment	-5,797	-5,793	-4	0
Impairment and profit/loss from disposal of fixed assets	1,968	63	1,905	3
EBIT	8,108	6,070	2,038	34
Financial income	75	61	14	23
Financial expenses	-3,924	-4,018	94	-2
Exchange differences	-49	152	-201	n.a.
Financial profit/loss	-3,898	-3,805	-93	2
Share in the profit/loss of associated companies	-28	-50	22	-44
Profit/loss before tax	4,182	2,215	1,967	89
Corporate Income Tax	-29	-69	40	-58
Consolidated profit/loss for the year	4,153	2,146	2,007	94
Profit/loss attributed to minority interests	-20	-122	102	-84
Net profit/loss Attributed to the Parent Company	4,133	2,024	2,109	104

EUR thousands

Analysis of the Results

- The net turnover has amounted to EUR 17,693 thousand, being only EUR 13 thousands lower than previous year.
- The revaluation of the price of the green certificates in Poland by 235% and the lower negative impact of the hedging price agreed, compensate the lower average pool price in Spanish market of 2.1% lower than the same period of the last year.
- Operating expenses are 3% lower due to the Company's cost reduction and optimization policy, and between others, due to the change in the regulatory framework in Poland that decrease land taxes, resulting a 1% increase in EBITDA.
- During first half of fiscal year 2018, as an intra-group deal, 100% of the shares of the company Exploración Eólica La Pedrera, S.L. were sold to the company Audax Energía, S.A. assuming a pre-tax profit of EUR 1,983 thousand, given that the consolidated book value was completely write-off.
- Financial expenses have decreased by 2% compared to the same period of the previous year, owing, among others, the lower financial burden from the project finance projects.
- Audax Renovables ended the first half of 2018 with a Net profit Attributed to the Parent Company of EUR 4,133 thousand, in comparison of the profits of EUR 2,024 thousand for the same period of the previous year, which is an increase of 104%.

PROFIT AND LOSS REPORT January – June 2018



Consolidated Balance Sheet

ASSETS	Jun-18	Dec-17	Var.	var. (%)
Property, plant and equipment	158,610	164,779	-6,169	-3.7
Goodwill	1,494	1,494	0	n.a.
Other intangible assets	29,739	30,708	-969	-3.2
Non-current financial assets	14,316	5,813	8,503	n.a.
Investments as per equity accounting	6,969	6,931	38	0.5
Deferred tax assets	3,034	3,055	-21	-0.7
Non-current assets	214,162	212,780	1,382	0.6
Trade and other receivables	5,967	6,910	-943	-13.6
Other current financial assets	14,323	10,182	4,141	40.7
Other current assets	355	56	299	n.a.
Cash and cash equivalents	8,284	14,178	-5,894	-41.6
Current assets	28,929	31,326	-2,397	-7.7
Total Assets	243,091	244,106	-1,015	-0.4
LIABILITIES AND NET EQUITY	Jun-18	Dec-17	Var.	var. (%)
Capital	98,003	98,003	0	n.a.
Other reserves	-3,783	-11,133	7,350	-66.0
Profit/loss for the year	4,133	7,350	-3,217	-43.8
Translation differences	-6,371	-6,273	-98	1.6
Hedging	-8,212	-8,244	32	-0.4
Minority interests	1,020	1,157	-137	-11.8
Net Equity	84,790	80,860	3,930	4.9
Non-current bank loans	109,065	106,810	2,255	2.1
Other non-current liabilities	28,918	29,962	-1,044	-3.5
Non-current liabilities	137,983	136,772	1,211	0.9
Current bank loans	13,524	19,046	-5,522	-29.0
Trade and other payables	4,737	6,029	-1,292	-21.4
Other current financial liabilities	1,457	815	642	78.8
Other current liabilities	600	584	16	2.7
Current liabilities	20,318	26,474	-6,156	-23.3
Total Liabilities	243,091	244,106	-1,015	-0.4

EUR thousands

The consolidated balance sheet shows, among others, the investment in the starting construction of the first stage of the Panamá project in "Non-current financial assets", and the total cancellation of the corporate debt in the item of "Current Bank loans".

PROFIT AND LOSS REPORT January – June 2018



Consolidated Balance Sheet

Net Financial Debt

- As at 30 June, 2018 the net financial debt amounts to EUR 112 million and corresponds almost entirely to financing of investments in property, plant and equipment of the wind farms ("Project Finance" modality), with a maturity period between 12 and 15 years.
- The principal of the bank loans of Audax Renovables (corporate debt) as at 30 June 2018 was completely settled.
- This consolidated debt implies a financial leverage of 56.9% as shown in the table below.

Net Financial Debt	Jun-18	Dec-17	Var.	%
Bank loans	122,589	125,856	-3,267	-2.6%
Other liabilities (derivatives)	11,978	11,949	29	0.2%
Cash and other current financial assets	-22,607	-24,360	1,753	-7.2%
Net Financial Debt	111,960	113,445	-1,485	-1.3%
Leverage *	56.9%	58.4%		

EUR thousands

* Leverage = Net Financial Debt / (Net Financial Debt + Net Equity)

At the beginning of the first quarter 2018, the Company restructured the corporate syndicated loan, signed on January 2012, by simultaneously signing a new contract for corporate financing with Banco Santander, S.A. and Banco Popular Español, S.A. for the amount of EUR 3,400,000. Afterwards, on April 10, 2018, it was proceed to completely paid off the corporate syndicated loan aforementioned through of a new debt operation, project finance type, of Hinojal wind farm project.

PROFIT AND LOSS REPORT January – June 2018



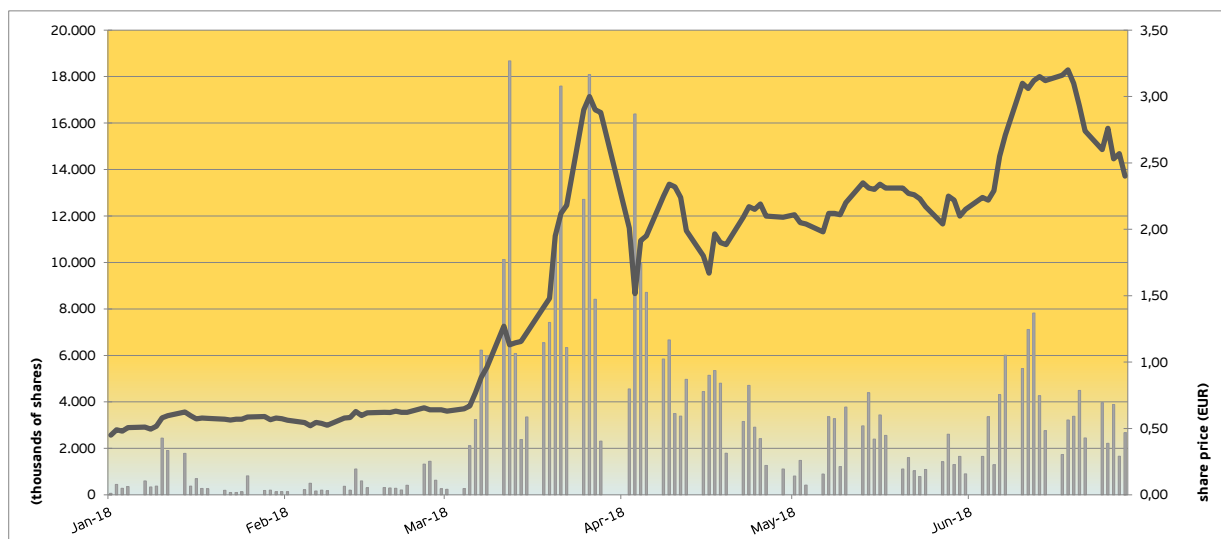
Stock Exchange Information

Audax Renovables - ADX.MC

1H2018

Units

Number of shares admitted to trading	140,003,778	Num.
Share price at the beginning of the period	0.450	€ / share
Share price at the end of the period	2.400	€ / share
Maximum trading price	3.200	€ / share
Minimum trading price	0.450	€ / share
Trading price fluctuation during the period	433.33	%
Capitalisation at the end of the period	336,009,067	€
Number of traded shares	389,664,291	Num.
Effective volume	789,898,971	€
Daily volume of traded shares (average)	3,092,574	Num.
Effective daily volume (average)	6,269,039	€



The share price of Audax Renovables during this first half has reached maximum values since October 2008.

The value traded in the market has also been much higher than the average of the last exercises.

PROFIT AND LOSS REPORT January – June 2018



Significant Events within the Reporting Period

SE: Company

Date	# Registration	Description
2018/01/31	261164	Audax Renovables has restructured the corporate syndicated loan signed in January 31, 2012 and subsequently novated by simultaneously settling the loan and signing a new contract for corporate financing with aforementioned company and Banco Popular Español, S.A. for the amount of EUR 3,400,000, due on 31 July 2020, and with a guarantee consisting of a promise of pledge on credit rights.
2018/04/10	263947	The Company reports that today it has completely paid off its corporate debt.
2018/05/09	265429	The Company announces the start of construction of Toabré Wind Farm project in Panama.
2018/06/27	267259	The Company reports the minutes General Shareholders' Meeting celebrated today.
2018/06/27	267260	The Company reports the presentation of the General Shareholders' Meeting celebrated today.
2018/06/29	267392	The Company reports the formulation of the common merger project between Audax Renovables, S.A., as the Acquiring Company, and Audax Energía, S.A., as the Target Company.

SE: Economic Reports

Date	# Registration	Description
2018/02/25	261989	The Company reports information of second half 2017 results.
2018/02/25	261990	The Company reports Press Release on the results for the year 2017.
2018/02/25	261991	The Company reports consolidated earnings in the second half of 2017.
2018/02/25	261992	The Company reports 2017 Corporate Governance Report.
2018/02/25	261993	The Company reports 2017 Annual Remuneration Report.
2018/05/24	266097	Publication of the notice of the Shareholders' General Meeting and setting the corresponding documentation available to shareholders.

PROFIT AND LOSS REPORT January – June 2018



About Audax Renovables

- Incorporated in the year 2000, Audax Renovables, S.A. is mainly involved in generating electricity from 100% renewable energy sources.
- In 2003 the shares of Audax Renovables were admitted to trading on the secondary market of the Barcelona Stock Exchange and in 2007 they were included in the SIBE (integrated stock exchange system) of the Madrid Stock Exchange. Now the shares are traded on the Spanish continuous market with the ticker symbol ADX.MC.
- In August 2016 Audax Energía, S.A., subsequent to its takeover bid being accepted by the shareholders representing 70,86% of the Audax Renovables' share capital, became the majority shareholder.
- Today Audax Renovables handles a portfolio of operating plants of 185 MW in Spain, France and Poland, of which 1 MW corresponds to solar energy and the rest to wind farms. Audax Renovables owns a portfolio of operating assets of high technological quality and an average age of 9 years.
- For more information, please visit www.audaxrenovables.com



Pedregoso

PROFIT AND LOSS REPORT January – June 2018



Companies of the Group

Company	Holding direct + indirect
Eólica El Pedregoso, S.L	80%
Eólica Del Pino, S.L	80%
Parc Eòlic Mudefer, S.L.	100%
Parque Eólico Hinojal , S.L	100%
Gestora Fotovoltaica de Castellón, S.L. (y sociedades dependientes)	76%
Fercom Eólica, S.L.	100%
Fersa Asesoramiento y Gestión, S.L.	100%
Parc Eòlic Coll De Som, S.L.	100%
Castellwind 03 S.L	60%
Entreyeltes 1, S.L.	51%
Berta Energies Renovables, S.L.	26%
Eoliennes de Beausemblant, SAS	80%
Eólica Postolin Sp	100%
Eólica Warblewo Sp	65%
Parque Eólico Toabré, S.A. (anteriormente Fersa Panamá, S.A.)	30%
A.I.E. Subestación y Línea 2004	30%
Aprofitament d'Energies Renovables de la Terra Alta, S.A.	16%
Aprofitament d'Energies Renovables de L'Ebre S.L.	15%



Postolin

PROFIT AND LOSS REPORT January – June 2018



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