

Greentech Energy Systems A/S

Announcement of financial results at 31 December 2007

Highlights in 2007

- Revenue rose from DKK 14.7m to DKK 51.3m as a result of the commissioning of the Energia Verde wind farm in Italy, the acquisition of a Germany turbine portfolio and favourable wind conditions.
- Delays and run-in difficulties at Energia Verde had an adverse impact on earnings.
- EBIT amounted to DKK 3.4m, up from a loss of DKK 5.8m the year before.
- Greentech reported a loss before tax was DKK 4.8m, against a loss of DKK 12.9m last year.
- Substantial acquisitions of project portfolios, primarily in Italy, and strengthening of the Greentech organisation.

Building capacity

- More than 900 MW under development, more than 650 MW of which located in the attractive market in Italy.
- Construction of three Italian wind farms underway (Minerva, Monte Grighine and Cagliari II). At normal output and a minimum tariff of EUR 180/MWh, the three wind farms are expected to generate annual revenue of DKK 370m from 2009.
- Permission obtained for connection to the power grid for the Ustka and Parnowo projects in Poland. Construction of the 38 MW Ustka project expected to commence in H2 2008.
- Based on the Company's existing expansion plans, Greentech expects to have installed at least 400 MW, net, by the end of 2008, rising to 460 MW, net, by the end of 2009.
- Major wind turbine shipments secured.

Outlook for 2008

- Pre-tax profit is expected to be approximately DKK 5m in 2008.
- The turbines in Denmark, Germany and Poland are expected to generate power as in a normal wind year, whilst the run-in difficulties for Energia Verde are expected to be resolved shortly so that the production from the wind farm will correspond to 10 months production in a normal wind year.
- The Minerva wind farm in Sicily is expected to contribute 2 months of output, whilst the Monte Grighine and Cagliari II wind farms are expected to be installed by the end of the year and contribute income in 2009.

The full annual report, including notes to the financial statements, is expected to be available in the week ending 20 April 2008.

Information:

Management: Kaj Larsen
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Board of Directors

Erik Damgaard
Chairman

Jens Kjelde Mors
Vice Chairman

Carsten Risvig Pedersen

Jørgen Bendsen Poulsen

Peter Høstgaard-Jensen

Annual Report 2007



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The Company

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Board of Directors

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Kjelde Mors, Deputy Chairman
Carsten Risvig Pedersen
Jørgen Bendsen Poulsen
Peter Høstgaard-Jensen

Management

Kaj Larsen, Managing Director
Martin M. Kristensen, Member of the Management

Auditors

PricewaterhouseCoopers, Statsaut. Revisionsaktieselskab
Strandvejen 44
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Annual General Meeting

The Annual General Meeting will be held on 23
April 2008 at 3.00 pm at Hotel Phoenix, Bredgade,
Copenhagen, Denmark.

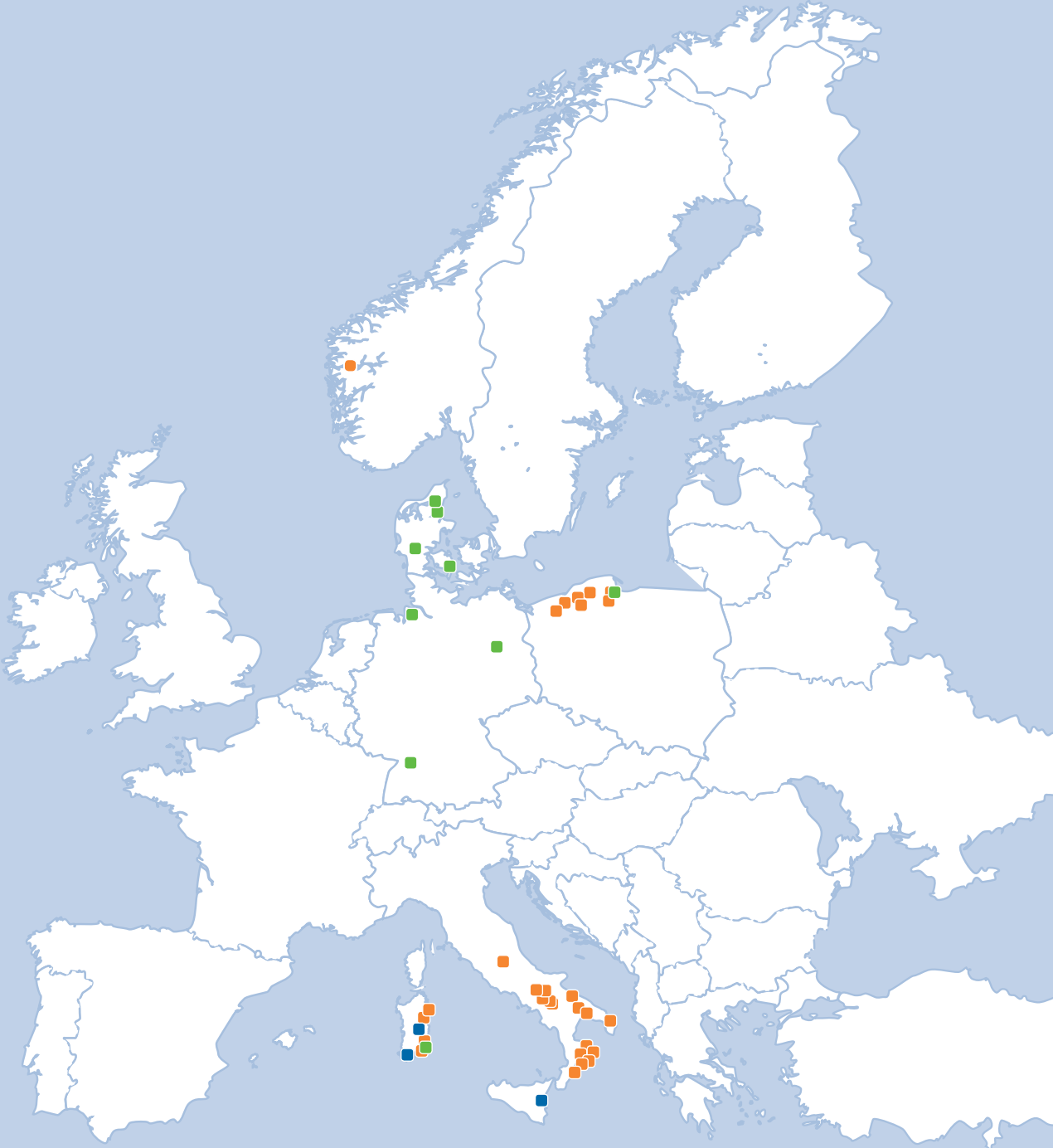
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Greentech's activities

(mid-February2008)



- Wind farms under construction
- Development projects
- Wind turbines in operation

Greentech – at a glance

Greentech Energy Systems (“Greentech” or the “Company”) is a power company which produces and sells electricity based on wind power from wind farms developed and installed primarily by the Company.

Greentech focuses on carefully selected EU countries with favourable wind conditions, a large need for wind power expansion and a de-facto political commitment to promoting wind power through factors such as attractive tariffs and subsidy schemes.

The Company focuses on Italy and Poland; Italy because tariffs on electricity generated by wind power are the most attractive in Europe, whilst the country is also keen on becoming more self-sufficient in terms of energy. Consequently a substantial expansion of renewable energy capacity is called for. Poland because the country has a very modest renewable energy sector and because Poland has committed itself to pursuing the overall objectives of the EU. Thus, there is a need for substantial investments in renewable energy. Tariffs on power from wind turbines are presently at a level that makes for profitable investments in Poland, but prices are expected to rise, hence making wind turbine investments even more attractive

Greentech also has wind farms in operation in the mature wind turbines markets in Denmark and Germany and development activities in Norway, where wind power is still being developed.

Strategy

The strategy in the key markets is to establish a significant portfolio of development projects and gradually convert these into power-generating wind farms and thereby create the foundation for achieving profitable growth for the Company over a ten-year period.

- Greentech intends to build capacity by
 - developing projects from the greenfield stage;
 - acquiring projects under development and complete such projects within the Company;
- Greentech usually focuses on projects representing a capacity of 25-100 MW.
- Greentech typically enters the projects as early as possible to gain the largest possible share of the value creation.
- Greentech is active throughout the value chain; from development over installation to operation.

Objectives

- to have an installed production capacity of at least 200 MW by the end of 2008
- to have an installed production capacity of at least 400 MW by the end of 2009
- to maintain a substantial development pipeline of at least 600-700 MW
- to maintain construction activity with the installation of at least 150 MW per annum
- to achieve a return on assets of >15% from wind farms in operation. Return on assets is defined as EBITDA relative to capital invested
- to enter a new focus market to complement the activities in Italy and Poland
- to achieve a reasonable return to the shareholders through continuous share price gains.

Net capacity expresses Greentech's ownership of each wind farm. Gross capacity includes ownership interests of other shareholders.

Financial Highlights of the Group

(DKK 1000)	2007	2006	2005	2004	2003
Revenue	51,261	14,662	15,875	17,069	15,048
Operating profit/loss	3,445	-5,780	-7,292	-3,882	-2,103
Net financials	-9,357	-7,128	-5,015	-4,298	-2,436
Profit/loss for the year	-90	-12,886	-16,040	-6,458	-2,953
Non-current assets	1,450,742	372,675	165,484	169,999	158,873
Current assets	764,520	47,233	35,541	13,167	12,794
Total assets	2,215,262	419,908	201,025	183,166	171,667
Share capital	230,331	99,871	75,739	75,433	69,600
Equity	1,918,100	244,487	70,316	84,519	56,006
Provisions	3,703	1,708	0	0	0
Non-current liabilities	188,974	132,121	106,763	79,029	98,104
Current liabilities	104,485	41,592	23,946	19,618	17,557
Cash flows from operating activities	-105,962	-18,780	2,026	-3,470	-966
Net cash flows from investing activities	-624,253	-88,685	-2,305	-10,389	-9,597
Of which investment in property, plant and equipment	-554,779	-88,685	-6,305	-10,419	-13,922
Cash flows from financing activities	1,389,867	114,908	25,062	15,335	6,809
Total cash flows	659,652	7,443	24,783	1,476	-3,754
Key figures					
Gross margin	44.9%	39.0%	45.4%	41.6%	43.6%
Profit margin	6.7%	-	-	-	-
Equity ratio	86.5%	58.5%	35.0%	46.1%	32.6%
Return on equity	-0.3%	-8.2%	-20.7%	-9.2%	-5.9%
Earnings per share (EPS basic), DKK	-0.01	-0.69	-1.06	-0.44	-0.22
Net asset value per share	41.62	12.24	4.65	5.72	4.11
Price/net asset value	2.36	5.56	15.18	4.29	8.00
Market price, year end	98.33	68.00	70.59	24.53	32.89
Average number of employees	12	9	8	7	6
Key figures related to operations					
Production in kWh (mio.)	80.6	25.1	26.6	28.2	25.1
Net capacity, year-end (MW)	68.3	17.1	15.5	15.5	15.5

Financial highlights and key figures for 2004-2007 are prepared in accordance with IFRS. The comparative figures for 2003 have not been restated to reflect the current in accounting policies, but were prepared according to the previous accounting policy based on the provisions of the Danish Financial Statements Act and Danish Accounting Standards.

Management's review

Highlights of the year

- First Italian wind farm in operation
- Next Italian wind farms under construction
- More than 650 MW under development in Italy
- Project acquisitions in Italy, Germany and Norway
- Significant consolidation of Greentech's capital base
- Framework agreement on wind turbines for 2010
- Significant improvement in operating profit
- Organisation strengthened

The year 2007 was a busy and eventful year for Greentech, which took a number of important steps towards accomplishing its strategy of creating a significant position as an independent wind power company in a number of carefully selected markets. The capital base was strengthened on a number of occasions, allowing Greentech to carry out a number of acquisitions and enter into multiple agreements concerning new projects. The Company now has a combined development portfolio of more than 900 MW, most of which relates to the highly attractive Italian market.

Furthermore, Greentech inaugurated its first Italian wind farm, and continuing progress at the sites in Sardinia and Sicily will allow the Company to multiply its installed and power-generating capacity in 2008 to a capacity of more than 200 MW. The target is for additional growth in 2009.

Building capacity

In 2007, Greentech increased its power-generating capacity from 17 MW to 75 MW (gross) and 68 MW net of project shares held by co-shareholders. Through the acquisition of VEI 1 A/S, Greentech took over a number of German turbines in operation, and the Company also opened its first wind farm in Italy. The Energia Verde wind farm near Cagliari in Sardinia where all 14 turbines were connected to the grid in September.

Construction of the next Italian wind farms was commenced in 2007 and is proceeding according to plan. Agreements have been signed for the delivery of wind turbines, construction work, electrical works, etc. In Greentech's and Italy's largest wind turbine project to date – the Monte Grighine wind farm in Sardinia – the 43 turbines are expected to be installed during the autumn of 2008, and in the Minerva wind farm near Messina in Sicily, the installation of turbines will commence during the summer of 2008. At the beginning of 2008, Greentech commenced construction of the Cagliari II wind farm, also in Sardinia. Combined, the three wind farms will increase

the Company's capacity in the attractive market more than eightfold. At normal output at the present tariffs and assuming a minimum settlement of EUR 180/MWh, the three wind farms will generate annual revenue of approximately EUR 49m, (DKK 370m) from 2009.

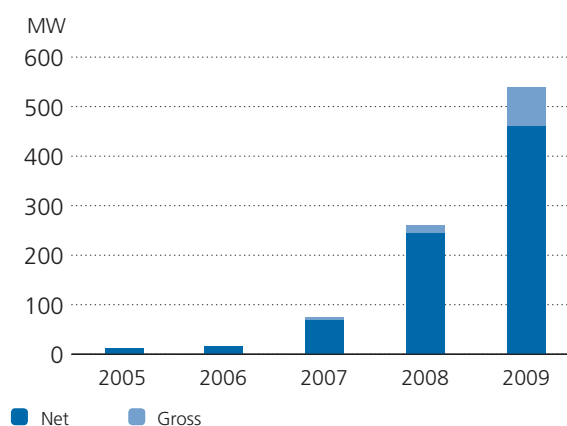
Greentech expects to initiate the construction of additional projects in Italy in 2008 and 2009.

Progress was also achieved in Poland. Towards the end of the year, the Ustka and Parnowo projects were both greenlighted for connection to the power grid. Greentech expects to commence construction work on the 38 MW Ustka project during the second half of 2008. Greentech expects the 18 MW Parnowo project to be fully developed in 2009.

Acquisitions

Greentech completed a number of acquisitions in 2007, the largest of which involved VEI 1 A/S. The purchase agreement was completed on 16 February, at which date Greentech took over projects and project rights in Germany, Italy and Norway. Companies and projects have been fully integrated, and as previously mentioned Greentech has already optimised one of the acquired projects – the wind farm Minerva near Messina in Sicily – and signed a contract for wind turbines, civil and electrical works for final delivery in 2008. The farm is expected to contribute to Greentech's financial results at the end of 2008.

Installed capacity (prognosis)



Output capacity at year-end provided expansion activities progress as planned. This forecast is inherently subject to some degree of uncertainty, especially for 2009.

The other acquisitions were all in Italy, giving Greentech a larger portfolio and broader geographic coverage in a number of regions. The acquisitions were:

- November: Option to acquire 80% of the shares in Parco Eolico di San Vito S.r.l., which is developing a 58 MW project near San Vito in Calabria. The purchase price was EUR 337,500 per kWh, or a total of EUR 15.7m, which is payable when all permits have been obtained, which is expected to take place in the first half of 2008.
- November: Option to acquire two project portfolios with a combined capacity of 435 MW in Sicily, Puglia, Campania and Calabria. The price has been fixed at EUR 300,000 per MW for projects which secure permissions after 1 October 2008 and EUR 375,000 per MW for projects which obtain permissions before this date. Greentech is currently screening the portfolios and will subsequently resolve how large a proportion of the activities it will acquire. The consideration is to be paid partly in cash, partly in the form of new shares at agreed milestones.
- August: Acquisition of all shares in the development company PMB Engineering S.r.l. with a 60 MW project which can be developed as an extension to the Monte Grighine project and a 23 MW project in Carbonia in southern Sardinia. The purchase price was EUR 0.5m, and Greentech is also obliged to pay a success fee of EUR 100,000 per MW when all necessary permissions have been obtained.
- June: Option to acquire 90% of the shares in the project company Bonorva Windenergy S.r.l., which owns all the necessary permissions to build an 80 MW wind turbine project in Bonorva in Sardinia. The purchase price was EUR 150,000 per MW for a total consideration of EUR 11.3m. Litigation is pending with the landscape authorities. The outcome of this case will decide whether Greentech will acquire the project.

Furthermore, in August Greentech signed a number of agreements with the Italian firm of consulting engineers Ecoservice Consulting S.r.l., which will be developing five projects in Calabria. When all permits have been obtained, Greentech will pay a success fee of EUR 190,000/MW.

Following these acquisitions, Greentech now has a total project portfolio in Italy of more than 650 MW, and this provides a solid foundation for continuing growth in the attractive Italian market.

Project funding

In the course of the year, Greentech negotiated with a number of banks and financial institutions to obtain

funding for the Company's wind turbine projects. Funding agreements have been signed with a local bank concerning the first project in Poland, and the Energia Verde project is funded through an agreement providing a loan for approximately DKK 170m. The loan, however, has not been paid out yet. The Company's Danish and German wind turbines were already financed through Danish and German banks. Greentech is negotiating additional agreements and has just signed the funding agreement for the Minerva Messina project. The Company expects to also finalise the funding arrangement for the Monte Grighine and Cagliari II project in 2008.

Financial performance

Revenue amounted to DKK 51m compared with DKK 15m in 2006. The strong growth was attributable to satisfactory wind conditions at all sites, especially in Denmark and Germany. Moreover, in 2007 Greentech acquired and put wind turbines into operation, thereby significantly increasing its power-generating capacity. Accordingly, it is difficult to compare the financial performance with that for 2006.

Of total revenue, DKK 17m was generated in Denmark, DKK 15m in Italy, DKK 7m in Poland and DKK 17m in Germany. Going forward, Italy will become the principal country in terms of revenue, as Greentech sells an increasing amount of power in this country at attractive prices.

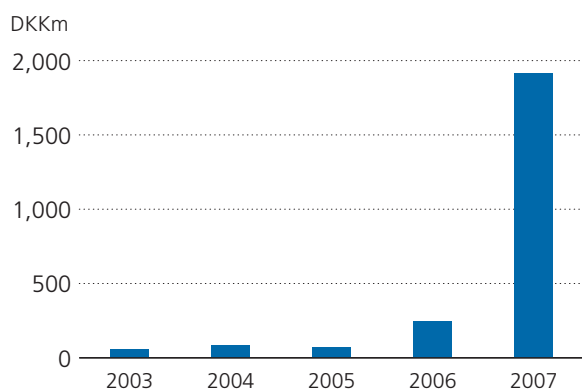
Production costs rose to DKK 28m, a natural development owing to the higher number of turbines in operation. The costs included operating costs of DKK 7.8m (DKK 2.2 in 2006) and depreciation in the amount of DKK 20.4m (DKK 6.7 in 2006).

Administrative expenses were also up to DKK 20m. The increase reflects the much higher level of activity in the Company, more new recruitments, establishing an office in Italy and the large number of transactions during the year.

Net financial expenses amounted to DKK 9.4m – an increase of some 34%. The increase was due to the Company's strategy of obtaining external project funding. At the end of the year, non-current liabilities were specified as follows:

DKK m	2007	2006
Financing of Polish turbines	6.9	0
Financing of Danish turbines	34.3	45.8
Financing of German turbines	147.8	0
Other loans	0	86.3
Total non-current liabilities	189.0	132.1

Equity 2003-2007, DKKm



The loss after tax was T DKK -90. At the beginning of the year, Greentech expected higher earnings. Due to the start-up problems related to the Energia Verde wind farm, much worse wind conditions in December and higher depreciation charges, profit is below the guidance expressed by Greentech in its interim report for Q3 (released on 27 November 2007).

Equity and capital structure

Equity rose from DKK 245m at 31 December 2006 to DKK 1.9bn at year-end 2007.

Greentech raised its share capital on five occasions during the year, and the two cash issues completed in February and October were crucial for the Company's continued growth. The capital increase in October, in which 12 million new shares were issued, yielded proceeds for Greentech of approximately DKK 1.1bn, which were earmarked primarily to complete existing development projects and ensure the delivery of turbines through framework agreements with manufacturers, but the proceeds were also earmarked to help the Company explore new projects.

At the end of the year, Greentech had a strong equity ratio of 86.5%.

Valuation of wind turbines in operation

In accordance with its accounting policies, Greentech has recognised wind turbines in operation at cost less accumulated depreciation and impairment in the annual report for 2007. However, the Company's management believes that the present market-based valuations of wind farms in operation differ by such a wide margin from the costprices, that additional information in regards to market-based valuations has to be included to enable a valuation of the Company's market value. Management

has considered changing the accounting policies and recognising the wind turbines in operation at market-based value. As it at the moment is not possible to recognise the wind parks in operation at a marked-based value and have the revaluation included in the profit/loss, this does not give a fair view of the profit making activities in the Company. Management has decided to explain the issue in the Management's review.

In the annual report for 2007, the Company's first commissioned wind farm in Italy is recognised in the amount of DKK 234m. In 2007, Greentech received an inquiry of sale of the same wind farm of app. DKK 450m, corresponding to DKK 21m/MW, which is on a level with other transactions made concerning Italian wind turbines in operation.

If the Company recognises wind turbines in operation at the market value in the local markets, this would lead to a revaluation of wind turbines in the range of DKK 165m-220m. The adjustment would trigger a corresponding revaluation of the Company's equity. Additional depreciations due to the revaluation would have decreased the result for 2007 by DKK 4 - 6m. Thereby the equity as of 31 December 2007 would amount to DKK 2,079 - 2,132m.

In 2008, the Company's management will analyse the issue above and consider whether to implement a change of the recognition principles applied for wind turbines in operation, as the international accounting rules will probably open up for such a change.

Cash flows

Greentech's cash flows were largely affected by the sharply accelerating investment programme and the build-up of capacity in Italy. Cash flows from investing activities amounted to DKK 638m, against DKK 88.7m the year before, and involved primarily investments in property, plant and equipment. Cash flows from financing amounted to DKK 1,390m, while cash flows from operating activities were DKK 106.8m. Overall, the Company recorded a net cash inflow of DKK 659.6m.

Events after the balance sheet date

Adopted in January, the Italian budget for 2008 contains a new allocation and tariff system for green certificates. In short, the period for award of green certificates is extended by three years, so that wind turbine owners, in addition to the price of the electricity, are secured additional income from the sale of green certificates for 15 years after the turbines are put into operation, against 12 years previously. The new rules will apply to facilities commissioned after 31 December 2007.

At the same time, more strict rules are introduced for utility companies that use fossil fuels. They must either increase their use of renewable energy or buy more green certificates, so demand for green certificates is expected to go up. Finally, a reference price of EUR 180 per MWh is introduced for power generated through renewable energy. This reference price will initially apply for three years and will help to create certainty about tariffs, which is expected to lead to better terms and conditions for financing wind turbine projects. To achieve this reference price, GSE, a company owned by the Italian government, is obliged to buy and sell green certificates and thereby stabilise prices until renewable energy can cover 25% of the country's total power consumption.

In February 2008, Greentech signed an agreement with Nordex for the supply of 55 wind turbines for the Brindisi and Candela projects in 2009 and a framework agreement for the supply of another 80 turbines in 2010. The contract totals approximately EUR 350m and covers Greentech's demand for Nordex turbines until the end of 2010. This security of supply of turbines in the overheated market is crucial for Greentech's growth plans.

No other significant events have occurred from the balance sheet date until the publication of this annual report that have not been disclosed in the annual report and that materially affect the Company's results of operations or financial position.

Outlook for 2008

Based on the Company's known portfolio and expansion plans and the prices of power generated by wind turbines and of green certificates prevailing at the beginning of 2008, Greentech forecasts a pre-tax profit of approximately DKK 5m for 2008, against a pre-tax loss of DKK 5m in 2007.

Assumptions for the 2008 forecast:

- The 34 wind turbines in Denmark, Germany and Poland, with a combined net capacity of 47 MW, will operate normally and generate power as in a normal wind year.
- The Energia Verde in Sardinia (14 turbines and a capacity of 21 MW) continues to experience start-up problems during the first months of the year. However, these are expected to be resolved, allowing the production from the wind park to correspond to 10 months production in a normal wind year.

- The Company will generate two months of income from the Minerva wind farm near Messina in Sicily (21 turbines and a net capacity of 41 MW). The installation of wind turbines in Messina will commence during the summer.

The estimate does not include expected income from Greentech's largest project to date, the Monte Grighine wind farm in Sardinia (43 turbines and a capacity of 98.9 MW). Wind turbines for this project are scheduled for delivery from August, allowing Greentech to put the turbines into operation around the turn of the year. The forecast also assumes that the Cagliari II project in Sardinia will generate income from 2009 at the earliest.

The Company will incur greater costs due to a larger organisation and a higher level of activity, and interest rate expenses will grow in step with the completion and funding of individual projects. It is assumed that Greentech will be able to enter into financing agreements for a range of projects on the terms and conditions offered by a number of banks.

Objectives

- to have an installed production capacity of at least 200 MW by the end of 2008
- to have an installed production capacity of at least 400 MW by the end of 2009
- to maintain a substantial development pipeline of at least 600-700 MW
- to maintain construction activity with the installation of at least 150 MW per annum
- to achieve a return on assets of >15% from wind farms in operation. Return on assets is defined as EBITDA relative to capital invested
- to enter a few new focus market to complement the activities in Italy and Poland
- to achieve a reasonable return to the shareholders through continuous share price gains.



Strategy and market conditions

Greentech generally aims to consolidate its position as a leading developer, builder and operator of mid-sized wind energy projects in selected European countries.

Overall assumptions

Greentech's strategy builds on the following assumptions on a 10-year horizon:

- Climate changes and environmental issues will play a more dominant role on the political agenda. More countries will actively reduce the proportion of imported fossil fuels used in their energy consumption, both to safeguard the environment and to increase their level of energy self-sufficiency.
- Expectations are for increasing energy consumption from a growing and more affluent population.
- Although the bulk of all power will still be generated on the basis of fossil fuels, alternative sources of energy will become more widespread. This is emphasised by the EU renewable energy targets.
- Prices of fossil fuels will be substantially higher, and we will see growing awareness of the depletion of fossil fuels.
- The harmonisation of the power markets in the EU will continue, gradually aligning the tariffs for wind-based energy in the various countries.
- Technological advances achieved by the wind turbine manufacturers will lift the profitability of wind power.

Wind energy trends

The above developments are expected to have the following impacts on the European wind power market on a 10-year horizon:

- Expectations are for average annual growth of more than 10% in installed capacity, subject to major regional differences.
- Wind power is set to grow primarily in the countries in Southern and Eastern Europe which have the lowest figures for installed MW and the widest gap to the political targets. Weaker growth rates are projected for Northern and Western Europe.
- Wind power will gradually become a financially viable alternative to fossil fuels – even if the existing subsidies are lowered.
- Competition for attractive projects and well-suited wind farm sites in the individual markets will grow as the markets gradually mature.
- As the markets mature, local developers will come under pressure. The markets will be dominated by major

players (utility companies, oil companies and industrial corporations) and medium-sized dedicated players such as Greentech with an integrated business model.

- Wind power tariffs will gradually be aligned towards a common price. Countries wishing to build wind power capacity will in certain periods offer very attractive prices to attract investments.

Greentech's experience

The development, installation and operation of wind farms is a capital-intensive business in which it is pivotal to be able to source project funding and equity. Project development processes are highly influenced by local conditions and practice, so Greentech must be strongly anchored through partners, own offices and local networks. Finally, the activities involve a number of risks which, in addition to local decision-making processes, also relate to the supply of critical components, including wind turbines. Consequently, Greentech must rigorously manage its risks, strengthen its project and construction management skills and seek to ensure reliability of supply from its suppliers of components such as turbines.

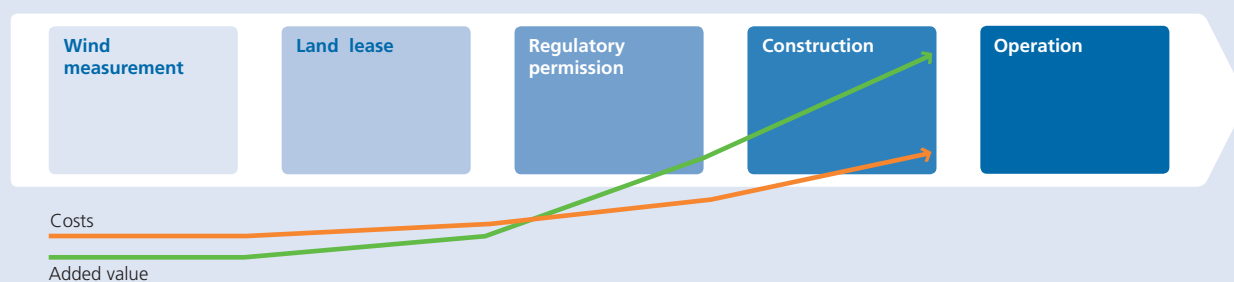
Focus on growth markets

Based on the above-mentioned assumptions and experience, Greentech focuses on a number of carefully selected markets offering satisfactory wind conditions, the need to expand renewable energy, political will to promote wind energy and existing or expected attractive wind power tariffs. Focus markets are Italy, which offers Europe's most attractive tariffs for electricity generated by wind power, and Poland, where the tariffs allow for profitable investments but are expected to rise, hence making projects even more attractive. In addition, Greentech has wind farms in operation in Denmark and Germany, where the company does not plan to make new investments, and development activities in Norway – an "emerging market" in terms of wind energy.

The strategy in Poland and Italy is to establish a significant portfolio of development projects and gradually convert these into power-generating wind farms and thereby create the foundation for achieving substantial profitable growth over a ten-year period. Greentech will either develop projects all the way from the greenfield stage or acquire development projects and complete such projects within the company. Greentech will seek to enter the projects at an early stage to gain the largest possible share of the added value, which is typically highest during the

Project development

Greentech is committed to all links of the value chain in a wind turbine project.



development stage. However, Greentech aims to be active throughout the value chain; from development over installation to operation, because the role of power manufacturer provides stable income and cash flows the company can use to build new capacity.

The key components of the strategy are:

Mid-sized projects

Greentech focuses on wind farms with an output of between 25 and 100 MW. Such projects are typically too small for the heavy cost structure prevalent in the large utility companies, and projects of this size match Greentech's organisation and track record.

Strengthening local networks

Greentech will build strategic alliances in Italy and Poland with local developers, land owners, contractors and financial intermediaries in order to access new projects and to simplify the process involved in project development and funding.

Framework agreements with suppliers

Greentech will continue to enter into framework agreements with selected suppliers of wind turbines, in order to ensure reliability of supply and reduce lead times. Framework agreements also provide Greentech with a certain amount of flexibility in return for which the company's customers are guaranteed a certain volume of orders.

Return on balanced portfolio

Greentech intends to maintain a pipeline of at least 600-700 MW under development, and it is the company's defined goal to constantly have wind farms with an aggregate capacity of at least 150 MW under construction. As a

general rule, the projects must generate a return of 15% (EBITDA relative to invested capital) over the technical life of the wind turbines, which is 20 years. Commissioned projects will regularly be benchmarked, and projects that do not generate the target rate of return, will be sold.

Efficient capital structure

To achieve an effective capital structure, Greentech will typically obtain loans for 80-85% of each individual project through project financing, leasing or, where relevant, bond issuance. The Company will form close ties with selected financial institutions and seek to enter into framework agreements with well-reputed banks.

Further develop the organisation

Greentech will regularly strengthen its organisation in Denmark, Italy and Poland by adding skills in the fields of project development, construction management, technical operations of wind turbines and treasury/finance. Greentech intends to introduce incentive plans to ensure that the Company can attract and retain key employees.

New markets

The Company consistently screens new markets, especially in Eastern and Southern Europe, to identify future expansion opportunities once the opportunities for expansion in Italy and Poland have been depleted or are no longer attractive. The intention is to optimise the timing for transferring the competencies in project development, construction and operation to a new market to retain growth.

MARKET CONDITIONS

Wind power in Europe

The European wind energy market has grown substantially in recent years. According to EWEA – the European Wind Energy Association – the volume of installed capacity has grown by 145% over five years, from 23,308 MW at the end of 2002 to 57,136 MW at year-end 2007.

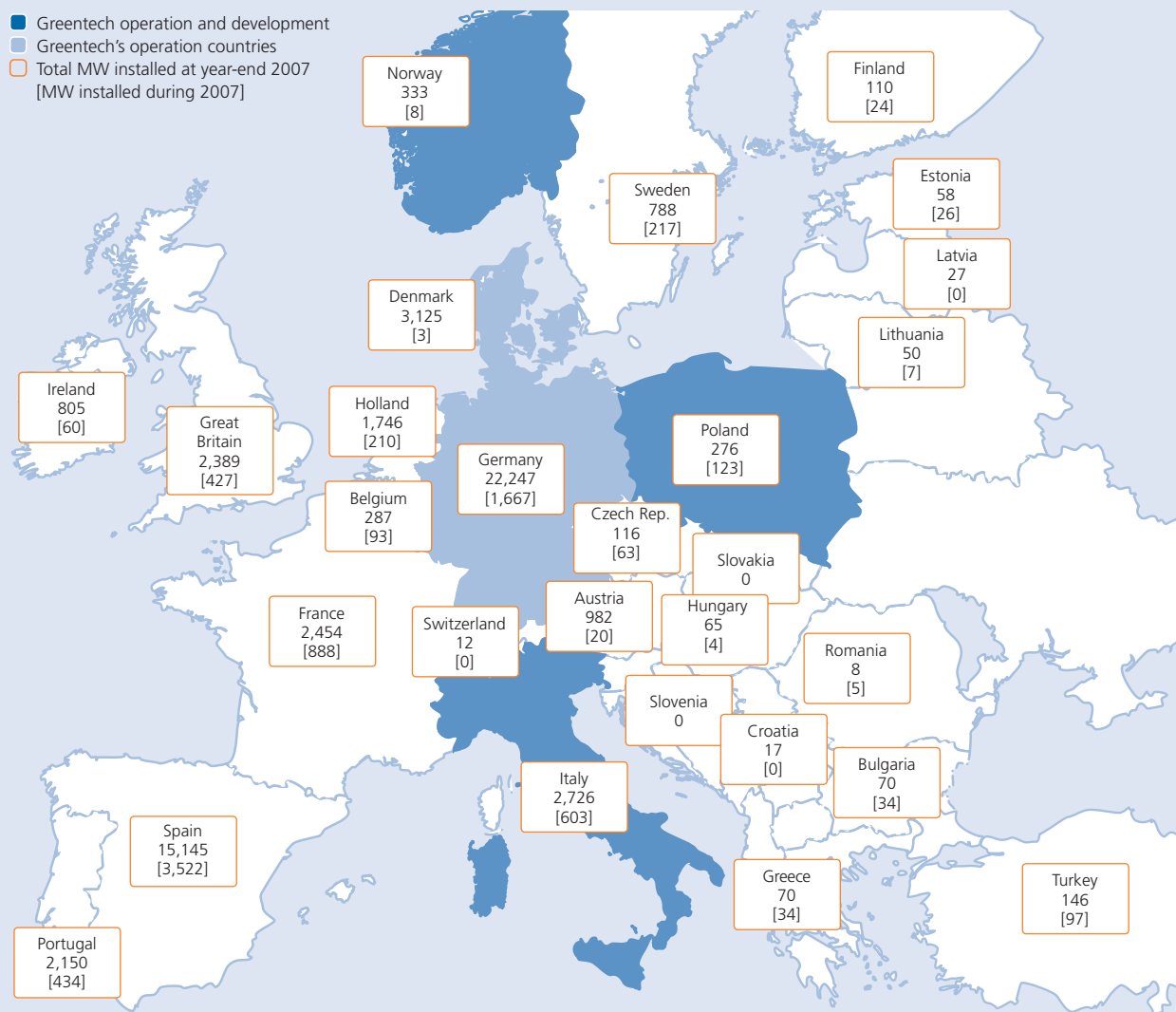
In 2007, wind turbines with a combined capacity of 8,662 MW were installed in Europe, an increase of 18% on the year before. As such, Europe is still the world's largest

market, even though only 43% of the world's newly installed capacity took place in the European countries last year.

Germany and Spain are the two largest single markets for wind power, with 22,247 MW and 15,145 MW of installed capacity respectively. However, the mature German market is starting to slow down, recording growth of a mere 8% in 2007. According to EWEA, another mature market – Denmark – recorded negative growth because

Wind power installed in Europe

- Greentech operation and development
- Greentech's operation countries
- Total MW installed at year-end 2007 [MW installed during 2007]



Source: The European Wind Energy Association

the symbolic erection of new wind turbines could not compensate for the phasing out of older turbines.

According to EWEA, with the exception of Sweden and Belgium the countries in Southern and Eastern Europe are recording the strongest growth in terms of installed capacity. This growth took place in Turkey (+194%), Italy (+28%), Portugal (+25%), Spain (+30%), France (+57%), Poland (+80%), Czech Republic (+117%), Bulgaria (+94%) and Estonia (+81%).

Growth to the south and east

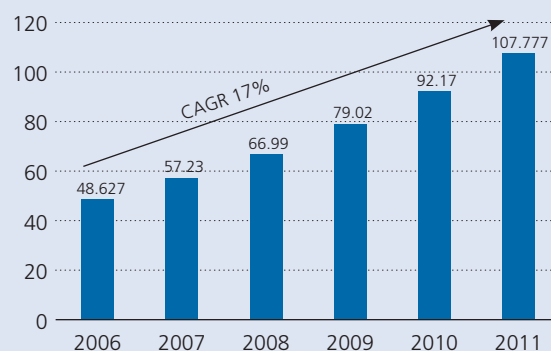
Going forward, growth is also expected to be particularly strong in countries in Southern and Eastern Europe. EWEA projects annual growth of about 17% in installed wind turbine capacity in Europe in the years ahead. Eastern European countries such as Poland, the Czech Republic and Slovenia and parts of Southern Europe, including Italy and Greece, will be particularly attractive in the long run, offering strong growth and attractive price regimens.

On 23 January 2008, the European Commission tabled a draft directive on promoting the use of renewable energy in all member countries. The intention is to establish an overall binding commitment that 20% of the energy consumption in the EU should be covered by renewable energy by 2020. This overall objective is to be achieved by each individual member country introducing binding national targets. Even though the directive still needs to be adopted politically and incorporated in national legislation, Greentech believes that the directive – combined with the

intention in many countries of becoming more energy self-sufficient and reducing greenhouse gas emissions – will lead to a sharp increase in production from renewable energy sources, not least from wind turbines.

Italy is to triple the use of renewable energy as a proportion of total energy consumption in order to meet the target set out in the European Commission’s draft directive, while Poland needs to increase its use of renewable energy by just over 100% to meet the targets. This situation underpins Greentech’s market strategy and focus on the two countries. Denmark and Germany are also facing major renewable energy investments, but the present pricing regimens entail that it is not attractive for Greentech to develop projects in these two countries.

EWEA projections of installed capacity in Europe



Renewable energy targets in Greentech’s principal markets

	Renewable energy, share of total energy consumption in 2005	Renewable energy, share of total energy consumption in 2020 – Target
Denmark	17.0%	30%
Germany	5.8%	18%
Italy	5.2%	17%
Poland	7.2%	15%

Source: Draft directive tabled by the European Commission.



Greentech's activities

Greentech is focused especially on Italy and Poland, where the Company has extensive experience in developing projects, a comprehensive network and in-depth knowledge of local conditions. Italy offers very attractive tariffs for wind-based power, and the country has high ambitions for increasing wind power's share of the total electricity production. In Poland, tariffs are not as attractive but still at a level that facilitates the completion of profitable projects. Greentech expects prices in Poland to rise in the longer term so the market can become more attractive. The country offers a huge potential for wind power.

Operations in these two countries are supplemented by power-generating turbines in Denmark and Germany, which are both more mature markets, and development activities in Norway – an emerging market. Having portfolios in five countries provides a balanced risk profile. A overview of all projects is available at www.greentech.dk

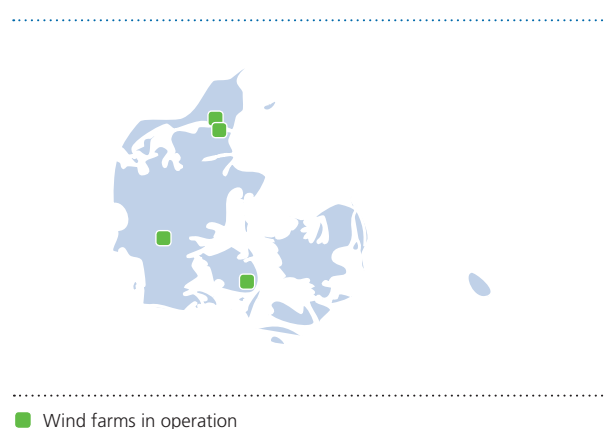
Wind farms in operation

Denmark

Location	Type of turbine	No. of turbines	Gross capacity	Commissioned	Ownership
Milbak	NEG.Micon	5	3.75 MW	22.08.01	100%
Oppelstrup	NEG.Micon	10	7.5 MW	22.08.01	100%
Hannesborg	Nordex	2	1.6 MW	15.02.01	100%
Frørup	Nordex	2	2.6 MW	15.12.00	100%
Denmark		19	15.45 MW		

The wind turbines are installed at sites in Jutland and Funen, generating 29,238,593 kWh in 2007 against 23,967,530 kWh in 2006. Operations were satisfactory, and wind conditions were good and significantly better than in 2006.

The power is sold to local power companies and settled under the 1999 transition scheme at DKK 0.60/kWh for the first 12,000 full load hours. After the end of the full load hours and up to ten years after the wind turbines have been commissioned, output is settled at DKK 0.43/kWh. After 10 years, output is settled at DKK 0.33/kWh. With the present tariffs, the installation of wind turbines has nearly come to a standstill in Denmark, and Greentech



Germany

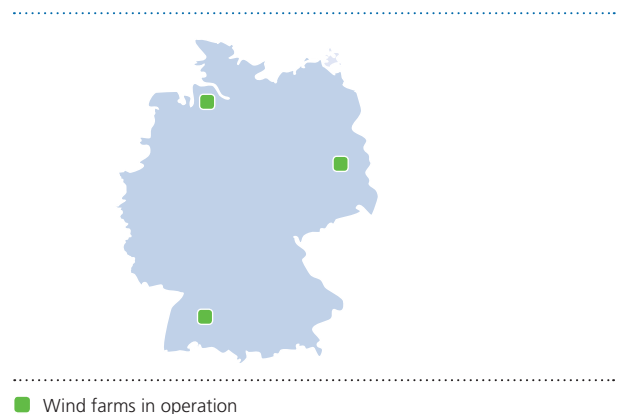
Location	Type of turbine	No. of turbines	Gross capacity	Commissioned	Ownership
Gehlenberg	Enercon	13	23.4 MW	31.12.2001	100%
Wormlage	Vestas	5	7.5 MW	31.12.2005	50%
Tiefental	Vestas	4	6 MW	31.12.2005	50%
Germany		22	30.15 MW		

has no plans for additional investments in Denmark. Through the purchase of VEI 1 A/S with effect from 16 February 2007, Greentech became co-owner of three wind farms in Germany: Windpark Gehlenberg near Oldenburg in the state of Lower Saxony, Wormlage Windenergieanlage

between Dollenchen and Wormlage in the state of Brandenburg, and Tiefental Windenergieanlage at Würzburg in the state of Bavaria in southern Germany. The wind turbines generated a stable output in 2007, generating a total of 38,490,572 kWh.



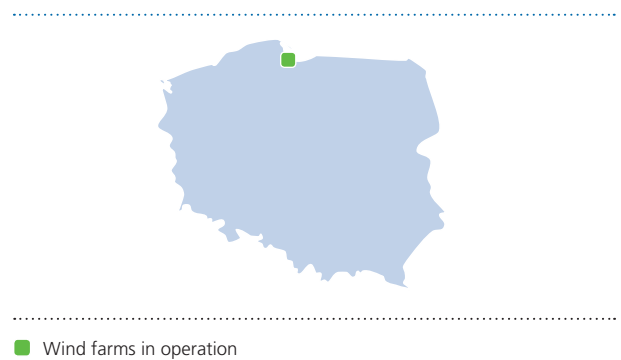
Producers of renewable energy are secured a fixed tariff over 20 years. This price is higher than that for power from fossil fuels. Electricity from the wind farm in Gehlenberg is settled at EUR 0.091 per kWh (DKK 0.68), while the Wormlage and Tiefental farms sell electricity at EUR 0.0853 per kWh (DKK 0.63). Greentech does not consider Germany to be a principal market and has no plans of investing further in wind turbines or farms, unless they are part of a major combined project portfolio that also include activities outside Germany.



Poland

Location	Type of turbine	No. of turbines	Gross capacity	Commissioned	Ownership
Polczyno	Enercon	2	1.6 MW	20.08.06	100%

The Polczyno wind farm was commissioned in August 2006 as Greentech's first facility outside Denmark. The two turbines produced a total of 3,225,545 kWh in 2007 against 1,082,760 kWh the year before. In Poland, Eolica Polczyno sells electricity and green certificates to the utility company Energa in Gdansk. The electricity is sold at an average market price, which is fixed for one year at a time during the ten-year life of the contract. The green certificates are also sold to Energa Gdansk under a five-year agreement, according to which Eolica Polczyno is guaranteed a price corresponding to 90% of the price fixed by the authorities as the maximum price of green certificates. In 2007, the average price of electricity and green certificates was PLN 334.70/MWh, or DKK 0.70/kWh.





Italy

Location	Type of turbine	No. of turbines	Gross capacity	Commissioned	Ownership
Cagliari I, Sardinien	Nordex	14	21 MW	15.07.2007	100%

The Energia Verde wind farm (Cagliari I) in the municipalities of Uta and Assemini in Sardinia was commissioned in the summer of 2007, but all 14 wind turbines were not connected to the grid until in September. Commissioning from the turnkey supplier was strongly delayed, especially due to problems relating to turbine towers. The power is sold on a day-to-day basis to the market, and for 12 years Greentech will receive additional income through the allocation of green certificates, which the Company sells via a special energy exchange, which is in practice guaranteed by the government. Power and green certificates are sold via the recognised broker IVPC Gestione.

The wind farm generated 9,633,776 kWh in 2007, which is below budget. The lack of output was caused by delays in shipments and installation as well as difficulties in the start-up of the wind turbines. Expectations for a normal wind year are 43,000,000 kWh. The average income from sale of electricity was EUR 0.087 (DKK 0.65) per kWh. Green certificates for the 2007 output will be issued at the beginning of 2008.



■ Wind farms in operation

Wind farms under construction

Italy

Location	Type of turbine	No. of turbines	Gross capacity	Expected commissioning	Expected annual net output	Ownership
Monte Grighine, Sardinia	Nordex	43	98.9 MW	Q4 2008	150,000,000 kWh	100%
Minerva, Messina, Sicily	Nordex	21	48.3 MW	Q4 2008	76,500,000 kWh	85%
Cagliari II, Sardinia	Nordex	16	24 MW	Turn of 2008/09	49,000,000 kWh	100%
Italy		78	171.2 MW		226,500,000 kWh	

In 2008, Greentech expects to finalise construction of three wind farms, which will increase the Company's capacity in the attractive market more than eightfold.

MONTE GRIGHINE

Construction of the wind farm in the municipalities of Villaurbana, Siamanna and Mogorella in the western part of Sardinia began in 2006 with the construction of roads and crane pads. Siemens is in charge of the electrical works, including connection to the grid and other infrastructure works, and under the agreement with Nordex, turbines will be delivered to the site from August 2008. This should allow for installation to be completed around the end of the year. This project is Greentech's largest to date, involving an expected investment of approx. EUR 125m.

MINERVA MESSINA

Through the acquisition of VEI 1 A/S with effect from 16 February 2007, Greentech became the principal shareholder of the Minerva project near Messina in the north-eastern part of Sicily in the municipalities of Rocella Valdemone, Montalbano Elicona and San Piero Patti. Greentech owns 85% of the project and the local partner owns 15%.

Greentech has optimised the project to 48.3 MW, and installation is underway. The contract with Nordex is subject to turbines being delivered during the summer of 2008, which is slightly earlier than originally assumed. Agreements have been signed for the performance of civil and electrical works of the project which are handled by a consortium headed by Siemens. Construction is scheduled to be completed, so that the project can be commissioned

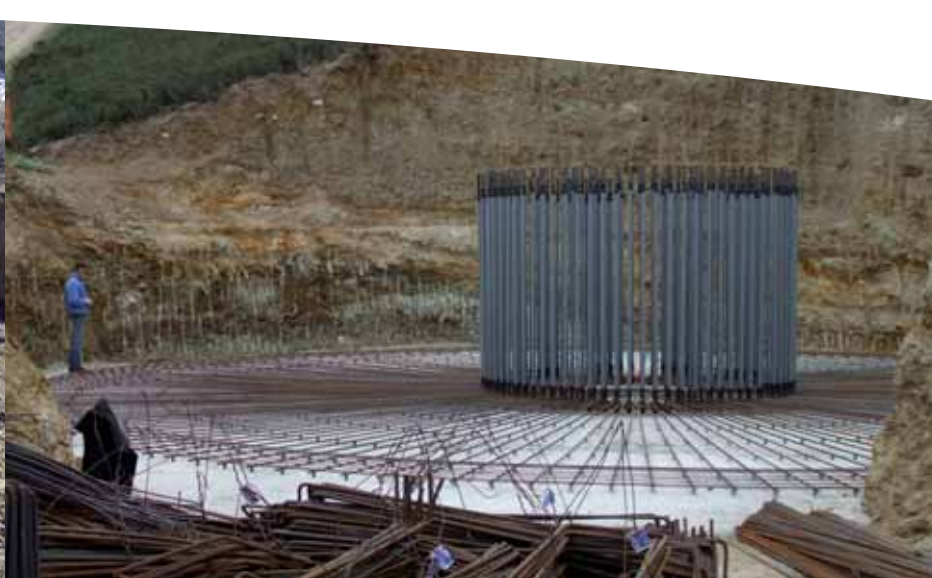
in the final months of 2008. Greentech's non-current investments in Minerva amounts to approx. EUR 68m, and a final project funding agreement has been signed 11 March 2008. Endeavours are made to meet the conditions for drawing on the financing facilities.

CAGLIARI II

The project is located adjacent to the Energia Verde wind farm, and the two projects can share the same grid connection. The project is owned by the company Energia Alternativa S.r.l. Greentech made an agreement in 2003 for acquiring the company when one of the projects (II or III) had been fully developed. The municipalities of Uta and Assemini have issued building permits for Cagliari II, and construction commenced at the beginning of 2008. For this and the sister project Cagliari III, Greentech has entered into an agreement with Nordex re. 25 wind turbines of the 1.5 MW S77 type.



■ Wind farms under construction



Projects under development

Italy

Location	No. of turbines	Gross capacity	Status	Ownership
Cagliari III	9	13.5 MW	Permits expected in 2008	100%
Bonorva	40	80 MW	Permits expected in 2008	90%
San Vito	29	58 MW	Permits expected in 2008	80%
Brindisi	35	80.5 MW	Permits expected in 2008	75%
Candela	40	100 MW	Permits expected in 2009	75%
Montemilione	17	34 MW	Permits expected in 2009	75%
Guardia dei Lombardi	19	47.5 MW	Permits expected in 2009	75%
Due Serri	7	21 MW	Permits expected in 2008	100%
Campo d'oro	7	21 MW	Permits expected in 2009	100%
Colli di Montebove	16	32 MW	Permits expected in 2009	80%
Monte Grighine II	26	60 MW	Permits expected in 2009	100%
Carbonia	10	23,3 MW	Permits expected in 2009	100%
Calitri	26	59.8 MW	Permits expected in 2009	100%
Lamezia Europa	11	27.5 MW	Permits expected in 2009	100%
Development portfolio		658.1 MW		
Projects under screening	TBD	600 MW		85-100%

TBD: To be decided.

Greentech has more than 650 MW under development in several regions both on the Italian mainland and on the islands of Sardinia and Sicily. Five of the projects are now so far advanced that it is realistically to expect construction work to commence during 2008-2009.

The San Vito project in Calabria obtained the important Autorizzazione Unica permission in December, which included the permission from all involved authorities to build the wind farm. The only outstanding issue is the building permit from the municipality, which is expected to be issued in Q1 2008, after which time the network operator Terna can grant its permission to connect to the grid. Once the two permits have been issued, construction of the wind farm can commence. This is expected to occur in 2008 subject to a satisfactory outcome of the negotiations for turbine deliveries. The wind farm would then be ready for commissioning in the second half of 2009. This is Greentech's

most advanced project in the region of Calabria, which is favourably inclined towards wind power. In a normal wind year, the San Vito project is expected to generate income in the region of EUR 24m (approximately DKK 180m).

With respect to the Brindisi project in Puglia, the authorities have announced that they expect to complete the Autorizzazione Unica process in Q1 2008. If the process is positive, which we expect, the authorities can issue building permits immediately thereafter. For this 80.5 MW project, Greentech has secured 35 turbines of the 2.3 MW N90 type for delivery during 2009.

Cagliari III is a sister project to Energia Verde and Cagliari II. No building permit has yet been issued for this project, but this is expected to happen soon. Wind turbines for the project have been secured.

If the project is completed according to plan, Candela will be Greentech's largest project with 100 MW of capacity based on 40 2.5 MW turbines. The Autorizzazione Unica process is expected to be completed during 2008, after which time the authorities can start issue building permits. The 40 wind turbines for this project have been secured for delivery in 2009 and 2010.

The Bonorva project has obtained all necessary permits but still awaits the outcome of litigation with the landscape authorities, which was considered by the local TAR court in February 2008. However, in a previous review, the courts found in favour of the project. Greentech expects the matter to be settled within a relatively short period, after which time construction of this 80 MW project in Sardinia can in principle be initiated.



■ Development projects

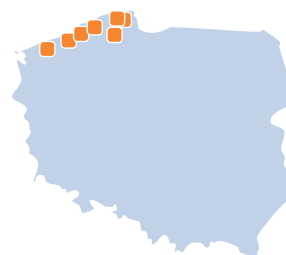
Poland

Location	No. of turbines	Gross capacity	Status	Ownership
Ustka	19	38 MW	Expected to be fully permitted in 2008	100%
Parnowo	9	18 MW	Expected to be fully permitted in 2008	100%
Krokowa onshore	18	32.4 MW	Grid connection in place	100%
Porzeczce - Dobieslaw	23	46 MW	Local plan obtained	100%
Eolica Wojciechowo	14	28 MW	Expected to be fully developed in 2008	50%
Pomorze offshore	33	99 MW	Expected to be fully developed in 2009	100%
Osieki	5	12.5 MW	Expected to be fully developed in 2009	100%
Poland	121	273.9 MW		

The subsidiary Wiatropol has a major portfolio under development, but the pace of the development depends to some extent on the opportunities for grid connection. The power grid is generally under-dimensioned in the northern part of Poland, and Greentech adapts to this situation, which means that some of the projects will be completed in 2008 and 2009, while others will remain in the pipeline for a longer time. At the same time, competition for prime locations is becoming more fierce, and Greentech therefore pursues a strategy of applying for building permits for its projects before having obtained acceptance for grid connection. This prevents other providers from obtaining permission to build projects under the local plans in force.

In a region of southern Poland Wiatropol has looked into a number of potential projects, meeting with considerable interest among the municipalities which the Company contacted. Greentech thus expects to venture into a new and interesting market with good wind conditions, less intense competition and a stronger grid capacity than in the northern part of Poland.

Wiatropol is focused on the seven projects listed with a total gross capacity of 273.9 MW. The most significant progress has been achieved with the Ustka and Parnowo projects, for which Greentech received notifications towards the end of 2007 that they can be connected to the existing power grid. With respect to Ustka, we can now establish the final design and commence construction of the wind farm in the second half of 2008. Electricity will be sold to the local power company Energa. With respect to the Parnowo project, Greentech expects to complete development during 2008.



Development projects

Norway

Location	No. of turbines	Gross capacity	Status	Ownership
Kollsnes	19	38 MW	Fully developed in 2010	11.5%

Through the acquisition of VEI 1 A/S with effect from 16 February 2007, Greentech became co-owner of Kollsnes Vindpark AS. Greentech is under an obligation to buy the remaining shares if the necessary permits are granted for the project. Kollsnes is situated in the municipality of Øygarden near Bergen and the project is developed by local developers.



Development projects

Organisation and remuneration

Employee headcount doubled

Greentech is in the process of strengthening its organisation for the purpose of managing the growing project portfolio in several countries and optimising the economy of the various projects. At the end of 2007, the Company had 21 employees, against 10 at year-end 2006.

Greentech have strengthened the organisation in areas such as project development, construction management and treasury functions. In addition, the Company have opened an office in Rome. The activities in Italy have reached a scale where the natural next step for Greentech was to recruit local engineers and project managers to manage and coordinate the building and development projects. The office in Italy has three employees, and five employees was already working at the office in Poland.

The expansion of the organisation will continue in 2008. The plan is to employ about 20 people at the Copenhagen headquarters, six in Italy and five in Poland. In order to provide the right framework for continuing growth at its corporate headquarters, Greentech expanded its lease by adding another floor from the beginning of 2008.

The Company's core competencies are project development and management, financing solutions and construction management. These are in-house core competencies. On the other hand, the Company will still outsource a number of operational tasks, service functions and administrative assignments, and will always use third party suppliers for all contracts related to the construction of wind farms. Greentech outsources assignments, either because it is not profitable for the company itself to build up competences in an area or because the assignments are complex and require external expertise. This business model will enable Greentech to substantially increase its production within a period of only a few years while at the same time keeping its fixed costs at a relatively low level, while variable external costs can easily be adjusted to the actual level of activity.

The most important external collaboration partners are Danish and international wind experts, wind turbine manufacturers, experienced local developers and other local advisers with comprehensive knowledge of the industry and a comprehensive network. Collaboration with these partners ensures strong local anchoring in areas where Greentech does not have its own people stationed.

Remuneration policy

In recognition of work performed, all Danish employees were granted a collective bonus in 2007, corresponding to one extra monthly salary. In addition, the Company's construction department has made individual bonus agreements with two project managers, as this is customary for employees in those functions. Greentech has not otherwise used any form of incentive-based remuneration, as the Board of Directors has found that incentive-based remuneration should not be introduced until the Company has accumulated significant production capacity.

However, the remuneration policy is consistently reviewed in light of the need to recruit and retain qualified employees. At the annual general meeting to be held on 23 April 2008, the Board of Directors intends to propose a remuneration policy that includes the issuance of options for the Management and key employees. In principle, the Board of Directors finds that options are a good way of strengthening the bonds between employees and shareholders as both parties will benefit from an appreciating share price.

The salary paid to the Management in 2007 included DKK 2m to Kaj Larsen, CEO, and DKK 1.5m to Martin M. Kristensen, member of the Management. Kaj Larsen and the Company both have a notice of termination of 12 months, and Martin M. Kristensen has a notice of termination of 12 months, whereas the Company has a notice of termination towards him of 18 months, or 36 months in the case of change of control.



Risk management

Special risks

Greentech maintains detailed risk management which is linked to the individual projects and related to a wide range of parameters, including political and regulatory matters. Risk management operations are currently approved by the Board of Directors at its meetings. In addition to risks relating to the individual projects, Greentech also seeks to manage its overall risks by diversifying its operations in several countries under different tariff systems, and in the individual countries, by diversifying its operations in different regions.

Greentech carefully evaluates every single project offered to the Company before making any commitment in respect of such project. During 2007, the evaluation was formalised to a comprehensive screening of wind conditions, transport from harbour to the site (roads, bridges, turning points, etc.), grid connection possibilities, the external environment, position held by the authorities and local community views, legislation, planning and other factors. During this screening process, Greentech identifies risks, considering how and whether such risks can be avoided or controlled. Greentech will only proceed with actual project development, if the basic conditions are met. In spite of this thorough screening process, there will always be risks related to the Company's activities.

Greentech's activities cover the following three phases:

- 1) Project development
- 2) Installation of wind farms
- 3) Operation of wind farms

The specific risks related to the three phases are reviewed on these pages. The review contains the risks that Greentech has identified on the basis of its experiences to date. The review is not necessarily exhaustive and the various risks have not been prioritised.

1) PROJECT DEVELOPMENT

The development of a wind turbine project often takes two to three years, and during that period the permits which are required in the relevant country to allow for the installation and subsequent operation of wind farms must be obtained. This process may be affected by the following risks:

Delays in obtaining permits

In any project, delays may occur in respect of obtaining permits. Most often, this will be due to matters arising during the process which could not have been identified at the initial evaluation of the project. A serious delay could occur if the political conditions of a country change during the project development phase – for instance if a

new national or local government wishes to change the existing procedures. Such delays may increase costs in the project development phase, and could at worst lead to the project being discontinued.

Obtaining permits from national, regional and local authorities is by itself a cumbersome and complex process. However, in Italy the authorities have made the system more flexible and efficient by introducing the Autorizzazione Unica process, under which Greentech in a number of regions and especially in southern Italy (but still not in Sardinia and Sicily) only needs to apply for a permit from one authority, which then obtains permits from other authorities. There can be no assurance, however, that Greentech will be able to obtain building and operating permits for all of its development projects.

In Poland, especially the grid connection permit may cause project development delays.

Local collaboration partners

Greentech selects and develops projects in collaboration with local partners, and the Company depends on collaboration with the local partners, who are often in charge of parts of the technical work and communication with the authorities. If mistakes should occur in these processes – as a result of failure by the local partners or their lack of expertise – delays could occur in the project development at best and at worst, there would be a risk that the project could not be completed.

Greentech seeks to minimise these risks by collaborating only with experienced and well-reputed developers and by forming direct contact with the local authorities as quickly as possible. In the Italian projects, the custom is that Greentech does not pay the developer until the project passes pre-defined milestones, and in some situations Greentech offers its developers a share in the projects. This helps to ensure that developers share an interest in completing the project development according to schedule. If collaboration with the developer discontinues, this would initially affect the relations with the local authorities. The technical part of the project development could be taken over by other consulting engineers.

In Poland, Greentech's collaboration with the PSE group is anchored in a joint company for which clear rules have been agreed on in respect of any discontinuation of the collaboration. If the collaboration discontinues, Greentech may either withdraw from a given project with full cover for all costs or buy the PSE group out of the project on the same terms and complete the project itself. With

Greentech's current organisation in Poland through the subsidiary Wiatropol, the Company is capable of finalising the development of a project within the Company.

Limitations concerning number of sites

Political decision-makers often impose a cap on how many wind turbines can be installed in a given geographical area. Hence, Greentech may compete with other project developers for a limited number of permits in an area. The same situation could occur in relation to grid connection, if the existing grid can only absorb a limited number of wind turbines. This is especially relevant in Poland. Therefore, there is a risk that project development is delayed or that the Company must abandon projects altogether.

2) INSTALLATION OF WIND FARMS

Risks during the construction phase are mainly related to delays in contract work, problems relating to grid connection, design errors, non-delivery of wind turbines and funding issues.

Sub-suppliers

During the installation of its wind farms, the Company may encounter a number of impediments such as unfavourable weather, grid connection problems, design errors, non-delivery or unexpected delays due to litigation from third parties. The installation of a wind turbine plant requires the delivery and installation of a large number of technical components, which are to form part of a complex system involving infrastructure and electrical works. Greentech normally signs three types of contracts, i.e. for construction work, electrical work and supply/installation of turbines. Any non-delivery by sub-contractors could cause a significant delay in the completion of a wind farm, and Greentech may be obliged to pay compensation in case of late delivery of a project. Such delays could have a material adverse impact on the Company's business, results of operations, financial position and ability to accomplish its objectives.

Greentech seeks to minimise these risks by preventing possible delays early in the process. This is achieved through tight project management, in which Greentech's construction department works closely together with engineers at the relevant level. Detailed timetables and delivery schedules are prepared and approved by each individual supplier, and all plans are compared with the actual status at regular building and project meetings.

Shortage of wind turbines, etc.

Demand for wind turbines is very high and there is a general risk that wind turbines cannot be sourced for projects that are otherwise developed and have obtained

all the required permits. Greentech tries to minimise this risk by maintaining close relations with the manufacturers and by planning in detail where and when the Company requires capacity. Also, Greentech seeks to become an important customer with the individual manufacturers and place orders, which are easier for the manufacturers to fit into their production schedule. In spite of these initiatives, lead times in the wind turbine market are so long that Greentech is compelled to contract for turbines for projects that still await all the necessary permits if Greentech is to accomplish its expected project programme. Accordingly, in February 2008, Greentech signed agreements with Nordex for turbine shipments in 2010, and if Greentech, as expected, later enters into a similar framework agreement with another manufacturer, the Company will most likely have covered its demand until and including 2010.

Funding

The Company must procure funding arrangements to realise the individual projects. Such funding arrangements will often consist of project funding of 80-85% of the full investment, arranged with one or more banks, while the Company procures the rest of the funds. If the Company is unable to procure funding, the installation cannot be completed, which could mean that the project must be given up or the entire or part of the project must be divested. The risk related to funding is reduced as Greentech strengthens its capital base and because the banks have become more confident with the settlement of electricity from wind turbines and hence, it has generally become easier to source project funding. Conversely, if the banks should become more risk-averse due to factors such as a difficult economic climate, obtaining funding would become more difficult. So far, banks have proven willing to enter into project funding in Italy and Poland.

3) OPERATION OF WIND FARMS

The risks of operating wind farms basically relate to the climate, credit risk related to the buyer of electricity and green certificates, political risks and variations in electricity prices.

Risks relating to the climate

Wind conditions may vary and impact production and thereby earnings in the individual plant. To minimise this risk, the Company only commences projects for which wind conditions have been analysed with data covering a period of not less than 12 months. Often, there will also be wind data generated by reference measuring stations over a longer period to support the data measured. Even with long-lasting wind measurements, however, changes will occur in wind conditions, which may affect the results of individual years.



Operating risks relating to the wind turbines

Operating disruptions may occur resulting in the turbines not generating power for short or long periods of time. Greentech seeks to minimise this risk by concluding current technical operating and maintenance agreements with suppliers of wind turbines and electrical installations. The agreements bind the suppliers to react as quickly as possible to operating disruptions. Greentech focuses on the supplier having a well-functioning service organisation in the country where the turbines are to be installed.

Also, all Greentech's wind turbines are insured against consequential losses. Typical consequential loss insurance covers production loss due to technical problems on one or several wind turbines with a deductible for the first 48-120 hours. The consequential loss is calculated on the basis of production figures from other power-generating wind turbines in the wind farm. The insurance does not cover consequential loss due to lack of wind, grid errors, grid failure, repairs and other disturbances that may reduce the output capacity of the wind turbine.

Credit risk related to the buyer

In Denmark, Germany and Poland, electricity generated by wind turbines is sold to the power company in the area where the wind turbines are installed. Hence, the credit risk is related to the power company and as these are typically financially very strong, this risk is limited. In Italy, electricity is sold through a power exchange, where only players (power companies) who meet their obligations may participate. Hence, the credit risk related to Italy are considered to be similar to that of the above-mentioned countries. Green certificates are traded in Poland and Italy in an exchange system in which the administrator of the exchange system guarantees payment of the green certificates. In both countries, government-owned companies act as administrators.

The risk of non-payment of green certificates is therefore in reality a country risk in both Poland and Italy.

Political risks

The Company's investment calculations are based on the laws and settlement terms applying at the time when the individual investment is decided. If the preconditions change at a later time as a result of political decisions, this could impact the profitability of the individual investment. Both in Poland and Italy, producers of renewable energy are subsidised by the issuance of green certificates and the income from the sale of these certificates is a supplement to the price of the power produced. If the rules on allocation and settlement of green certificates are changed, this could impact the Company's income base.

Variations in electricity prices

A wind farm is estimated to have a technical lifetime of 20 years. Germany has a 20-year fixed price for power from wind turbines, and Denmark also operates with a fixed price. This is not the case in Italy and Poland. Therefore, there is a risk that income from the turbines will vary by such a large degree that it is insufficient to meet the repayment profile agreed with the lenders. In the Italian market, Greentech sells power as well as green certificates in the spot market via experienced local brokers. In Poland, Greentech sells electricity under a 10-year agreement, where the price is fixed for 12 months at a time, and the green certificates are sold under a 5-year agreement, where the price is adjusted every year.

General risks

Intellectual capital

The Company's core competences involve project evaluation, project development management, sourcing capital and



operating wind farms. A few key employees at Greentech have comprehensive knowledge and experience in these fields which enables the Company to make decisions on a well-documented basis and management also has a substantial network in the Company's focus markets and in the industry.

Greentech aims to retain these key employees by offering exciting challenges in a dynamic company, attractive pay and working conditions and, in the long run, also a share of the added value through warrants/options. At the same time, Greentech seeks to reduce its dependence on these key employees by strengthening the organisation and recruiting new specialists in Denmark, Italy and Poland. The Company doubled its employee headcount during 2007 and expects to expand the organisation to about 30 employees in 2008. So far, Greentech has not encountered difficulties recruiting employees, and Denmark has many well-suited potential employees owing to the country's large wind turbine sector.

Interest rate risk

A substantial rise in interest rates may harm the profitability of the wind turbine projects, because 80-85% of the project sum is financed by debt. Greentech's combined net interest-bearing debt at 31 December 2007 amounted to DKK 224m (2006: DKK 156.5m), of which DKK 200m (2006: DKK 122.3m) carried a variable interest rate. An interest rate increase of 1 percentage point would increase annual interest rate expenses by DKK 2m (2006: DKK 1.2m). For agreements on future project funding, interest rates usually only vary by 2.5 percentage points.

Currency risks

There is a sound currency equilibrium in Greentech's cash inflows and outflows and between assets and liabilities. 24.5% of Greentech's net interest-bearing debt is denomi-

nated in DKK, 72% in EUR and 3.5% in PLN, and these are the currencies in which Greentech generates income. Similarly, the Company typically pays for wind turbines in EUR, which is the currency in which Greentech expects to generate most of its income going forward.

The currency risk arises as a result of Greentech preparing its financial statements in DKK, while a growing part of its income, expenses and investments are denominated in other currencies, mainly EUR (Italy and Germany) and PLN (Poland). Consequently, the Company's future accounting figures for operations and investments may be affected by possible exchange rate fluctuations throughout the entire process from budgeting and investment until payment is made or received. It should be mentioned, however, that in practice these currencies trace each other.

Environmental risks

There are no special environmental risks related to Greentech's activities. On the contrary, more than other types of energy, wind power contributes to a cleaner and better environment. All projects require local environmental and building permits.

Insurance

Greentech takes out insurance to cover the most significant risks, but there can be no assurance that the Company is or will be sufficiently covered in case of potential losses caused by major disruptions in production at the wind farms.

Research and development activities

Greentech has no independent research and development activities but exploits the latest knowledge among wind turbine manufacturers and other collaboration partners.

Corporate governance

The management model and organisation was adjusted during 2007/08 to prepare Greentech for handling the substantial growth the Company is experiencing. The Board of Directors considers the development of the management model and the organisation to be an ongoing process during which adjustments are made as the Company grows and becomes more complex. During this process, Greentech actively uses OMX Nordic Exchange Copenhagen's corporate governance recommendations as a key source of inspiration.

The Board of Directors basically agrees with the recommendations of OMX Nordic Exchange Copenhagen, and Greentech is managed in compliance with most of these recommendations. A detailed presentation of Greentech's practice and views on all the recommendations is available on the Company's website under the Corporate Governance heading, but below we review the five recommendations that Greentech has resolved not to comply with:

- The Board of Directors of Greentech has not worked with a formalised self-evaluation of its performance but maintains a regular dialogue in respect of how the Board operates and how it aims to optimise its work. This also applies to evaluation of the work of the Management and the collaboration between the Management and the Board of Directors. This more informal and ongoing approach is more appropriate for the Company.
- Greentech has no retirement age for board members. Greentech believes that the most important factor is the individual board member's commitment, work efforts and skill set – not the member's age.
- Greentech has no restrictions on the number of directorships a board member may hold. Again, the Company considers the individual board member's commitment, work efforts, skill set and contributions to the Company – not the number of directorships.
- Greentech has not formulated a policy for how takeover offers should be handled, but the Board of Directors regularly discusses how the optimum ownership structure should be, and the Board of Directors believes that substantial changes in this respect should be presented at the general meeting to the extent possible.
- Due to the Company's size, Greentech has so far not found it necessary to set up committees under the Board of Directors. Instead, Management has relied

on special skills and know how held by members of the Board of Directors in respect of specific projects. However, the Board of Directors plans to set up an audit committee at the latest in 2009.

The work of the Board of Directors

The Board of Directors has four scheduled meetings per year and otherwise meets when required, typically in connection with large investments. In 2007, the Board of Directors had 13 meetings, including telephone conferences (compared with 8 meetings the year before). One of the meetings was a strategy seminar to discuss the future strategy and risks and to determine future plans and division of responsibility.

Ordinary board meetings are held according to a fixed agenda, which includes reviewing operations and results and discussing current problems and authorisations and reviewing and approving new projects. Once every year, the Board of Directors reviews its rules of procedure and verifies that the general frameworks and procedures are in order. Risk management and the capital and share structures are also permanent items on the agenda. The annual report is reviewed at the meeting in March which is also attended by the auditors, and the accounting policies are reviewed and discussed at this meeting.

The proposed remuneration to members of the Board of Directors is DKK 0.5m (2006: DKK 0.4m). No supplement is paid to the chairman and deputy chairman.

The composition of the Board of Directors

The Board of Directors is composed of five members elected by the shareholders. The size of the Board of Directors is considered to be appropriate, as a five-member board is sufficient to maintain a differentiated composition of skills and experience. On the other hand, five is a sufficiently low number for the Board of Directors to convene at short notice, while generally being able to form a quorum. All members serve for terms of one year.

Greentech focuses on having a Board of Directors that has the knowledge and professional experience that is relevant to Greentech's operations. Consequently, the Board of Directors has competences relevant to the development of wind turbine projects, wind turbine production, the wind power industry in general, production and distribution of power as well as funding, building and managing international growth companies. With this insight, the Board of Directors may also provide inspiration and support for the Company's Management and executives.

None of the board members have previously been employed with the Company.

The Company trades with Nordex AG, to which Carsten Risvig Pedersen is related. Potential conflicts of interest are handled by Greentech selecting three turbine types for its projects that meet the requirements for a specific project. An independent specialist then calculates the expected output from the three turbine types at the actual site, and the manufacturers of the three turbine types are asked to submit a quotation. Greentech then selects the turbines on the basis of the price and the output capacity of the turbines, and Carsten Risvig Pedersen does not take part in these deliberations.

Previously, Greentech traded with World Wide Wind, in which Jørgen Bendsen Poulsen holds a position as president. This trading was based on professional commercial principles, and Jørgen Bendsen Poulsen did not participate in the discussions conducted by Greentech's Board of Directors. Until September 2007, Erik Damgaard Nielsen had granted a convertible loan to Greentech. Erik Damgaard Nielsen did not participate in the discussions on Greentech's Board of Directors concerning the related agreements, nor did he participate in the negotiations on behalf of the buyer or the seller when in 2007 Greentech acquired the company VEI 1 A/S, in which Erik Damgaard was a shareholder.

Corporate Social Responsibility

The production of power from wind turbines does not cause any emission of CO₂ or other greenhouse gases, and wind power is therefore more friendly to the environment than fossil fuels, which give rise to greenhouse gas emissions when coal and oil is transported to the power plants and when a power plant burns fossil fuels.

Environmental permits are required for all of Greentech's projects. At every stage of the projects, Greentech pursues business procedures to ensure compliance with environmental laws. In order to obtain environmental and building permits, Greentech and its partners must conduct a number of surveys at each site. For example, an in-depth analysis must be performed of how the project will interact with the local environment. Particular considerations must be made for the landscape, the local population, plant and animal life, and there must be actual communications with the local authorities and interest groups.

In 2008, Greentech will begin to work more systematically with other aspects of environmental and social sustainability. In its Corporate Social Responsibility (CSR) efforts, Greentech will seek inspiration from the UN Global Compact – the ten recognised principles concerning the environment, human rights, employee rights and anti-corruption defined by the UN as a set of guidelines for corporate efforts to achieve a more sustainable economy.

These are the principles that businesses should:

- support and respect the protection of internationally proclaimed human rights within the area in which it operates and has influence;
- make sure that they are not complicit in human rights abuses;
- uphold the freedom of association and the effective recognition of the right to collective bargaining;
- support the elimination of all forms of forced and compulsory labour;
- support the effective abolition of child labour;
- support the elimination of discrimination in respect of employment and occupation;
- support a precautionary approach to environmental challenges;
- undertake initiatives to promote greater environmental responsibility;
- encourage the development and diffusion of environmentally friendly technologies;
- work against all forms of corruption, including extortion and bribery.

Greentech supports and complies with these principles. The Company's further CSR initiatives will therefore involve adopting the principles by defining specific targets and ensuring that the Company can follow up on such targets. Greentech will also gradually incorporate CSR as part of its requirements to suppliers and business partners.

Board of Directors and Management

Members of the Board of Directors

Erik Damgaard Nielsen

Formerly director of Navision/Damgaard, now managing director of his own investment companies.

Born 1961, bachelor of engineering.

Board member since 2006, chairman since 2007.

Remuneration in 2007: DKK 100,000.

No. of Greentech shares held: 6,200,867 (including related parties and companies controlled by Erik Damgaard).

Competences of special relevance to Greentech: building and managing international growth companies.

Other directorships held in Danish companies:

Chairman of the board of directors of Berlin Invest ApS, Cantobank A/S, Claszeile Strasse ApS, Ejendomsselskabet af 16. november 2005 ApS, Erik Damgaard Porteføljeinvest A/S, Finansselskabet af 11. oktober 2006 ApS, Firstline Estate A/S, Invest B2B A/S, Investeringselskabet af 16.10.2006 A/S, Investeringselskabet Tyskland A/S, K/S Eriksfält, Malmø, Rialto Finans ApS, Sigimundsstrasse ApS, Strasse Invest ApS, 7N A/S. Member of the board of directors of Adept Water Technologies A/S, Atteno A/S, Capinordic A/S, Capinordic Bank A/S, Chemometec A/S, Comflex A/S, Damgaard Company A/S, Damgaard Company II A/S, Damgaard Group A/S, ED Equity Partner A/S, ED Project Partner A/S, Euroinvestor.com A/S, Eurotrust A/S, Interface BioTech A/S, International Power Switch ApS, Notabene.net Danmark A/S, Porteføljeselskabet Kgs. Nytorv A/S, Scandinavian Senior Open A/S.

Managing director/director of ED Equity Partner A/S, ED Project Partner A/S, Ejendomsanpartsselskabet Gurrehus, Ejendomsselskabet Oktanten ApS, Erik Damgaard Porteføljeinvest A/S, Firkanten Invest ApS, Fredtofte Hestestutteri ApS, German Properties ApS, HeDa Invest ApS, Marie-Louise Damgaard Invest ApS, Porteføljeselskabet Kgs. Nytorv A/S, Porteføljeselskabet I Kgs. Nytorv ApS, Porteføljeselskabet II Kgs. Nytorv ApS, Porteføljeselskabet I Strandvejen ApS, Porteføljeselskabet II Strandvejen ApS, Rossini ApS, Scandinavian Senior Open A/S, Sebastian Damgaard Invest ApS, VEI 3 ApS.

Jens Kjelde Mors

Formerly director of credit at BRFKredit.

Born 1937, Diploma in business administration (financing), participated in programmes at Stanford and Harvard.

Board member and deputy chairman since 2001, most recently elected in 2007.

Remuneration in 2007: DKK 100,000.

No. of Greentech shares held: 103,200 (unchanged).

Competences of special relevance to Greentech: financing and financing agreements.

Other directorships held in Danish companies:

Jens Kjelde Mors is a board member of Greentech's Danish subsidiaries but holds no other directorships.

Carsten Risvig Pedersen

Sales director at Nordex.

Born 1963, educated as a machine fitter.

Board member since 2000, most recently elected in 2007.

Remuneration in 2007: DKK 100,000.

No. of Greentech shares held: 0 (unchanged).

Competences of special relevance to Greentech: production and sale of wind turbines, the wind power industry in general.

Other directorships held in Danish companies:

Chairman of the board of directors of Brande Handel A/S, Brande Holding A/S, Brande Investerings- og Finansieringsselskab A/S, Brande Stål A/S, CJ Holding ApS, Esinvest A/S, Gamekeeper A/S, Nordvest A/S and Welcon A/S.

Member of the board of directors of BBK Holding ApS and Dansk Svejse Teknik A/S.

Managing director of CRP Invest ApS.

Jørgen Bendsen Poulsen

Managing director of the World Wide Wind Group.

Born 1951, education in insurance and trade.

Board member since 2000, most recently elected in 2007.

Remuneration in 2007: DKK 100,000.

No. of Greentech shares held: 133,810 (+ 121,810).

Competences of special relevance to Greentech: development of wind turbine projects, developments in the wind turbine sector.

Other directorships held in Danish companies:

Chairman of the board of directors of VM Bioenergi ApS.

Member of the board of directors of Jysk Vindkraft A/S, Nordisk Vindkraft A/S, Vindenergi Danmark Amba, Wind Energy Holding ApS, Wind 1 A/S, World Wide Wind A/S and WWW Ejendomme A/S.

Managing director/director of Alternativ Aktie Analyse ApS, Jordsby Møller ApS, Vestjysk Vindkraft ApS, Wind Energy Holding ApS, World Wide Wind A/S and WWW Ejendomme A/S.

Peter Høstgaard-Jensen

Formerly managing director of Elsam.

Born 1948, MSc in chemical engineering.

Board member since 2006, most recently elected in 2007.

Remuneration in 2007: DKK 100,000.

No. of Greentech shares held: 0 (unchanged).

Competences of special relevance to Greentech: production and distribution of electricity, general management experience.

Other directorships held in Danish companies:

Chairman of the board of Aalborg Energie Teknik a/s, EnviScan A/S, Fonden "Energiby Frederikshavn" and Nordjyllands Innovations- og Kompetencecenter for Vedvarende Energi.

Member of the board of directors of Aalborg Engineering A/S, Cemtec Fonden, Dalgasgroup A/S, Det Danske Hedeselskab, Hededanmark A/S, Hedegaard A/S, Nordenergie A/S, NOVI Management A/S, Orbicon A/S, Xergi A/S.

Members of Management

Kaj Larsen, Managing Director

Born 1952, MSc in economics

Employed with the Company as Managing Director in 2000.

No. of Greentech shares held: 100,000 (unchanged).

Other directorships held in Danish companies: Member of the board of directors of IRS Denmark ApS.

Martin M. Kristensen, member of management

Born 1955, Diploma in business administration (foreign trade) and bank training.

Employed with the Company as a member of Management in 2006.

No. of Greentech shares held: 0 (unchanged).

Other directorships held in Danish companies: None.

All directorships are as per 12 February 2008.



Board of Directors of Greentech (from left):

Shareholder information

Share capital

Greentech's shares are listed on OMX Nordic Exchange Copenhagen under securities identification code DK0010240514 and the trading symbol GES. The share is a component of a number of indices, including the MidCap+ index of the second-most liquid Danish stocks, Morgan Stanley's SmallCap index and the WilderHill New Energy Global Innovation Index.

The share capital amounts to DKK 230,331,740 divided into 46,066,348 shares of DKK 5 nominal value each. All shares are listed, and there are no restrictions in the transferability of the shares or voting rights. Thus, each share carries one vote.

In 2007, the share capital was increased by approximately DKK 130.5 million nominal value. The first capital increase was a non-cash contribution in which new shares were issued as payment for the wind turbine activities of VEI 1 A/S. In two other share issues, debt was converted into shares. First, when the sellers of the Wiatropol project in March converted a small claim into new shares, and next when debt of just over DKK 108 million (including interest) in September was exchanged into new shares, reducing the Company's net interest-bearing debt and interest rate expenses. Finally, in February and October Greentech completed two cash issues as private placements, from which it received gross proceeds of nearly DKK 1.5 billion.

Ownership

In February 2008, Greentech had 5,000 registered shareholders – the highest number in the Company's history and an increase of about 1,000 in one year. The increase reflects strong and growing interest from Danish private and institutional investors as well as from international investors.

One of the objectives of the October issue and an overall objective for the year was to achieve a greater number of international investors. This objective was as good as accomplished. In the October issue, 31% of the shares were sold in the UK, 36% in Continental Europe and 33% in the Nordic region. Two of the Company's three largest shareholders are international institutional investors, and it is estimated that just under 30% of the share capital is owned by investors outside Denmark. The Company has also achieved a more diversified group of owners.

Value creation

Greentech seeks to provide a return to its shareholders through consistent, long-term share price appreciation. Accordingly, the Board of Directors will increase the Company's value by reinvesting any profits generated into profitable growth and does not expect to pay dividends. This dividend policy will apply during the next three or four years of planned, aggressive growth.

Share price and trading volume

The share opened the year at DKK 70.5 and ended at DKK 98.3. During the continued stock market turmoil at the

Capital increases in 2007

Date	No. of shares	Subscription, DKK	Event
16. February	4,325,000	52.45	Non-cash issue as payment for activities in VEI 1 A/S
16. February	6,673,022	52.45	Cash issue directed at the sellers of VEI 1 A/S and others
12. March	101,786	70.30	Conversion of debt concerning the acquisition of Wiatropol
20. September	2,992,300	36.21*	Repayment of convertible loans for DKK 108.4 million
18. October	12,000,000	95	Cash issue directed at institutional investors

* Average price. The repayment share price was agreed when the loans were raised in 2005 and 2006.

Shareholder composition at 12 February 2008

	No. of shares	Percentage of the Company's shares	Nominal (DKK)
Erik Damgaard Nielsen and companies controlled by him	6,200,867	13.46%	31,004,355
Andra AP-Fonden, Göteborg, Sweden	i.o.	>5%	i.o.
GLG Partners, London	2,380,858	5.17%	11,904,290
Other insiders, excl. Erik Damgaard Nielsen	337,510	0.7%	1,687,550

beginning of 2008, the share fell so that by February 2008 it had nearly dropped to the level recorded in early 2007. During the same period, the MidCap+ index fell by 30%.

Investor relations

Greentech aims for its share price to reflect actual results as well as the expected added value. Accordingly, Greentech seeks to provide timely, accurate and relevant information on its strategy, operations, performance, expectations and other factors that may be relevant for an assessment of its share.

Greentech launched a new website in 2007. The website provides access to announcements, quarterly reports, investor presentations and webcasts, and Greentech also regularly provides its shareholders and others with an opportunity to follow the progress of the Company's project portfolio. Moreover, all interested parties can subscribe to a newsletter and automatically receive company announcements via e-mail.

Greentech also seeks to create awareness of its activities through an active and open dialogue with equity market participants. This dialogue was strengthened considerably in 2007 with Greentech participating in about 100 meetings with analysts and investors around the world, 66 of which were related to the international share issue in October.

Analysts from four international finance houses started to cover Greentech in 2007. These finance houses were

Dexia of Brussels, Nomura and Goldman Sachs of London and FIH/Kaupthing Bank of Copenhagen. Based on analyst interest, Greentech expects more analysts to start covering the Company.

Analyst coverage

Dexia	Peter Van Assche	+32 (2) 222 33 16
Nomura International	Catharina Saponar	+44 (0) 20 7521 1932
Goldman Sachs	Jason Channell	+44 (20) 7051 5029
FIH/Kaupthing Bank	Peter Rothausen	+45 72 22 52 92

The Management is responsible for the Company's investor relations.

IR contacts are

CEO Kaj Larsen and CFO Mark Fromholt

E-mail: greentech@greentech.dk

Telephone: +45 33 36 42 02

Fax: +45 33 36 42 01

Financial calendar for 2008

Annual report for 2007:	28 March 2008
Annual general meeting:	23 April 2008
Interim report for the three months ended 31 March 2008:	30 May 2008
Interim report for the six months ended 30 June 2008:	29 August 2008
Interim report for the nine months ended 30 September 2008:	28 November 2008

Share price performance (indexed)



Statement by the Board of Directors and the Management

The Board of Directors and the Management today considered and adopted the Annual Report of Greentech Energy Systems A/S for 2007. The Annual Report is prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. We consider the accounting policies used to be appropriate. Accordingly, the Annual Report gives a true and fair view of the Group's and the Parent

Company's financial position at 31 December 2007 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January – 31 December 2007.

We recommend that the Annual Report be approved at the Annual General Meeting.

Herlev, 28 March 2008

Management

Kaj Larsen
Managing Director

Martin M. Kristensen
Member of the Board of Management

Board of Directors

Erik Damgaard Nielsen
Chairman

Jens Kjelde Mors
Deputy Chairman

Carsten Risvig Pedersen

Jørgen Bendsen Poulsen

Peter Høstgaard-Jensen

This Annual Report was presented and approved by the shareholders at the Company's Annual General Meeting held on 23 April 2008.

Independent auditors' report

To the shareholders of Greentech Energy Systems A/S

We have audited the annual report of Greentech Energy Systems A/S for the financial year 1 January to 31 December 2007, comprising a Management's statement, management's review, accounting policies, income statement, balance sheet, statement of changes in equity, cash flow statement and notes to the financial statements for the Group as well as the Parent Company. The Annual Report has been prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for the annual reports of listed companies.

Management's responsibility for the annual report

Management is responsible for the preparation and fair presentation of an annual report in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for the annual reports of listed companies. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an annual report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility and basis of opinion

Our responsibility is to express an opinion on the Annual Report based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance whether the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report.

The procedures selected depend on the auditor's

judgement, including the assessment of the risks of material misstatement of the Annual Report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of an annual report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Annual Report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit did not result in any qualification.

Opinion

In our opinion, the Annual Report gives a true and fair view of the Group's and the Parent Company's financial position at 31 December 2007 and of their financial performance and their cash flows for the financial year 1 January to 31 December 2007 in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for listed companies.

Herlev, 28 March 2008

PricewaterhouseCoopers

Statsautoriseret Revisionsaktieselskab

Jens Otto Damgaard

State Authorised Public Accountant

ACCOUNTING POLICIES

The annual report was prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. Additional Danish disclosure requirements for the presentation of financial statements are imposed by the Statutory Order on Adoption of IFRS issued under the Danish Financial Statements Act and by the Copenhagen Stock Exchange.

The annual report also complies with the International Financial Reporting Standards issued by the IASB.

The annual report is presented in Danish kroner (DKK).

In respect of recognition and measurement, the accounting policies are unchanged from last year. In certain respects, the information provided deviates from last year due to the implementation of IFRS 7 and amendments to IAS 1 (see below).

The following EU-approved standards, amendments to existing standards and interpretations relevant to the consolidated financial statements of Greentech are effective from the financial year 2007:

- Amendments to IAS 1 Presentation of Financial Statements, requiring disclosure about the company's objectives, policies and processes related to capital management. The amendment only affects disclosures in the annual report concerning capital management, and its implementation therefore had no financial effect.
- IFRS 7 Financial instruments: Disclosure, replacing the previous disclosure requirements in IAS 32. IAS 32 subsequently only contains definitions and classification provisions. The implementation of IFRS 7 only affects disclosures in the annual report concerning financial instruments, and its implementation therefore had no financial effect.
- IFRIC 7, relating to the restatement of activities located in hyperinflationary economies. As Greentech does not operate in hyperinflationary economies, the interpretation will not have any impact on the Group.
- IFRIC 8, relating to the scope of IFRS 2 concerning share-based payments. The interpretation has no impact on the Group.
- IFRIC 9, determining the timing that determines whether an embedded derivative exists in a host contract. The interpretation has not caused any change to the former accounting policies.
- IFRIC 10, determining that if a company in the course of the year - in an interim report - has recognised an impairment loss for goodwill or for equity instruments

classified as available-for-sale, such impairment losses cannot be reversed in a subsequent annual report, even if the need for impairment does not exist at the end of the financial year. Greentech has recognised no impairment losses on goodwill or equity instruments in the most recent interim reports. The interpretation therefore has no impact on the Group.

Adopted, but not yet implemented, standards concerning which Greentech has not opted for early implementation:

- IFRS 8 Operating Segments, requiring the determination of segments and segment information based on management's internal reporting, which is a change of the existing IAS 14 on segment information, which requires determination based on return and risk and that the information is based on business areas and geographical areas. The implementation of IFRS 8 will have no impact on recognition and measurement but may only affect the note disclosures on segments in the annual report.
- IFRIC 11, describing how to apply IFRS 2 on share-based payment transactions in a group. Greentech finds that the interpretation has no impact on the Group's financial figures.

The following standards and interpretations, issued by the IASB at 31 January 2008 but not approved by the EU, remain to be implemented and have therefore not been adopted early:

- Amendments to IAS 1 Presentation of Financial Statements, requiring a different presentation of the consolidated financial statements.
- Amendments to IAS 23 Borrowing Costs, requiring borrowing costs to be included in the cost of certain assets with longer production times.
- Amendments to IAS 27 Consolidated and Separate Financial Statements, according to which a loss is attributed pro-rata to the minority share, and changes to ownership interests in a subsidiary are accounted for as an equity transaction as long as control of the subsidiary is retained.
- Amendments to IFRS 3 Business Combinations, under which transaction costs must not be recognised in the cost of acquired businesses, while cost includes the fair value of ownership interests in the new subsidiary, which is held before the acquisition. The amendment also has a large number of other impacts. For example, it will be possible to calculate goodwill of the minority interest (henceforth termed the non-controlling

interest) and contingent consideration must always be recognised at fair value. Changes to contingent consideration occurring after a maximum of 12 months must be recognised in the income statement.

- IFRIC 12, Service concession arrangements.
- IFRIC 13, Customer loyalty programmes. As Greentech has so far not pursued such programmes, the interpretation will not have any impact on the Group.
- IFRIC 14 on the limits under IAS 19 when recognising net assets on funded pension plans.

Recognition and measurement

The financial statements have been prepared under the historical cost method, modified in the way that certain financial instruments are measured at fair value. In consequence, results, assets and liabilities are measured as described below.

Consolidated financial statements

The consolidated financial statements comprise the Parent Company Greentech and subsidiaries in which Greentech exercises control over the financial and operational policies of the enterprise to achieve a return on or other benefits from its activities. Control is achieved by directly or indirectly holding or having the disposal of more than 50% of the voting rights or otherwise exercising a controlling influence over the relevant enterprise. Enterprises in which the Group exercises significant influence but not control are classified as associates. Significant influence is generally achieved by directly or indirectly holding or having the disposal of more than 20%, but less than 50%, of the voting rights. In determining whether Greentech exercises control or has a significant influence, potential votes exercisable at the balance sheet date are taken into account.

The consolidated financial statements have been prepared by combining the financial statements of the Parent Company and the individual subsidiaries stated under the Group's accounting policies, eliminating intra-group income and expenses, shareholdings, balances and dividends as well as realised and unrealised profits on transactions between consolidated enterprises.

Unrealised gains on transactions with associates are eliminated in proportion to the Group's share of the enterprise. Unrealised losses are eliminated in the same way as unrealised gains, to the extent that no impairment has occurred.

Investments in subsidiaries are eliminated by the proportionate share of the subsidiaries' fair value of identifiable net assets and recognised contingent liabilities at the date of acquisition.

Business combinations

Newly acquired or newly established companies are recognised in the consolidated financial statements from the date of acquisition. Enterprises divested or wound up are included in the consolidated income statement until the date of disposal. Comparative figures are not restated to reflect acquisitions. Discontinued operations are presented as a separate item. See below.

The purchase method is applied on acquisitions if the Parent Company gains control of the company acquired. Identifiable assets, liabilities and contingent liabilities in companies acquired are measured at the fair value at the date of acquisition. Identifiable intangible assets are recognised if they can be separated or arise from a contractual right and the fair value can be reliably measured. Deferred tax on revaluations made is recognised.

For business combinations effected on or after 1 January 2004, any excess of the cost of acquisition over the fair value of the acquired identifiable assets, liabilities and contingent liabilities is recognised as goodwill under intangible assets. Goodwill is not amortised, but is tested for impairment annually. An impairment test is also made in case of any indication of an impairment. The first impairment test is performed before the end of the year of acquisition. On acquisition, goodwill is transferred to the cash-generating units which will subsequently form the basis for future impairment tests. Any goodwill arising and any fair value adjustments made on the acquisition of a foreign entity whose functional currency differs from the Greentech Group's presentation currency are treated as assets and liabilities of the foreign entity and translated to the foreign entity's functional currency at the exchange rate at the transaction date. Any excess of the fair value over the cost of acquisition (negative goodwill) is recognised in the income statement at the acquisition date.

If the measurement of acquired identifiable assets, liabilities and contingent liabilities is subject to uncertainty at the time of acquisition, initial recognition will be made on the basis of a preliminary calculation of fair values. If it later turns out that the identifiable assets, liabilities and contingent liabilities had a different fair value at the time of acquisition than that originally assumed, goodwill will be adjusted until 12 months after the acquisition. The effect of the adjustments will be recognised in the opening equity, and comparative figures will be restated accordingly. Henceforth, goodwill will be adjusted only to reflect changes in estimates of contingent consideration, or if material errors are made.

Any gains or losses on the disposal of subsidiaries and associates are stated as the difference between the sales sum or the proceeds from the winding-up and the carrying amount of net assets, including goodwill, at the date of disposal net of expenses for selling or winding-up. To the extent that goodwill from business acquisitions made before 1 January 2004 has been expensed directly against equity, the carrying amount of goodwill amounts to DKK 0 at the time of sale.

Share-based payment

In certain situations, the Group acquires development projects paid by the Parent Company's treasury shares. Such agreements are classified as equity-settled share-based transactions. The value is calculated as the fair value of the received development project and is recognised as the project is delivered. However, if the project is subject to any conditions, and there is significant uncertainty as to whether the counterparty will meet such conditions, the value will not be recognised until such time that all conditions have been met.

Leasing

Leases in which the Company retains all significant risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the asset's fair value and the present value of the minimum lease payments, calculated using the interest implicit in the lease as the discount factor, or an approximate value. Assets held under finance leases are depreciated and written down for impairment according to the same accounting policy as the Company's other long-term assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is charged to the income statement as incurred.

All other leases are considered operating leases. Payments in connection with operating leases are recognised in the income statement over the terms of the leases.

Foreign currency translation

A functional currency is determined for each of the reporting entities in the Group. The functional currency is the currency in the primary economic environment in which the reporting entity operates. Transactions in currencies other than the functional currency are transactions in foreign currencies.

On initial recognition, transactions denominated in foreign currencies are translated into the functional currency at the exchange rate ruling at the transaction date. Exchange differences arising between the exchange rate at the

transaction date and the exchange rate at the date of actual payment are recognised in the income statement under financial income or financial expenses.

Receivables, payables and other monetary items in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rate ruling at the balance sheet date and the exchange rate ruling at the date when the receivable or payable arose or the exchange rate applied in the most recent annual report is recognised in the income statement under financial income or financial expenses.

On consolidation of companies with functional currencies other than DKK, the income statements are translated at the exchange rates ruling at the transaction date, and the balance sheets are translated at the exchange rates ruling at the balance sheet date. The average exchange rate for each individual month is used as the rate at the transaction date, provided this does not give a much different view. Exchange differences arising on the translation of the opening equity of such companies at the exchange rates ruling at the balance sheet date and on the translation of the income statements from the exchange rates ruling at the transaction date to the exchange rates ruling at the balance sheet date are taken directly to equity in a separate reserve for currency translation.

Exchange adjustments of balances that represent part of the total net investment in enterprises with a functional currency other than DKK are recognised directly in equity in the consolidated financial statements under a separate translation reserve. Similarly, exchange gains and losses on the portion of loans and derivative financial instruments entered into to hedge the net investment in these enterprises and which constitute effective hedging against corresponding exchange gains/loss on net investment in the enterprise are recognised directly in equity under a separate translation reserve.

On recognition in the consolidated financial statements of associates with a functional currency other than DKK, the share of results for the year is translated at average exchange rates, and the share of equity including goodwill is translated at the exchange rates at the balance sheet date.

Exchange adjustments arising on the translation of the share of the opening equity of foreign associates at exchange rates at the balance sheet date and on the translation of the share of results for the year from average exchange rates to exchange rates at the balance sheet date are recognised directly in equity under a separate translation reserve.

Revenue

Revenue from the sale of electricity is recognised from the time when production output was delivered to the power network but has still not been invoiced, and is calculated on the basis of readings of installed production metres. Revenue is calculated in accordance with the laws applicable in the production country.

Revenue from green certificates and other incentive systems is recognised at the time when the related power is generated. Revenue is recognised on the basis of the average price of green certificates in the period when entitlement is earned.

Production costs

Production costs comprise the costs paid to obtain the revenue for the year. Cost comprises raw materials and consumables as well as maintenance and depreciation, etc.

Administrative expenses

Administrative expenses comprise expenses for wages and salaries, office premises, office expenses, sales expenses, travelling expenses, advisory services and depreciation, etc.

Income from investments in associates in the consolidated financial statements

The proportionate share of the results of associates after tax is recognised in the income statement of the Group eliminating the proportionate share of intra-group gains/losses.

Financial income and expenses

Financial income and financial expenses comprise interest, capital gains and losses as well as impairment losses on payables and transactions in foreign currencies, amortisation of financial assets and liabilities as well as extra payments and repayment under the on-account taxation scheme, etc. Furthermore, realised and unrealised gains and losses on derivative financial instruments that do not qualify as hedge accounting are recognised.

Dividend on investments in subsidiaries and associates is recognised in the Parent Company's income statement in the financial year in which the dividend is declared. However, to the extent that the dividend distributed exceeds accumulated earnings after the acquisition date dividend is recognised as a reduction of the cost of the investment.

Tax on profit for the year

Greentech is taxed jointly with all its Danish subsidiaries. The current Danish income tax liability is allocated

among the companies of the tax pool in proportion to their taxable income. Companies utilising tax losses in other companies pay joint taxation contributions to the Parent Company equal to the tax value of the utilised losses, while companies whose tax losses are utilised by other companies receive joint taxation contributions from the Parent Company equal to the tax value of the utilised losses (full allocation). The jointly taxed companies pay tax under the Danish on-account tax scheme.

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost encompasses the acquisition price and costs directly associated with the purchase until the time when the asset is ready to be brought into use. For assets produced in-house, cost comprises direct costs of materials, components, third-party suppliers, labour and borrowing costs. Cost is increased by the present value of estimated liabilities for the removal and disposal of the asset and restoration of the site on which the asset was used. The cost of a total asset is broken down into separate components that are depreciated separately if the useful lives of the individual components vary.

Subsequent expenses, e.g. for replacing components of an asset, are recognised in the carrying amount of the asset in question when it is probable that the payment of the expense will lead to future economic benefits to the Group. The replaced components are no longer recognised in the balance sheet, and the carrying amount is transferred to the income statement. All other ordinary repair and maintenance costs are recognised in the income statement when incurred.

Property, plant and equipment are depreciated on a straight-line basis over the expected useful lives of the assets/components, which are expected to be as follows:

Wind turbines	20 years
Equipment	3-5 years

The basis of depreciation is calculated with due consideration to the asset's scrap value, reduced by any impairment losses. The scrap value is determined at the date of acquisition and revalued each year. Where the residual value exceeds the carrying amount of the asset, the asset ceases to be depreciated.

If the depreciation period or the residual values are changed, the effect on depreciation going forward is recognised as a change in accounting estimates.

Depreciation is recognised in the income statement in production costs and administrative expenses, respectively, to the extent that depreciation is not included in the cost of assets of own construction.

Investments in associates in the consolidated financial statements

Investments in associates are measured using the equity method.

Investments in associates are measured in the balance sheet at the proportionate share of the companies' net asset value calculated in accordance with the Group's accounting policies with deduction or addition of the proportionate share of unrealised intra-group gains and losses and with addition of the carrying amount of goodwill.

Associates with a negative net asset value are measured at DKK 0. If the Group has a legal or constructive obligation to cover the negative balance of the associate, this obligation is recognised in liabilities. Any receivables are written down to the extent that the receivable is considered irrecoverable.

Investments in subsidiaries and associates in the Parent Company's financial statements

Investments in subsidiaries and associates are measured at cost. Where cost exceeds the recoverable amount, the investment is written down to this lower amount.

Cost is written down to the extent that dividend distributed exceeds the accumulated earnings after the takeover date.

Impairment of long-term assets

Development projects in progress are tested for impairment annually. An impairment test is also made in case of any indication of an impairment requirement.

The carrying amounts of long-term assets are tested annually to determine whether there is any indication of

impairment. If such an indication exists, the recoverable amount of the asset is calculated. The recoverable amount is the higher of the fair value of the asset less costs to sell and value in use.

An impairment loss is recognised when the carrying amount of an asset or a cash-generating unit exceeds the recoverable amount of the asset or the cash-generating unit. Impairment losses are recognised in the income statement under administrative expenses. Impairment losses on other assets are reversed to the extent changes have occurred to the assumptions and estimates on which the impairment loss was based. Impairment losses are only reversed to the extent the new carrying amount of an asset does not exceed the carrying amount the asset would have had net of depreciation if no impairment losses had been recognised on the asset. For assets associated with wind farms, the individual wind farm is considered to be the cash-generating unit.

Green certificates

In connection with the production of wind power, the Group receives green certificates. On initial recognition, these are measured at cost, which equals the fair value of the green certificates on production of the corresponding electricity. The average price of green certificates per quarter is used when such price does not deviate significantly from the price at the time of production. On subsequent recognition, green certificates are measured at the lower of cost and net realisable value. The cost per certificate is determined by using weighted average prices.

Receivables and loans

On initial recognition, receivables and loans are measured at fair value adjusted for transaction costs, and subsequently they are measured at amortised cost. Provisions are made for bad debts.

Deposits

On initial recognition, deposits are recognised at fair value, and subsequently they are measured at amortised cost.

Prepayments

Prepayments include expenses paid in respect of subsequent financial years.

Treasury shares

Treasury shares acquired by the Parent Company or subsidiaries are recognised directly in equity at cost. If treasury shares are subsequently sold, any consideration is correspondingly recognised directly in equity.

Exchange adjustment reserve

The translation reserve in the consolidated financial statements comprises exchange adjustments arising on the translation of the financial statements of foreign enterprises from their functional currencies into the presentation currency (DKK) of the Greentech Group.

On full or partial realisation of a net investment, foreign exchange adjustments are recognised in the income statement.

The exchange adjustment reserve was reset to zero at 1 January 2004 in accordance with IFRS 1.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated tax on the taxable income for the year, adjusted for tax on prior years' taxable income and for tax paid under the on-account tax scheme. Deferred tax is calculated in accordance with the balance sheet liability method in respect of all temporary differences between the carrying amount and tax value of assets and liabilities. However, no deferred tax is recognised in respect of temporary differences regarding non-deductible goodwill and other items for which temporary differences – with the exception of acquisitions – have arisen at the acquisition date without affecting the financial results or taxable income. In cases where the computation of the tax value may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively, as determined by Management.

Deferred tax assets, including the tax value of tax losses carried forward, are recognised under other long-term assets at the value at which they are expected to be used, either by setting off tax on future earnings or by setting off deferred tax liabilities within the same legal tax entity and jurisdiction.

Adjustments are made for deferred tax regarding elimination of unrealised intra-group gains and losses.

Deferred tax is measured based on the tax rules and rates in the respective countries that will apply under the legislation in force on the balance sheet date when the deferred tax asset is expected to crystallise as current tax. Changes in deferred tax resulting from changes in tax rates are recognised in the income statement.

Deferred tax assets are reviewed annually and recognised only to the extent that it is probable that they will be utilised.

Provisions

Provisions are recognised when, as a consequence of an event that has occurred before or on the balance sheet date, the Group has a legal or constructive obligation, and it is likely that economic benefits must be given up to meet the obligation.

In the measurement of provisions, the costs necessary to settle the liability are discounted. A pre-tax discounting factor is used that reflects the general level of interest adjusted for the specific risks that are believed to apply to the provision. The changes in present values for the financial year are recognised in financial expenses. Provisions are measured as the management's best estimate of the amount with which the liability is expected to be settled.

Restructuring costs are recognised as liabilities when a detailed, formalised plan of the restructuring has been published not later than the balance sheet date to the parties affected by the plan. Upon business acquisitions, restructuring provisions relating to the acquired enterprise are included in the calculation of goodwill only if the acquired enterprise has a liability at the date of acquisition.

Provisions are recognised in respect of loss-making contracts when the unavoidable costs under a contract exceed the expected benefits to the Group from the contract.

Where the Group has an obligation to dismantle or dispose of an asset or to restore the location where the asset is used, a liability corresponding to the net present value of the expected future expenses is recognised.

Convertible debt instruments

Convertible debt instruments are considered as composite instruments consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated by using a market rate of a corresponding non-convertible debt instrument. The difference between the proceeds from the convertible debt instrument and the fair value of the liability component, equivalent to the embedded integrated option to convert the liability into equity in the Group, is included in equity.

Costs of issuance are allocated between the liability component and the equity component of the convertible debt on the basis of their relative carrying amounts at the date of issue. The part which concerns the equity component is recognised directly in equity.

The interest expense on the liability component is calculated by using the current market rate of a corresponding non-convertible debt instrument for the liability component of the instrument. Any difference between this amount and the amount of interest is added to the carrying amount of the liability. Debt is subsequently measured at amortised cost.

Financial liabilities

Loans from credit institutions etc are recognised at the raising of a loan at fair value adjusted by transaction costs incurred. Subsequently, the loans are measured at amortised cost using the effective interest method; the difference between the proceeds and the nominal value is recognised in financial liabilities in the income statement. Subsequently, the loans are measured at amortised cost using the effective interest method; the difference between the proceeds and the nominal value is recognised in financial liabilities in the income statement over the loan period.

Cash flow statement

The cash flow statement shows the cash flows for the year distributed on operating, investing and financing activities, net changes for the year in cash as well as cash and cash equivalents at the beginning and end of the year.

The cash effect of acquisitions and divestments is shown separately under cash flows from investing activities. In the cash flow statement, cash flows concerning acquired companies are recognised from the date of acquisition, while cash flows concerning divested companies are recognised until the date of divestment.

Cash flows from operating activities

Cash flows from operating activities are calculated as the profit for the year before tax adjusted for non-cash operating items, changes in working capital, interest paid and income taxes paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments made in connection with the acquisition and disposal of intangible assets, property, plant and equipment.

Cash flow from financing activities

Cash flows from financing activities comprise changes to the amount or composition of share capital and related expenses as well as borrowing, repayment of interest-bearing debt, acquisition of shares for treasury and sale of treasury shares as well as payment of dividend to the Company's shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise demand deposits with banks.

Segment reporting

Segment reporting is made in respect of geographical markets, which are the Group's primary segments. Segments are based on the Group's risks and its management and internal financial reporting system. Segment reporting is made in accordance with the Group's accounting policies.

As the Greentech Group has one activity only - the production of wind energy - it is not relevant to provide segment information for a secondary segment.

Segment reporting is made on the basis of the location of assets, which is in accordance with the location of customers.

Segment income and segment costs as well as segment assets and liabilities comprise those items that can be directly attributed to each individual segment and those items that can be allocated to the individual segments on a reliable basis. Unallocated items mainly comprise assets and liabilities as well as income and costs relating to the Group's administrative functions, investing activities, income tax, etc.

Long-term assets in a segment comprise long-term assets used directly in the operations of the segment, including intangible assets, property, plant and equipment and investments in associates.

Short-term assets in a segment comprise short-term assets used directly in the operations of the segment, including inventories, trade receivables, other receivables, prepayments and cash.

Segment liabilities comprise obligations that have arisen out of the segment operations, including trade payables and other liabilities.

FINANCIAL RATIOS

Earnings per share (EPS) and diluted earnings per share (EPS-D) are calculated according to IAS 33. Other key ratios are calculated in accordance with "Recommendations and Ratios 2005" issued by the Danish Society of Financial Analysts.

Gross margin	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$
Solidity	$\frac{\text{Equity year-end} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit/loss} \times 100}{\text{Average equity}}$
Earning Per Share Basic (EPS Basic)	$\frac{\text{Net profit/loss}}{\text{Average number of shares in circulation}}$
Net asset value per share (BVPS)	$\frac{\text{Equity}}{\text{Number of shares, year end}}$
Price/net asset value (KI)	$\frac{\text{Market price}}{\text{BVPS}}$

Income statement 1 January - 31 December

	Note	Group		Parent company	
		2007 DKK'000	2006 DKK'000	2007 DKK'000	2006 DKK'000
Revenue	2	51,261	14,662	24,473	14,449
Production costs	3	-28,224	-8,943	-8,939	-8,693
Gross profit		23,037	5,719	15,534	5,756
Administrative expenses	3	-19,592	-12,474	-18,331	-9,956
Other operating income		0	975	0	975
Other operating expenses		0	0	0	0
Operating profit/loss		3,445	-5,780	-2,797	-3,225
Income from investments in associates		1,160	-121	0	0
Financial income	7	14,738	1,677	41,572	8,271
Financial expenses	8	-24,095	-8,684	-18,642	-9,718
Profit/loss before tax		-4,752	-12,908	20,133	-4,672
Tax on profit/loss for the year	9	4,662	22	-345	40
Profit/loss for the year		-90	-12,886	19,788	-4,632
Is distributed as follows:					
Shareholders in Greentech Energy Systems A/S		37	-12,886	19,788	-4,632
Minority interests		-127	0	0	0
		-90	-12,886	19,788	-4,632
EARNINGS PER SHARE					
Earnings per share (EPS) (Actual and diluted)	10	-0.01	-0.69	0.61	-0.05
PROPOSED DISTRIBUTION OF PROFIT/LOSS					
Proposed dividends				0	0
Retained earnings				19,788	-4,632
				19,788	-4,632

Balance sheet at 31 December

	Note	Group		Parent company	
		2007 DKK'000	2006 DKK'000	2007 DKK'000	2006 DKK'000
ASSETS					
Non-current assets					
Wind turbines	11	444,612	108,123	90,025	96,585
Wind turbines under construction	12	937,337	234,223	372,320	136,425
Equipment	11	1,650	889	975	625
Total property, plant and equipment		1,383,599	343,235	463,320	233,635
Investments in subsidiaries	5	0	0	270,602	29,464
Investments in associates	6	21,822	944	1,065	1,065
Loans to subsidiaries	14	0	0	566,774	105,347
Deposits		2,502	2,421	190	184
Prepayments		3,097	0	0	0
Deposits on account held as collateral		33,038	24,904	33,038	24,904
Deferred tax	17	6,684	1,171	1,459	0
Other non-current assets		67,143	29,440	873,128	160,964
TOTAL NON-CURRENT ASSETS		1,450,742	372,675	1,336,448	394,599
Current assets					
Green certificates	13	8,109	0	0	0
Trade receivables	14	11,053	3,079	3,281	2,979
Other receivables	14	44,296	7,270	2,959	1,139
Receivable joint taxation contribution		0	0	0	40
Income tax receivable		1,340	1,178	1,340	1,178
Prepayments	15	4,680	316	3,598	307
Cash at bank and in hand		695,042	35,390	683,425	32,864
Current assets		764,520	47,233	694,603	38,507
TOTAL CURRENT ASSETS		764,520	47,233	694,603	38,507
TOTAL ASSETS		2,215,262	419,908	2,031,051	433,106

Balance sheet at 31 December

	Note	Group		Parent company	
		2007 DKK'000	2006 DKK'000	2007 DKK'000	2006 DKK'000
LIABILITIES AND EQUITY					
Share capital	16	230,331	99,871	230,331	99,871
Exchange adjustment reserve		32	-78	0	0
Share premium account		1,811,750	203,624	1,811,750	203,624
Retained earnings		-124,960	-58,945	-88,861	-42,597
Share of equity held by majority shareholders		1,917,153	244,472	1,953,220	260,898
Minority interests		947	15	0	0
TOTAL EQUITY		1,918,100	244,487	1,953,220	260,898
Provision for deferred tax	17	48	0	0	
Other provisions	18	3,655	1,708	1,578	1,578
Provisions		3,703	1,708	1,578	1,578
Credit institutions	19	188,974	45,800	34,314	45,800
Loan creditors	20	0	44,665	0	42,348
Convertible debt instruments	21	0	41,656	0	41,656
Non-current liabilities		188,974	132,121	34,314	129,804
Current portion of non-current liabilities	22	35,014	24,397	20,994	23,070
Trade payables	23	12,507	4,192	0	3,545
Payables to subsidiaries	23	0	0	2,926	2,733
Payable joint taxation contribution	23	0	0	1,794	0
Accrued purchase price, Wiatropol	23	0	9,749	0	9,749
Accrued purchase price, other	23	30,985	0	12,591	0
Other payables	23	25,979	3,254	3,634	1,729
Current liabilities		104,485	41,592	41,939	40,826
TOTAL LIABILITIES		293,459	173,713	76,253	170,630
TOTAL LIABILITIES AND EQUITY		2,215,262	419,908	2,031,051	433,106

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Statement of changes of equity

DKK'000	Share capital	Exchange adjustment reserve	Share premium account	Retained earnings	Total	Minority interests	Total
Equity at 1 January 2006	75,739	-32	37,180	-42,571	70,316	0	70,316
Exchange adjustment of foreign enterprises	0	-46	0	0	-46	0	0
Profit/loss for the year	0	0	0	-12,886	-12,886	0	0
Total income	0	-46	0	-12,886	-12,932	0	-12,932
Cash capital increase	6,706	0	83,294	0	90,000	0	90,000
Non-cash capital increase	17,426	0	83,150	0	100,576	0	100,576
Expenses in connection with capital increase	0	0	-3,488	0	-3,488	0	-3,488
Total changes in equity 2006	24,132	0	162,956	0	187,088	0	187,088
Equity at 31 December 2006	99,871	-78	200,136	-55,457	244,472	15	244,487
Equity at 1 January 2007	99,871	-78	200,136	-55,457	244,472	15	244,487
Exchange adjustment of foreign enterprises	0	110	0	0	110	0	110
Profit/loss for the year	0	0	0	37	37	-127	-90
Total income	0	110	0	37	147	-127	20
Cash capital increase	93,365	0	1,396,635	0	1,490,000	0	1,490,000
Non-cash capital increase	21,625	0	205,223	0	226,848	1,059	227,907
Capital increase through debt conversion	15,470	0	100,045	0	115,515	0	115,515
Expenses in connection with capital increase	0	0	-90,289	0	-90,289	0	-90,289
Acquisition of treasury shares	0	0	0	-69,540	-69,540	0	-69,540
Total changes in equity 2007	130,460	0	1,611,614	-69,540	1,672,534	1,059	1,673,593
Equity at 31 December 2007	230,331	32	1,811,750	-124,960	1,917,153	947	1,918,100

There are no limitations concerning distribution on share premium account.

Statement of changes of equity

DKK'000	Share capital	Share premium account	Retained earnings	Total
Equity at 1 January 2006	75,739	37,180	-34,477	78,442
Net gains recognised directly in equity	0	0	0	0
Profit/loss for the year	0	0	-4,632	-4,632
Total income	0	0	-4,632	-4,632
Cash capital increase	6,706	83,294	0	90,000
Non-cash capital increase	17,426	83,150	0	100,576
Expenses in connection with capital increase	0	-3,488	0	-3,488
Total changes in equity 2006	24,132	162,956	0	187,088
Equity at 31 December 2006	99,871	200,136	-39,109	260,898
Equity at 1 January 2007	99,871	200,136	-39,109	260,898
Net gains recognised directly in equity	0	0	0	0
Profit/loss for the year	0	0	19,788	19,788
Total income	0	0	19,788	19,788
Cash capital increase	93,365	1,396,635	0	1,490,000
Non-cash capital increase	21,625	205,223	0	226,848
Capital increase through debt conversion	15,470	100,045	0	115,515
Expenses in connection with capital increase	0	-90,289	0	-90,289
Acquisition of treasury shares	0	0	-69,540	-69,540
Total changes in equity 2007	130,460	1,611,614	-69,540	1,672,534
Equity at 31 December 2007	230,331	1,811,750	-88,861	1,953,220

There are no limitations concerning distribution on share premium account.

Cash flow statement 1 January - 31 December

	Group		Parent company	
	2007 DKK'000	2006 DKK'000	2007 DKK'000	2006 DKK'000
Operating profit/loss	3,445	-5,780	-2,797	-3,225
Depreciation and impairment losses on property, plant and equipment	20,739	6,824	6,724	6,701
Change in working capital	-120,789	-12,817	5,400	-78,930
Cash flow from operations before interest	-96,605	-11,773	9,327	-75,454
Interest received	14,738	1,677	41,572	1,416
Interest paid	-24,095	-8,684	-18,642	-9,718
Cash flows from ordinary activities	-105,962	-18,780	32,257	-83,756
Tax paid	0	0	0	0
Cash flows from operating activities	-105,962	-18,780	32,257	-83,756
Purchase of property, plant and equipment	-554,779	-88,685	-236,475	-25,087
Sale of property, plant and equipment	66	0	66	0
Acquisition of subsidiaries	0	0	-14,290	0
Acquisition of treasury shares	-69,540	0	-69,540	0
Sale of securities	0	0	0	0
Cash flows from investing activities	-624,253	-88,685	-320,239	-25,087
Change in account held as collateral	-8,134	-20,508	-8,134	-20,508
Increase in share capital	1,463,821	86,512	1,463,821	86,512
Loans to subsidiaries	0	0	-461,234	0
Change in payables to credit institutions	-21,155	-8,030	-13,562	-8,030
Change in loan creditors	-44,665	44,471	-42,348	44,348
Convertible debt instrument	0	12,463	0	12,463
Cash flows from financing activities	1,389,867	114,908	938,543	114,785
Cash flows for the year	659,652	7,443	650,561	5,942
Cash and cash equivalents, beginning of year	35,390	27,947	32,864	26,922
Cash and cash equivalents, year end	695,042	35,390	683,425	32,864

In 2007, the Group acquired wind turbines for TDKK 112,302 and wind turbines under construction for TDKK 380,585 against the issuance of shares.

In 2007, convertible debt instruments and accrued purchase price in the amount of TDKK 115,515 were converted into shares.

See the Management's review.

