

**AUDAX RENEVABLES, S.A. (formerly Fersa Energías Renovables, S.A.)
and SUBSIDIARIES**

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS AT 30 JUNE 2017

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AUDAX RENOVABLES, S.A. AND SUBSIDIARIES – INTERIM CONDENSED CONSOLIDATED BALANCE SHEET
(EUR thousands)

ASSETS	Note	30.06.17	31.12.16 *	LIABILITIES AND NET EQUITY	Note	30.06.17	31.12.16 *
NON-CURRENT ASSETS		220,643	225,638	NET EQUITY	9	74,586	71,159
				SHAREHOLDERS' EQUITY		88,895	86,871
Intangible assets:	5	33,163	34,167	Capital		98,003	98,003
Goodwill		1,494	1,494	Share premium account		278,948	278,948
Other intangible assets		31,669	32,673	Reserves		(290,080)	(258,472)
Property, plant and equipment	5	169,180	172,478	Profit (loss) for the period attributable to the Parent Company		2,024	(31,608)
Investments as per equity accounting	6	7,154	7,442	VALUE ADJUSTMENTS		(14,888)	(16,214)
Non-current financial assets	7	5,767	5,704	Hedging operations	8	(8,736)	(10,115)
Deferred tax assets	13	5,379	5,847	Translation differences		(6,152)	(6,099)
				NET EQUITY ATTRIBUTED TO THE PARENT COMPANY		74,007	70,657
				NON-CONTROLLING INTERESTS		579	502
				NON-CURRENT LIABILITIES		144,991	152,083
				Non-current provisions	10	1,716	1,666
				Non-current financial liabilities:	11	126,316	133,412
				Bank loans and bonds and other tradable securities		112,856	117,870
				Other non-current financial liabilities		13,460	15,542
CURRENT ASSETS		23,929	25,311	Deferred tax liabilities	13	9,312	9,485
Trade and other receivables:		5,900	5,892	Other non-current liabilities	12	7,647	7,520
Trade receivables for sales and services rendered		5,900	5,678	CURRENT LIABILITIES		24,995	27,707
Other receivables		-	214	Current financial liabilities:	11	19,577	19,042
Current financial assets	7	3,801	3,636	Bank loans and bonds and other tradable securities		18,317	18,554
Other current assets		409	115	Other financial liabilities		1,260	488
Cash and other equivalents		13,819	15,668	Trade and other payables:		4,805	8,001
				Other payables		4,789	8,001
				Current tax liabilities		16	-
				Other current liabilities	12	613	664
TOTAL ASSETS		244,572	250,949	TOTAL LIABILITIES AND NET EQUITY		244,572	250,949

Notes 1 to 19 and Appendix I are an integral part of the interim condensed consolidated financial statements as at 30.06.17

(*) Interim condensed consolidated balance sheet as at 31 December 2016 is presented solely for comparative purposes

AUDAX RENOVABLES, S.A. AND SUBSIDIARIES – INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT			
(EUR thousands)			
	Notes	30.06.17	30.06.16*
Net turnover	4	17,568	13,345
Other operating income	12	138	177
Staff costs		(389)	(607)
Other operating expenses		(5,517)	(6,422)
Amortisation and depreciation	5	(5,793)	(6,424)
Surplus provisions	10	-	658
Impairment and profit (loss) on disposal of fixed assets	5	63	(3,256)
OPERATING PROFIT (LOSS)		6,070	(2,529)
Financial income		61	15
Exchange differences		152	27
Financial expenses		(4,018)	(4,819)
NET FINANCIAL INCOME (EXPENSES)		(3,805)	(4,777)
Profit (loss) of companies consolidated by equity accounting	6	(50)	(38)
PROFIT (LOSS) BEFORE TAX		2,215	(7,344)
Corporate Income Tax		(69)	386
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		2,146	(6,958)
Net profit (loss) for the period from discontinued operations		-	-
CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD		2,146	(6,958)
a) Profit (loss) attributed to the Parent Company		2,024	(6,800)
b) Profit (loss) attributed to non-controlling interests		122	(158)

PROFIT / (LOSS) PER SHARE			
(euros per share)			
	Notes	30.06.17	30.06.16
Basic	9	0.014	(0.049)
Diluted	9	0.014	(0.049)

Notes 1 to 19 and Appendix I are an integral part of the interim condensed consolidated financial statements as at 30.06.17

(*Interim condensed consolidated income statement as at 30 June 2016 is presented solely for comparative purposes

AUDAX RENOVABLES, S.A. AND SUBSIDIARIES – INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		
(EUR thousands)		
	30.06.17	30.06.16 *
CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD	2,146	(6,958)
INCOME AND EXPENSES CHARGED DIRECTLY TO NET EQUITY	24	(3,439)
a) Items that can be subject to reclassification to Income statement		
Cash flow hedges	119	(2,574)
Translation differences	(53)	(1,486)
Tax effect	(42)	621
b) Items that cannot be subject to reclassification to Income statement	-	-
RELEASES TO THE INCOME STATEMENT	1,356	1,450
Cash flow hedges	1,807	1,934
Translation differences	-	-
Tax effect	(451)	(484)
TOTAL RECOGNISED INCOME (EXPENSES) FOR THE PERIOD	3,526	(8,947)
Attributed to the Parent Company	3,350	(8,840)
Attributed to non-controlling interests	176	(107)

Notes 1 to 19 and Appendix I are an integral part of the interim condensed consolidated financial statements as at 30.06.17

(*)Interim condensed consolidated statement of comprehensive income as at 30 June 2016 is presented solely for comparative purposes

AUDAX RENOVABLES, S.A. AND SUBSIDIARIES - INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET EQUITY

(EUR thousands)

	Share capital	Share premium account	Reserves	Profit and loss	Value adjustments	Total Parent Company	Non-controlling interests	Total
Balance at 31-12-15	98,003	278,948	(205,042)	(53,467)	(16,392)	102,050	665	102,715
Comprehensive income for the period	-	-	-	(6,800)	(2,040)	(8,840)	(107)	(8,947)
Transactions with shareholders or owners								
Dividends	-	-	-	-	-	-	(135)	(135)
Other changes in net equity								
Distribution of results	-	-	(53,467)	53,467	-	-	-	-
Other movements	-	-	37	-	-	37	(37)	-
Balance at 30-06-16	98,003	278,948	(258,472)	(6,800)	(18,432)	93,247	386	93,633
Comprehensive income for the period	-	-	-	(24,808)	2,218	(22,590)	116	(22,474)
Transactions with shareholders or owners								
Changes of the scope	-	-	-	-	-	-	-	-
Other changes in net equity								
Other movements	-	-	-	-	-	-	-	-
Balance at 31-12-16	98,003	278,948	(258,472)	(31,608)	(16,214)	70,657	502	71,159
Comprehensive income for the period	-	-	-	2,024	1,326	3,350	176	3,526
Transactions with shareholders or owners								
Dividends	-	-	-	-	-	-	(99)	(99)
Other changes in net equity								
Distribution of results	-	-	(31,608)	31,608	-	-	-	-
Other movements	-	-	-	-	-	-	-	-
Balance at 30-06-17	98,003	278,948	(290,080)	2,024	(14,888)	74,007	579	74,586

Notes 1 to 19 and Appendix I are an integral part of the interim condensed consolidated financial statements as at 30.06.17

AUDAX RENOVABLES, S.A. AND SUBSIDIARIES – INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT
(EUR thousands)

	Note	30.06.17	30.06.16*
CASH FLOW FROM OPERATING ACTIVITIES			
Profit (loss) before tax		2,215	(7,344)
Adjustments to results		9,497	13,660
Amortisation and depreciation	5	5,793	6,424
Value adjustments due to impairment	5		3,408
Changes in provisions		50	(658)
Allocation of grants	12	(138)	(177)
Profit (loss) from write-offs and disposal of fixed assets		(63)	(152)
Interest income		(61)	(15)
Borrowing costs		4,018	4,819
Translation differences		(152)	(27)
Profit (loss) from companies consolidated by equity accounting	6	50	38
Changes in working capital		(3,549)	1,859
Other cash flows from operating activities		(4,477)	(4,404)
Interests paid		(4,533)	(4,419)
Interests collected		61	15
Payments of corporate income tax		(5)	-
CASH FLOWS FROM INVESTMENT ACTIVITIES			
		(130)	43
Payment of investments		(130)	(707)
Tangible, intangible assets and real estate investments		(130)	(707)
Collection on divestment		-	750
Other financial assets		-	750
CASH FLOWS FROM FINANCING ACTIVITIES			
		(5,405)	(4,498)
Collections / (payments) for financial liability instruments		(5,306)	(4,363)
Issues		600	4,398
Collections for grants		-	1,681
Returns and amortisation		(5,906)	(10,442)
Payments for dividends and the remuneration of other net equity instruments		(99)	(135)
EFFECT OF CHANGES IN EXCHANGE RATES			
		-	-
INCREASE / (DECREASE) IN NET CASH AND EQUIVALENTS			
		(1,849)	(684)
CASH AND EQUIVALENTS AT THE BEGINNING OF THE PERIOD			
		15,668	15,988
CASH AND EQUIVALENTS AT THE CLOSE OF THE PERIOD			
		13,819	15,304
BREAKDOWN OF NET CASH AND EQUIVALENTS AT THE CLOSE OF THE PERIOD			
Cash and banks		10,246	11,731
Other financial assets		3,573	3,573
TOTAL NET CASH AND EQUIVALENTS AT THE CLOSE OF THE PERIOD		13,819	15,304

Notes 1 to 19 and Appendix I are an integral part of the interim condensed consolidated financial statements as at 30.06.17

(*Interim condensed consolidated cash flow statement as at 30 June 2016 is presented solely for comparative purposes

EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - GENERAL INFORMATION

Audax Renovables, S.A. (formerly Fersa Energías Renovables, S.A.), hereinafter, the Parent Company, was incorporated in Barcelona on 10 July 2000 for an indefinite period of time.

Its registered address is Avenida Navarra, nº14, Badalona.

It is mainly engaged in all types of activities related to the development of electricity generation from renewable sources, for which purpose it can set-up, acquire and hold shares, bonds, participations and rights in Companies whose corporate objects are the development, construction and exploitation of facilities for the generation of electricity from renewable energy sources.

Additionally, it may acquire, hold, administer and dispose of all kinds of titles, securities, financial assets, rights, holdings or participations in individual or social enterprises, on its own account, excluding intermediaries and under applicable legislation on Securities Market and Collective Investment Institutions.

On 29 June 2017, the General Meeting of Shareholders of the Parent Company resolved to change its corporate name from Fersa Energías Renovables, S.A to Audax Renovables S.A. The registration of this resolution in the Mercantile Register is pending as at the date of these interim condensed consolidated financial statements.

Audax Renovables, S.A., is a holding company which is the parent company of a Group of subsidiary companies, joint ventures and associated companies that are engaged in the generation of electricity from renewable sources and constitute together the AUDAX RENOVABLES GROUP (hereinafter, the Audax Renovables Group or the Group).

Furthermore, the Audax Renovables Group is part of the Excelsior Group whose parent company is Excelsior Times.S.L.U., with its registered address at Avenida Navarra, nº 14, Badalona. The consolidated annual accounts of the Excelsior Group for the year 2016, drawn up on 31 March 2017, have been submitted to the Mercantile Register of Barcelona.

The shares of Audax Renovables, S.A. are admitted to trading on the continuous market of the Spanish Stock Exchange. The annual accounts of Fersa Energías Renovables S.A. (presently Audax Renovables S.A.) and the consolidated annual accounts of the Fersa Group (presently Grupo Audax Renovables) for the year ended on 31 December 2016 were approved by the General Meeting of Shareholders on 29 June 2017.

The interim condensed consolidated financial statements of the Audax Renovables Group as at 30 June 2017 were drawn up by the Directors of the Parent Company on 27 July 2017.

The figures presented in these interim condensed consolidated financial statements are stated in thousand euros, except for the figures of profit per share which are expressed in euros per share, unless otherwise specified.

NOTE 2 – BASIS OF PRESENTATION

These interim condensed consolidated financial statements for the period of six months ended on 30 June 2017 have been drawn up in accordance with the International Accounting Standard 34 (NIC 34) “Interim Financial Reporting” included in the International Financial Reporting Standards adopted by the European Union (IFRS-EU). The interim condensed consolidated financial statements shall be interpreted together with the consolidated annual accounts for the year ended on 31 December 2016, which were drawn up in accordance with the IFRS-EU. Consequently, it was not necessary to repeat or update certain notes or estimates included in the aforementioned consolidated annual accounts. Instead, some selected enclosed explanatory notes contain an explanation of events or adjustments that are likely to be of importance for the description of the changes in the consolidated financial situation and in the consolidated operating results, of the consolidated comprehensive income and the consolidated cash flow statements of the Group since 31 December 2016, the date of the aforementioned consolidated annual accounts, till 30 June 2017.

In accordance with paragraph 20 of IAS 34, and for the purpose of providing comparative information, these interim condensed consolidated financial statements include the interim condensed consolidated balance sheets as at 30 June 2017 and as at 31 December 2016, the interim condensed consolidated income statements for the period of six months ended on 30 June 2017 and 2016, the interim condensed consolidated comprehensive income statements for the periods of six months ended on 30 June 2017 and 2016, the interim condensed consolidated statements of changes in net equity for the periods of six months ended on 30 June 2017 and 2016 and as at 31 December 2016, the interim condensed consolidated cash flow statements for the periods of six months ended on 30 June 2017 and 2016, together with the explanatory notes to the interim condensed consolidated financial statements for the period of six months ended on 30 June 2017.

The interim condensed consolidated financial statements of the Audax Renovables Group have been prepared on the basis of the financial statements of Audax Renovables, S.A. and the subsidiary companies belonging to the Group. Each company draws up its own financial statements according to the accounting principles and standards of the country in which it carries out its operations. The adjustments and reclassifications, which were necessary to harmonise the principles and criteria and put them in line with the IFRS-EU, have been carried out during the consolidation process. Furthermore, the accounting policies have been modified for the consolidated companies, when necessary, in order to ensure their consistency with the accounting policies adopted by the Audax Renovables Group.

The information set out in these interim condensed consolidated financial statements is the responsibility of the Directors of the Parent Company.

The Audax Renovables Group shows negative working capital (current assets minus current liabilities) amounting to EUR 1,066 thousand as at 30 June 2017 (negative amount of EUR 2,396 thousand as at 31 December 2016). The Directors of the Parent Company have drawn up these Interim Condensed Consolidated Financial Statements under the assumption of going concern, due to the existence of mitigating factors, such as currently operating projects which in the following 12 months will bring a cash flow necessary for the Group to continue the usual business activity in following years.

Comparison of the information

As requested by the IFRS-EU, the information contained in these interim condensed consolidated financial statements as at 30 June 2017 is presented solely for comparative purposes together with the relevant information for the period of six months ended on 30 June 2016, except for the consolidated balance sheet which compares the situation as at 30 June 2017 and at 31 December 2016.

In accordance with IAS 34, in order to identify the information to be specified for each of the individual accounts of the interim condensed consolidated financial statements or other aspects, the Group has taken into consideration their relative importance in relation to the interim condensed consolidated financial statements.

Main risks and contingencies and accounting estimates

Main risks and contingencies, as well as essential accounting estimates, coincide with the ones specified in the consolidated annual accounts for the year 2016, and there have been no significant changes since its disclosure.

Transactions in foreign currency

The exchange rates against the Euro of the main currencies of the companies in the Audax Renovables Group as at 30 June 2017 and 31 December 2016 have been as follows:

	30 June 2017		31 December 2016		30 June 2016	
	Closing rate	Average year-to-date rate	Closing rate	Average year-to-date rate	Closing rate	Average year-to-date rate
US Dollar	1.1412	1.0878	1.0541	1.1021	1.1102	1.1106
Polish Zloty	4.2259	4.2707	4.4103	4.3659	4.4362	4.3621

NOTE 3 – ACCOUNTING POLICIES

The accounting policies followed in these interim condensed consolidated financial statements are consistent with the ones applied in the consolidated annual accounts for the year ended on 31 December 2016.

New accounting standards and interpretations IFRS-EU

As at the date of these interim condensed consolidated financial statements of the Audax Renovables Group, the following standards and interpretations have been issued by the IASB but have not yet entered into force, either because their effective date is subsequent to the date of these interim condensed consolidated financial statements or because they have not been adopted by the European Union (IFRS-EU):

- Amendments to IAS 7. Effective for annual periods beginning on or after 1 January 2017.
- Amendments to IAS NIC 12. Effective for annual periods beginning on or after 1 January 2017.
- IFRS 9 Financial instruments. Effective for annual periods beginning on or after 1 January 2018.

- IFRS 15 Revenue from contracts with customers. Effective for annual periods beginning on or after 1 January 2018.
- IFRS 16 Leases. Effective for annual periods beginning on or after 1 January 2019. Not yet approved by the EU.
- Amendments to IFRS 2 Classification and measurement of share-based payment transactions. Effective for annual periods beginning on or after 1 January 2018. Not yet approved by the EU.
- Amendments to IAS 40 Investment property. Effective for annual periods beginning on or after 1 January 2018. Not yet approved by the EU.
- IFRIC 12 Foreign currency transactions and advance consideration. Effective for annual periods beginning on or after 1 January 2018. Not yet approved by the EU.

The Directors of the Parent Company have not considered the anticipated application of the Standards and interpretations detailed above and, in any circumstances, its application will be taken into consideration upon approval by the European Union.

In any circumstances, the Directors of the Parent Company have evaluated the possible impacts of future application of these standards and consider that its entry into force will not have significant effect on the consolidated annual accounts of the Group, except for the future IFRS 16 on leases, as the Group is currently evaluating its impact.

Changes in the consolidation scope

APPENDIX I contains a list of all the companies in which Audax Renovables, S.A. has a direct or indirect shareholding, and which have been included in the consolidation scope.

The only change in the scope of consolidation during the first half year 2017 corresponds to the resolution adopted on 29 March, under which the Parent Company decided to proceed to the dissolution and liquidation of the Parc Eólic L'Arram, S.L. company. This transaction has had no significant impact on the consolidated income statement nor on the net equity of the Group, as these assets were fully provisioned.

NOTE 4 – SEGMENT REPORTING

a) Main format for presentation of segment reporting: business segment

Audax Renovables Group operates in the segments of wind and solar energy.

The income by segments for the periods of six months ended on 30 June 2016 and 2017 is as follows:

30 June 2017	Wind				Total	Solar	TOTAL
	Spain	Other Western Europe countries	Eastern Europe	Latin America		Western Europe	
Turnover by segments	13,942	1,516	1,687	-	17,145	423	17,568
EBITDA (*)	9,431	1,256	791	-	11,478	322	11,800
Depreciation charge	(4,562)	(376)	(724)	-	(5,662)	(131)	(5,793)
Surplus provisions	-	-	-	-	-	-	-
Profit (loss) on disposal of fixed assets	63	-	-	-	63	-	63
Operating profit (loss)	4,932	880	67	-	5,879	191	6,070
Net financial income (expense)	(2,717)	(116)	(877)	-	(3,710)	(95)	(3,805)
Participation in profit (loss) of the year of associates	-	-	-	(50)	(50)	-	(50)
Profit (loss) before tax	2,215	764	(810)	(50)	2,119	96	2,215
Corporate income tax							(69)
Profit (loss) from continuing operations							2,146
Net profit (loss) from discontinued operations							-
Consolidated profit (loss) for the period							2,146
a) Profit (loss) attributed to the parent company							2,024
b) Profit (loss) attributed to minority interest							122

EBITDA(*): Operating profit plus depreciation and impairment and surplus provisions

30 June 2016	Wind				Total	Solar	TOTAL
	Spain	Other Western Europe countries	Eastern Europe	Latin America		Western Europe	
Turnover by segments	9,859	1,329	1,768	-	12,956	389	13,345
EBITDA (*)	4,976	925	505	(29)	6,377	116	6,493
Depreciation charge	(4,571)	(377)	(1,344)	-	(6,292)	(132)	(6,424)
Surplus provisions	658	-	-	-	658	-	658
Profit (loss) on disposal of fixed assets	153	-	(3,409)	-	(3,256)	-	(3,256)
Operating profit (loss)	1,216	548	(4,248)	(29)	(2,513)	(16)	(2,529)
Net financial income (expense)	(3,593)	(147)	(912)	(2)	(4,654)	(123)	(4,777)
Participation in profit (loss) of the year of associates	(38)	-	-	-	(38)	-	(38)
Profit (loss) before tax	(2,415)	401	(5,160)	(31)	(7,205)	(139)	(7,344)
Corporate income tax							386
Profit (loss) from continuing operations							(6,958)
Net profit (loss) from discontinued operations							-
Consolidated profit (loss) for the period							(6,958)
a) Profit (loss) attributed to the parent company							(6,800)
b) Profit (loss) attributed to minority interest							(158)

EBITDA(*): Operating profit plus depreciation and impairment and surplus provisions

b) Secondary format for presentation of segment reporting: geographic segment

Given the presence of the Audax Renovables Group in various countries, information is grouped by geographic segments. The Audax Renovables Group's registered office, where its main operations are carried out, is currently in Spain. The areas of operations cover different countries, with Spain, France, Poland and Panama standing out.

Net turnover of the Audax Renovables Group by geographic sector is set out below:

	30.06.17	30.06.16
Spain	14,365	10,248
France	1,516	1,329
Poland	1,687	1,768
Total	17,568	13,345

NOTE 5 – INTANGIBLE AND TANGIBLE ASSETS

The movement for the period of six months ended on 30 June 2017 and for the year 2016 in the intangible and tangible assets accounts is as follows:

	Goodwill	Other intangible assets	Total intangible assets	Total tangible assets
Cost	51,291	146,478	197,769	285,676
Accumulated amortisation	-	(16,131)	(16,131)	(68,686)
Impairment provision	(44,229)	(79,026)	(123,255)	(21,591)
Net book value at 31/12/15	7,062	51,321	58,383	195,399
Investment	-	-	-	830
Transfers and others	-	-	-	-
Divestment	-	-	-	-
Amortisation	-	(2,701)	(2,701)	(10,134)
Impairment provision charge/reversal	(5,363)	(15,495)	(20,858)	(12,031)
Translation differences	(205)	(452)	(657)	(1,586)
Net book value at 31/12/16	1,494	32,673	34,167	172,478
Cost	51,086	146,025	197,111	284,738
Accumulated amortisation	-	(18,831)	(18,831)	(78,782)
Impairment provision	(49,592)	(94,521)	(144,113)	(33,478)
Net book value at 31/12/16	1,494	32,673	34,167	172,478
Investment	-	-	-	130
Divestment	-	(36)	(36)	(5)
Amortisation	-	(968)	(968)	(4,825)
Impairment provision	-	-	-	-
Translation differences	-	-	-	1,402
Net book value at 30/06/17	1,494	31,669	33,163	169,180
Cost	49,992	139,487	189,479	286,577
Accumulated amortisation	-	(19,799)	(19,799)	(83,695)
Impairment provision	(48,498)	(88,019)	(136,517)	(33,702)
Net book value at 30/06/17	1,494	31,669	33,163	169,180

Translation differences include, basically, the impact of the valuation of the assets belonging to the investments made in Poland. During the period of six months ended on 30 June 2017, the positive impact is mainly due to the appreciation of the Polish zloty by 4%.

In the first six months of 2017 no significant investments have been made.

As at 30 June 2017 the Group does not have commitments for the purchase assets (nor did it have such commitments as at 31 December 2016).

Assets impairment test

The Audax Renovables Group conducted impairment tests of the entirety of its assets as at 31 December 2016. As a result of these tests, an impairment of EUR 30,883 thousand was registered. As at 30 June 2017, the Group has not updated impairment tests of its wind farms, as there were no significant signals of impairment, nor there had been significant changes in the assumptions in comparison with the close of the year 2016.

NOTE 6 – INVESTMENTS AS PER EQUITY ACCOUNTING

The movement in this account during the first six months of 2017 has been as follows:

	Balance 31.12.16	Changes in net equity	Participation in the results	Impairment	Transfers	Translation differences	Balance 30.06.17
<u>Company</u>							
Parque Eolico Toabré, S.A (Panama)	7,442	-	(50)	-	-	(238)	7,154
Total	7,442	-	(50)	-	-	(238)	7,154

The movement in 2016 was as follows:

	Balance 31.12.15	Changes in the consolidation scope	Participation in the results	Impairment	Transfers	Translation differences	Balance 31.12.16
<u>Company</u>							
Aprofitament d'Energies Renovables de la Terra Alta, S.A.	290	(285)	(5)	-	-	-	-
Parque Eolico Toabré, S.A (Panama)	3,693	-	(79)	-	3,803	25	7,442
Subestación y Línea Los siglos 2004, A.I.E.	107	-	(3)	(104)	-	-	-
Total	4,090	(285)	(87)	(104)	3,803	25	7,442

NOTE 7 - FINANCIAL ASSETS

The breakdown of the financial assets, excluding “Trade and other receivables”, “Other current assets” and “Cash and other equivalents” as at 30 June 2017 and 31 December 2016, classified by their nature and category, is as follows:

At 30 June 2017	Available-for-sale financial assets	Loans and other receivables	Investments held to maturity	Total
Net equity instruments	188		-	188
Other non-current financial assets	-	5,579	-	5,579
Non-current financial assets	188	5,579	-	5,767
Other current financial assets			3,801	3,801
Current financial assets	-	-	3,801	3,801

At 31 December 2016	Available-for-sale financial assets	Loans and other receivables	Investments held to maturity	Total
Net equity instruments	339	-	-	339
Other non-current financial assets	-	5,365	-	5,365
Non-current financial assets	339	5,365	-	5,704
Other current financial assets	-	-	3,636	3,636
Current financial assets	-	-	3,636	3,636

NOTE 8 - DERIVATIVE FINANCIAL INSTRUMENTS

The fair value of the derivative financial instruments, registered in the “Other non-current financial liabilities” account is as follows:

	At 30.06.17		At 31.12.16	
	Assets	Liabilities	Assets	Liabilities
Derivative financial instruments				
Cash flow interest rate hedge				
Non-current	-	(11,090)	-	(12,935)
Current	-	-	-	-
Cash flow interest rate trading				
Non-current	-	(1,093)	-	(1,335)
Current	-	-	-	-
Cash-flow energy price trading				
Non-current	-	-	-	-
Current	-	(400)	-	334
Total	-	(12,583)	-	(13,936)

As at 30 June 2017 and 31 December 2016, the Audax Renovables Group (except for the companies: Eólica el Pedregoso, S.L. and Eólica del Pino, S.L.) does not have any derivatives that do not meet the criterion for hedge accounting under IFRS-EU and, accordingly, the variations in the value of these financial instruments are recorded (net of tax) under net equity as valuation adjustments. The increase in liabilities for these derivative financial instruments is due to the negative impact on the fair value of said instruments because of the decrease in interest rates.

As a result of a refinancing process carried out in 2015, the companies Eólica el Pedregoso, S.L. and Eólica del Pino, S.L. proceeded to pay off their respective hedging contracts on interest rates fluctuation, and to form new hedging contracts on interest rate fluctuation. During the first half year of 2017, the amount of EUR 143 thousand was transferred to the consolidated income statement, corresponding to the transfer – to be carried out in the remaining time of the residual period of the paid-off derivative – of the value of the paid-off derivative instruments as at the repayment date (EUR 223 thousand in the first half year of 2016).

As at 30 June 2017, the new derivatives purchased by these two companies do not meet the criterion for hedge accounting under IFRS-EU, therefore the variations in the value of these financial instruments have been recorded in the consolidated income statement for the period by the amount of EUR 243 thousand (negative amount of EUR 196 thousand in the same period of 2016).

The Group's valuation of the fair value of its derivatives includes an adjustment of bilateral credit risk for the purpose of reflecting both its own risk and the counterparty's risk in the fair value of the derivatives, in accordance with IFRS 13.

NOTE 9 - EQUITY

Share capital

As at 30 June 2017 and 31 December 2016 the share capital of the Parent Company is represented by 140,003,778 shares of a unit value of EUR 0.7 each.

All of the shares have been fully subscribed and paid up and have the same political and economic rights.

All the shares of Audax Renovables, S.A. are admitted to official trading on the continuous market of the Spanish Stock Exchange. The price of the Parent Company's shares as at 30 June 2017 was of EUR 0.565 per share (EUR 0.490 per share as at 31 December 2016).

The breakdown of the shareholders of the Parent Company holding more than 10% shares as at 30 June 2017 and 31 December 2016 is as follows:

	30.06.17	31.12.16
Shareholders	%	%
Audax Energía, S.A.	70.86%	70.86%
Other shareholders (*)	29.14%	29.14%
Total	100.00%	100.00%

(*) None of them holds more than 10%.

Other equity accounts:

a) Share premium account

The share premium is unrestricted. This account can only be affected by resolutions of the General Meeting of Shareholders of the Parent Company.

b) Legal reserve

The companies that report profit for the financial year are obliged to allocate 10% of the profit to this reserve until it reaches at least 20% of share capital. This reserve, as long as it does not exceed the aforementioned limit, can only be used to offset losses if there are no other reserves sufficiently available to do so. On the other hand, it can also be used to increase share capital in the amount that exceeds 10% of the capital already increased.

As at 30 June 2017 and 31 December 2016, the Parent Company has a Legal Reserve valued at EUR 16,266 thousand.

c) Treasury shares

As at 30 June 2017 and 31 December 2016, the Parent Company does not own treasury shares.

d) Translation differences

This account comprises the net amount of the exchange rate differences arising from the translation into euros of the balances of the consolidated companies whose functional currency is different than euro, as well as the net amount of changes in the value of hedging instruments of net investments in foreign operations.

The movement in the balance of this account during the first six months of 2017 and during the year 2016 has been as follows:

	30.06.17	31.12.16
Opening balance	(6,099)	(4,906)
Derecognition, divestments and transfers	-	-
Transfers	-	-
Variation in exchange differences	(53)	(1,193)
Closing balance	(6,152)	(6,099)

The following is a breakdown of the provisions for translation differences by functional currency as at 30 June 2017 and 31 December 2016:

Functional currency	30.06.17	31.12.16
Polish zloty	(6,171)	(6,356)
US dollar	19	257
Total	(6,152)	(6,099)

e) Distribution of profits and losses

The General Meeting of Shareholders held on 29 June 2017 agreed to distribute the loss for the year 2016 of the Parent Company of the negative amount of EUR 31,248 thousand in the following way:

	EUR thousands
Retained losses	(31,248)
Total	(31,248)

Profit/ (Loss) per share:

Profit or loss per share is calculated by dividing the profit attributable to the shareholders of the Parent Company by the weighted average number of ordinary shares circulating during the period:

	(EUR)	
	30.06.17	30.06.16
Number of shares	140,003,778	140,003,778
Average number of shares	140,003,778	140,003,778
Profit (loss) attributable to the Parent Company (EUR)	2,024,185	(6,799,478)
Average number of shares in circulation	140,003,778	140,003,778
Profit / (loss) per share (euros per share)		
- Basic	0.014	(0.049)
- Diluted	0.014	(0.049)

There are no financial instruments that could dilute the profit per share.

f) Non-controlling interest

The movement of the non-controlling interest has been as follows:

Balance at 31.12.2015	665
Profit (loss) attributed to non-controlling interest	(85)
Expenses recognized directly in net equity	94
Dividends	(135)
Changes in consolidation scope (Note 3)	(37)
Balance at 31.12.2016	502
Profit (loss) attributed to non-controlling interest	122
Expenses recognized directly in net equity	57
Dividends	(99)
Others	(3)
Balance at 30.06.2017	579

NOTE 10 – PROVISIONS AND CONTINGENCIES

	Balance 01.01.16	Additions	Derecognitions	Translation differences	Balance 31.12.16	Additions	Translation differences	Balance 30.06.17
Provision for liabilities	655	-	(655)	-	-	-	-	-
Provision for dismantling	1,596	80	-	(10)	1,666	41	9	1,716
Total	2,251	80	(655)	(10)	1,666	41	9	1,716

As at 30 June 2017, the Group has recorded a provision of EUR 1,716 thousand to cover the costs of dismantling the wind farms that are now in operation.

There have been no significant changes neither in the reasons nor in the amounts of the provisions for dismantling in comparison with the situation at 31 December 2016.

The Directors of the Parent Company consider that the provisions and other recorded liabilities cover sufficiently the ones referred to in this note.

NOTE 11 – FINANCIAL LIABILITIES

The movement in this account during the period of the first six months of 2017 and during the year 2016 is as follows:

	Balance 31.12.16	Recognitions	Derecognitions	Cancellations by payment	Translation differences	Transfers	Balance 30.06.17
Debts with credit entities	117,870	146	(58)	-	1,099	(6,201)	112,856
Derivative liabilities	14,270	-	(2,088)	-	-	-	12,182
Other financial liabilities	1,272	6	-	-	-	-	1,278
Total non-current financial liabilities	133,412	152	(2,146)	-	1,099	(6,201)	126,316
Debts with credit entities	18,554	4,042	(113)	(10,444)	77	6,201	18,317
Derivative liabilities	334	66	-	-	-	-	400
Other financial liabilities	154	706	-	-	-	-	860
Total current financial liabilities	19,042	4,814	(113)	(10,444)	77	6,201	19,577

	Balance 31.12.15	Recognitions	Derecognitions	Cancellations by payment	Translation differences	Transfers	Balance 31.12.16
Debts with credit entities	133,423	(81)	-	-	(197)	(15,275)	117,870
Derivative liabilities	16,083	-	(1,813)	-	-	-	14,270
Other financial liabilities	1,201	71	-	-	-	-	1,272
Total non-current financial liabilities	150,707	(10)	(1,813)	-	(197)	(15,275)	133,412
Debts with credit entities	15,232	7,161	-	(19,005)	(109)	15,275	18,554
Derivative liabilities	-	334	-	-	-	-	334
Other financial liabilities	149	5	-	-	-	-	154
Total current financial liabilities	15,381	7,500	-	(19,005)	(109)	15,275	19,042

The companies Eólica del Pino S.L., Eólica el Pedregoso S.L., SAS Eoliennes de Beausemblant, Parque Eólico Hinojal S.L., Parc Eólic Mudèfer S.L., Gestora Fotovoltaica de Castellón S.L. and Eólica Postolin Sp. z o.o. have bank loans under Project Finance agreements for which they have pledged the entirety of their treasury shares.

Regarding the loans for financing the wind farms with liabilities under “Project Finance”, as at 30 June 2017 there are no indications of future noncompliance with the requirements set forth in those agreements, which could give rise to their early redemption.

Furthermore, these loans require that companies record a Debt Service Fund Reserve (FRSD) through their bank accounts as an additional guarantee for the bank syndicate. As at 30 June 2017 and 31 December 2016, the “Cash and other equivalents” account includes the following restricted amounts:

Company	30.06.17	31.12.16
Eólica el Pedregoso, S.L.	768	300
Eólica del Pino, S.L.	385	150
SAS Eoliennes de Beausemant	632	632
Parque Eólico Hinojal, S.L.	1,899	700
Parc Eólic Mudefer S.L.	3,573	3,573
Eólica Postolin Sp, z o.o.	1,141	1,440
Total	8,398	6,795

As at 30 June 2017, the Group's liquidity amounts to EUR 13.819 thousand, which corresponds to cash and cash equivalents.

NOTE 12 – OTHER CURRENT LIABILITIES AND OTHER NON-CURRENT LIABILITIES

The breakdown of the "Other non-current liabilities" and "Other current liabilities" accounts as at 30 June 2017 and 31 December 2016 is as follows:

	30.06.17	31.12.16
Grants received	6,420	6,192
Long-term deferred payments	1,227	1,328
Other non-current liabilities	7,647	7,520
Short-term deferred payments	613	664
Other current liabilities	613	664

a) Received grants

The company Eólica Postolin Sp. z o.o. received non-repayable grants from the European Union through the Polish Ministry of Economy for the construction of its wind farm amounting to PLN 38,354 thousand (EUR 9,169 thousand). The received subsidy is registered in the profit (loss) according to the depreciation of the wind farm. During the first six months of 2017 the amount of EUR 138 thousand has been recorded under "Other operating income".

b) Deferred payments

These accounts include mainly outstanding payments for the purchase of the Parque Eólico Toabré S.A. (formerly Fersa Panamá, S.A.) company. As at 30 June 2017, the amount payable in more than 12 months is of EUR 1,227 thousand (EUR 1,992 thousand as at 31 December 2016). Furthermore, the amount payable in less than 12 months is of EUR 613 thousand (EUR 664 thousand as at 31 December 2016).

NOTE 13 – CORPORATE INCOME TAX

The movement during the first half year of 2017 and in 2016 corresponding to the deferred tax assets and liabilities is as follows:

	Balance 31.12.16	Recognitions	Derecognitions	Transfers	Translation differences	Balance 30.06.17
Deferred tax assets	5,847	42	(510)	-	-	5,379
Deferred tax liabilities	(9,485)	(41)	214	-	-	(9,312)
Total	(3,638)	1	(296)	-	-	(3,933)

	Balance 31.12.15	Recognitions	Derecognitions	Transfers	Translation differences	Balance 31.12.16
Deferred tax assets	5,850	311	(314)	-	-	5,847
Deferred tax liabilities	(13,568)	(599)	4,568	-	114	(9,485)
Total	(7,718)	(288)	4,254	-	114	(3,638)

In addition to the aforementioned deferred tax assets recorded as at 30 June 2017, the Audax Renovables Group has tax loss carry-forwards (TLCs) available for offset amounting to EUR 131,018 thousand, as well as a deferred tax asset balance of EUR 9,897 thousand. The Audax Renovables Group has decided not to recognise these amounts in its interim condensed consolidated financial statements, as they do not meet the requirements under IFRS-EU to be accounted for as assets.

As from 1 January 2017, Audax Renovables, S.A. and some of the subsidiaries of the Audax Renovables Group are subject to Corporate Income Tax under the consolidated tax system along with the following subsidiaries in Spain:

Audax Renovables, S.A.	Banana Phone, S.L.U.
Parc Eòlic Mudèfer, S.L.	Audax Green, S.L.U.
Fercom Eòlica, S.L.U.	Orus Properties, S.L.U.
Parque Eòlico Hinojal, S.L.U.	Orus Renovables, S.L.U.
Fersa Asesoramiento y Gestión, S.L.U.	Generación Iberia, S.L.U.
Parc Eòlic Coll de Som, S.L.U.	Svendborg PV VII, S.L.
Explotación Eòlica La Pedrera, S.L.U.	Garpa Aspa, S.L.U.
Excelsior Times, S.L.U.	Aspy Prevención, S.L.U.
A-Dos Energía, S.L.U.	Spay Seguridad y Salud, S.L.U.
Eléctrica Nuriel, S.L.U.	Aspy Salud Global, S.L.U.
Audax Energía, S.A.	Idas Castellón, S.L.U.
Orus Energía, S.L.	

NOTE 14 – AVERAGE NUMBER OF EMPLOYEES

The average number of employees during the first six months of 2017 and 2016 breaks down as follows:

	30.06.17	30.06.16
Men	8	9
Women	4	8
Total	12	17

In accordance with the provisions of the Organic Law 3/2007, of 22 March, on gender equality, published in the Official State Gazette (BOE) of 23 March 2007, the number of employees of the Audax Renovables Group on 30 June 2017 and 2016 broken down by category and gender is as follows:

	30 June 2017			30 June 2016		
	Men	Women	Total	Men	Women	Total
Management	1	1	2	1	2	3
Technicians	7	3	10	8	5	13
Other	-	-	-	-	1	1
Total	8	4	12	9	8	17

NOTE 15 – INFORMATION ON RELATED PARTY TRANSACTIONS

The transactions carried out in the first half year of 2017 between Audax Renovables, S.A. and the natural or legal persons related to it are specified below.

Related parties are:

- Significant shareholders of Audax Renovables, S.A., meaning those who directly or indirectly hold an interest equal to or exceeding 3%, as well as shareholders who, while not being significant, have exercised the power to appoint a member of the Board of Directors.

According to this definition, the following are considered related parties of Audax Energía, S.A.

- The Directors and Senior Management of the Parent Company and their immediate families, "Directors" meaning members of the Board of Directors, and "Senior Management" meaning members of the Steering Committee.
- The companies belonging to the Excelsior Group.

a) Transactions with significant shareholders and companies of the Excelsior Group

On 27 June 2017, Audax Renovables, S.A. received from Audax Energía, S.A. a loan amounting to EUR 600 thousand with maturity date of 27 December 2017 and annual interest rate of 4,2%.

The Audax Renovables Group, through its subsidiary wind farms in Spain, entered into the following hedge contracts for fixed price of sale and base load capacity (MW) with Generación Iberia, S.L.U and A-Dos Energía, S.L.U., both companies belonging to the Excelsior Group:

- With A-Dos Energía, S.L.U. – a hedge contract for fixed price of sale and base load capacity (MW) for the Cal 2017 period with maximum limit of 12MW per hour (generated by all the wind farms every hour) at the price of EUR 44/MWh.
- The terms of the contract with Generación Iberia, S.L.U. on hedge of fixed price of sale and base capacity (MW) for the subsequent periods of 2017 are as follows:

PERIOD	2017	1Q 2017	1Q 2017
Coverage price (€/MW)	44.0	47.1	47.85
Power (MW)	2.5	2.5	1.0

The accumulated impact of the aforementioned hedges during the first half year of 2017 has brought about a smaller income of EUR 592 thousand.

b) Transactions with Directors and senior management

There are no transactions with Directors and senior management other than those mentioned in note 16.

NOTE 16 – INFORMATION ON MEMBERS OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Remuneration of the members of the Board of Directors

During the first half year of 2017 the remuneration of the members of the Board of Directors of Audax Renovables, S.A. amounts to EUR 36 thousand (EUR 198 thousand during the first half year of 2016), comprising solely the remuneration for personal attendance at the meetings held by the Board of Directors. The remuneration (of a fixed amount per attended meeting) comprises the performance of duties either individually or jointly and the oversight and responsibility required by the function.

As at 30 June 2017, the Board of Directors of the Parent Company is composed of 7 men (8 men and one woman as at 30 June 2016).

Other information on Directors

During the first half year of 2017 no situation of direct or indirect conflict of interest arose regarding members of the Board of Directors.

Management's remuneration

The total remuneration accrued during the first half year of 2017 to the Management of the Group amounts to EUR 94 thousand (EUR 227 thousand of remuneration during the same period of the year 2016). There is also one contract which establishes the right to receive a severance payment in the event of termination of the employment relationship for certain reasons.

As at 30 June 2017, the Management of the Group is composed of 1 woman and 1 man (2 women and 1 man as at 30 June 2016).

NOTE 17 - SURETIES AND GUARANTEES WITH THIRD PARTIES

On 25 May 2017 an existing surety for coverage of a possible payment of the ICIO tax of the Empordavent, S.L. company was cancelled due to the expiration of guarantee period.

Except for the aforementioned one, the Audax Renovables Group has not granted nor cancelled significant sureties additional to those specified as at 31 December 2016.

The Directors of the Parent Company estimate that liabilities not anticipated as at 30 June 2017, if any, which could arise from the commitments indicated in this Note and in Note 10, would not be significant to these interim condensed consolidated financial statements.

NOTE 18 – SIGNIFICANT ASPECTS OF THE PARENT COMPANY

During the first half year of 2017 there have been no significant aspects likely to have an effect on the Parent Company, Audax Renovables, S.A.

NOTE 19 – SUBSEQUENT EVENTS

There have been no significant events subsequent to the date of the execution of these interim condensed consolidated financial statements for the period of six months ended on 30 June 2017.

AUDAX RENOVABLES GROUP

CONSOLIDATED DIRECTORS' REPORT AS AT 30 JUNE 2017

1. SIGNIFICANT EVENTS

The Audax Renovables Group ended the first half year of 2017 with a profit of EUR 2,024 thousand, in contrast to the loss of EUR 6,800 thousand for the same period of the previous year.

This difference between the two results of the first six months of the year is owed primarily to the following factors:

- Higher sale price of the energy on the Spanish market (pool), which corresponds to the increase of EUR 3,148 thousand during the period.
- Special remuneration received by the Spanish wind farms during the 2017 to 2019 regulatory term are higher than in the previous period by EUR 889 thousand due to the update of the parameters published in the decree ETU/130/2017.
- Reduction in expenses and cost containment which have been implemented bring a substantial decrease in the operating costs.
- At the close of June 2016 a provision was recorded for expenses related to the takeover bid by Audax Energía, S.A. amounting to EUR 1,067 thousand.
- During the previous period an impairment provision related to the wind farm in Poland was registered amounting to EUR 3,409 thousand due to regulatory amendments approved in that country.

Thus, a rise in market price of the energy in the first half year together with an increased production of the wind farms boost the income by 31% which, combined with the decrease in operating expenses, make the EBITDA increase by 82% after the effect of the hedge contracts for prices has been taken into account.

On 30 January 2017, Audax Renovables renewed the corporate financing agreement for the amount of EUR 4.6 million, by extending the maturity date till 31 January 2018.

On 29 June 2017 the General Meeting of Shareholders decided, among others, to change the name of the Company to "Audax Renovables, S.A.". Furthermore, it was decided to appoint KPMG Auditores, S.L. as the auditor of accounts of the Company for the period of three (3) years.

2. OPERATING INFORMATION

The installed capacity as at 30 June 2017 is of 185 MW.

The production during the first half year has amounted to 218 GWh, which implies 10% increase against the same period of the previous year (198 GWh), due to good performance of the wind farms in each country.

3. MAIN FINANCIAL HEADLINES

Net turnover has amounted to EUR 17,568 thousand which implies an increase of 32% in comparison to the same period of the year 2016 (EUR 13,345 thousand), primarily due to higher prices on the energy market (pool) in Spain in the first half year, increased production and higher specific remuneration during the new regulatory term.

Operating expenses, without taking into consideration the effect of the increase of the 7% tax on generation of electricity and other accounts affected by a higher turnover, are lower due to the Group's cost containment policy. Moreover, in the previous year provisions were recorded for the costs related to the performed corporate transaction.

Financial expenditure has decreased by 17% compared to the same period of the previous year, owing, among others, to a reduction in financial burden from the Project Finance.

The Audax Renovables Group ends the first half year of 2017 with a Net Profit Attributable to the Parent Company amounting to EUR 2,024 thousand, against loss of EUR 6,800 thousand for the same period of the previous year.

4. ALTERNATIVE PERFORMANCE MEASURES

AUDAX RENOVABLES reports on Alternative Performance Measures (APM) in order to supplement the consolidated financial statements presented in accordance with the International Financial Reporting Standards adopted by the European Union (IFRS-EU). These measures, in addition to the financial measures and in compliance with IFRS-EU, are used for the purpose of establishing budgets and goals and of managing business, assessing its financial and operating performance and comparing it with previous periods and with the performance of the competitors. The presentation of such measures is assumed to be helpful because they can be used for analysis and comparison of profitability between companies and industries, as the impact of the financial structure and of the accounting effects other than cash flows are excluded.

Non-financial measures are also presented, because these and other similar measures are generally used by investors, securities analysts and other brokers as complementary performance measures.

In general, these APM are used in the Directors' report so there is direct traceability to the consolidated income statement and no reconciliation is needed.

The APM that the Group considers most important are set out below:

(EUR thousands)			
Consolidated profit and loss	1S2017	1S2016	Var. (%)
Operating income	17,706	13,522	30.9
Operating expenses	(5,906)	(7,029)	(16.0)
EBITDA	11,800	6,493	81.7
EBIT	6,070	(2,529)	n.a.

(EUR thousands)

Net financial debt	Jun-17	Dec-16	Var.	%
Bank loans	131,173	136,424	-5,251	-3.8%
Corporate debt - Tranche B	4,600	4,600	0	n.a
Operating wind farms' debt and others	126,573	131,824	-5,251	-3.8%
Other liabilities (derivatives)	12,583	14,604	-2,021	-13.8%
Cash and other current financial assets	-17,620	-19,304	1,684	-8.7%
Current financial assets	-3,801	-3,636	-165	4.5%
Cash and cash equivalents	-13,819	-15,668	1,849	-11.8%
Net Financial Debt *	126,136	131,724	-5,588	-4.2%
Net Equity	74,586	71,159	3,427	4.8%
Leverage**	62.8%	64.9%	-	-3.2%

* Net Financial Debt= Bank loans + Other liabilities (derivatives) – Cash and cash equivalents

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

Production (GWh)	1S2017	%	1S2016	%	% Var.
Spain	161.8	74%	146.6	74%	10%
France	16.5	8%	14.6	8%	14%
Poland	39.3	18%	36.7	18%	7%
Total	217.6	100%	197.9	100%	10%

Stock Market Data	1S2017	1S2016	Units
Number of shares admitted to trading	140,003,778	140,003,778	Number
Price at the beginning of the period (2 Jan.)	0.505	0.370	€ / share
Price at the end of the period (30 Jun.)	0.565	0.490	€ / share
Maximum price	0.670	0.495	€ / share
Minimum price	0.500	0.350	€ / share
Price fluctuation during the period	11.88	32.43	%
Capitalisation at the end of the period	79,102,135	68,601,851	€
Number of traded shares (from 2 Jan. to 30 Jun.)	66,187,147	73,401,196	Number
Effective volume (from 2 Jan. to 30 Jun.)	39,662,748	32,313,826	€
Daily volume of traded shares (average)	529,497	577,962	Number
Effective daily volume (average)	317,302	254,440	€
Number of shares	140,003,778	140,003,778	Number
Average number of shares	140,003,778	140,003,778	Number
Profit/Loss attributable to the Parent Company	2,024,185	(6,799,478)	€
Profit/Loss per share			
- Basic	0.014	(0.049)	€ / share
- Diluted	0.014	(0.049)	€ / share

5. MAIN RISKS RELATED TO THE BUSINESS OF THE AUDAX RENOVABLES GROUP

a – Operational risks:

The Group's activities are exposed to various business risks, such as the wind conditions and other meteorological conditions. The operational risk of the group is subject to technological failures, human error or errors due to external factors.

The Group makes the necessary investments to mitigate these risks and to have appropriate policies on its insurance coverage.

The Group companies are subject to current legislation in each country in relation to tariffs at which they invoice their electricity production. A modification of the legal regulatory framework is likely to affect the results of the business.

It should be noted that the Group's activities are subject to compliance with the environmental legislation in force and, accordingly, subject to approval by the authorities and the granting of the respective licenses and authorisations.

b – Financial risk and Financial instruments:

The Group is exposed to fluctuations in interest rate curves as its entire debt to financial entities is at a floating rate. Accordingly, the Group takes out interest rate hedge contracts, basically insuring against maximum interest rates.

The Group's activities outside Spain are exposed to the risk of foreign currency exchange rate fluctuations, which could affect the net income of the respective investee companies, their market value and release to results to the Audax Renovables Group.

6. ENVIRONMENT

Environmental matters are borne in mind throughout the entire process of obtaining authorisation, building the plants and preparing the studies based on the legislation governing each company.

During the first half year of 2017 and in relation to the facilities that are in operation, the Group has incurred environmental expenditure of EUR 33 thousand, primarily for wildlife conservation.

7. STAFF

As at 30 June 2017, the number of employees of the Group is 12.

8. TREASURY SHARES

As at 30 June 2017, the Parent Company does not have treasury shares.

9. RESEARCH AND DEVELOPMENT EXPENSES

The Group has not incurred any expenses of this type during the current period.

10. SUBSEQUENT EVENTS

There have been no events subsequent to the end of the period.

APPENDIX I

COMPANIES BELONGING TO THE AUDAX RENOVABLES GROUP AS AT 30 JUNE 2017

Sociedad	Domicilio	Porcentajes de participación	Método de consolidación
Eólica El Pedregoso, S.L.	Avenida Navarra 14, Badalona (Barcelona) ESPAÑA	80%	I.G.
Eólica Del Pino, S.L.	Avenida Navarra 14, Badalona (Barcelona) ESPAÑA	80%	I.G.
Parc Eòlic Mudefer, S.L.	Avenida Navarra 14, Badalona (Barcelona) ESPAÑA	100%	I.G.
Fercom Eólica, S.L.	Avenida Navarra 14, Badalona (Barcelona) ESPAÑA	100%	I.G.
Gestora Fotovoltaica de Castellón, S.L.	Avinguda Diagonal, número 459, 2º 2ª, Barcelona ESPAÑA	76%	I.G.
Fotovoltaica Fer, S.L.	Avinguda Diagonal, número 459, 2º 2ª, Barcelona ESPAÑA	76%	I.G.
Weinsberg Ecotec, S.L.	Avinguda Diagonal, número 459, 2º 2ª, Barcelona ESPAÑA	76%	I.G.
Fotovoltaica Ecotec, S.L.	Avinguda Diagonal, número 459, 2º 2ª, Barcelona ESPAÑA	76%	I.G.
Joso Fotovoltaica, S.L.	Avinguda Diagonal, número 459, 2º 2ª, Barcelona ESPAÑA	76%	I.G.
Fotovoltaica Padua, S.L.	Avinguda Diagonal, número 459, 2º 2ª, Barcelona ESPAÑA	76%	I.G.
Fotovoltaica Vergos, S.L.	Avinguda Diagonal, número 459, 2º 2ª, Barcelona ESPAÑA	76%	I.G.
Fotovoltaica La Mola, S.L.	Avinguda Diagonal, número 459, 2º 2ª, Barcelona ESPAÑA	76%	I.G.
Inversions Trautt, S.L.	Avinguda Diagonal, número 459, 2º 2ª, Barcelona ESPAÑA	76%	I.G.
Fotovoltaica de Castelló, S.L.	Avinguda Diagonal, número 459, 2º 2ª, Barcelona ESPAÑA	76%	I.G.
Fotovoltaica de les Coves, S.L.	Avinguda Diagonal, número 459, 2º 2ª, Barcelona ESPAÑA	76%	I.G.
Inversions Vinroma, S.L.	Avinguda Diagonal, número 459, 2º 2ª, Barcelona ESPAÑA	76%	I.G.
Parque Eólico Hinojal, S.L.	Avenida Navarra 14, Badalona (Barcelona) ESPAÑA	100%	I.G.
Eólica Postolín Sp	Krasinskiego nº 19, Bydgoszcz, POLONIA	100%	I.G.
Fersa Asesoramiento y Gestión, S.L.	Avenida Navarra 14, Badalona (Barcelona) ESPAÑA	100%	I.G.
Parc Eòlic Coll De Som, S.L.	Avenida Navarra 14, Badalona (Barcelona) ESPAÑA	100%	I.G.
Explotación Eólica La Pedrera S.L.	Avenida Navarra 14, Badalona (Barcelona) ESPAÑA	100%	I.G.
Eólica Warblewo Sp	Krasinskiego nº 19, Bydgoszcz, POLONIA	65%	I.G.
Eólica Ciepłowody Sp	Krasinskiego nº 19, Bydgoszcz, POLONIA	100%	I.G.
Eoliennes De Beausemblant, SAS	1 Chemin de Lavigne (64800) Mirepeix, Ródano-Alpes, FRANCIA	80%	I.G.
Castellwind 03 S.L.	Avenida Navarra 14, Badalona (Barcelona) ESPAÑA	60%	I.G.
Entreyeltes 1, S.L.	C/Farmacéutico Obdulio Fernandez 11 Burgos ESPAÑA	51%	I.G.
Berta Energías Renovables, S.L.	Travessera de Gràcia, 56 entresuelo Barcelona ESPAÑA	26%	P.E.
Parque Eólico Toabré, S.A.	Cinquenta, edificio 2000, 5a planta Ciudad de Panamá, PANAMÁ	30%	P.E.
A.I.E. Subestación y Línea 2004	Gregorio Mayans, 3 Valencia ESPAÑA	30%	P.E.
Ferrolterra Renovables, S.L.	Avda. Gonzalo Navarro 36-38, Pol. Rio do Pozo, Narón (A Coruña) ESPAÑA	37%	P.E.
Fersa-Aventalia, S.L. (en proceso de liquidación)	Ronda General Mitre 42 Bajos, Barcelona ESPAÑA	80%	I.G.

I.G.- Integración Global; P.E.- Puesta en Equivalencia

LETTER OF CONFIRMATION

AUDAX RENOVABLES GROUP



Interim condensed consolidated financial statements and consolidated Directors' report as at 30 June 2017

We express our approval of the content of the Interim condensed consolidated financial statements comprising the Interim condensed consolidated balance sheet, the Interim condensed consolidated income statement, the Interim condensed consolidated statement of comprehensive income, the Interim condensed consolidated statement of changes in net equity, the Interim condensed consolidated cash flow statement together with the Explanatory notes and the Consolidated Directors' report of the Audax Renewables Group for the first half year of 2017, signed by all Directors.

BOARD OF DIRECTORS

Mr Francisco José Elías Navarro
Chairman

Mr Eduard Romeu Barceló
Member

Mr Rafael Garcés Beramendi
Member

Mr Ramiro Martínez-Pardo del Valle
Member

Mr Josep Maria Echarri Torres
Member

Mr Pedro Luis Fernández Pérez
Member

Mr Emilio Moraleda Martínez
Member

Badalona, 27 July 2017.