Greentech Energy Systems

Annual Report 2013

Contents

2013 in Outline

+12%

Net production of 405.2 GWh compared to 361.2 GWh in 2012

+7%

Revenue* of EUR 75.3M compared to EUR 70.7M in 2012

+18%

EBITDA* of EUR 45.4M compared to EUR 38.6M in 2012

60%

EBITDA margin* and 62% excluding Environment

ENVIRONMENT PROTECTION

Gross Production in 2013 was equivalent to the power consumption of 164,000 households, saved 673,000 barrels of oil and avoided the emission of 261,000 tons of CO_2

* Including Associates

Geographical presence

WIND

Installed capacity: 276 MW (220 MW net)
Countries: Denmark, Italy, Spain, Poland, Germany

SOLAR

Installed capacity: 43 MW (38 MW net)
Countries: Italy, Spain

Letter from the Chairman of the Board of Directors

Stable year – despite cloudy and turbulent conditions

In 2013, Greentech presented an actual profit. The result was positively affected by favorable wind conditions on the Italian key market, by the savings according to the cost reduction plan, but also by one-off events: the disposal of the Wojciechowo project in Poland and the extraordinary reimbursement from electricity and green certificates on the Monte Grighine plant. The financial and operational performance in 2013 emphasised that Greentech has a sound basis to grow from: in many ways it was a year of stabilisation.

In light of a generally unstable situation for the renewable energy industry, this was a good achievement.

2013 proved to be the year confirming the declining trend in renewable energy installations: on a global scale, the sector experienced a decrease of 12% compared to 2012, encompassing significant geographical differences with the EU area realising a 41% decline and Japan demonstrating a 55% increase. A trend which manifested the negative market impact of the persisting regulatory and political uncertainty sweeping across the West.

Despite the decrease in renewable energy installations in 2013, the stock market investors favoured renewable energy stocks as investment targets. Thus, the Wilderhill New Energy Global Innovation Index (NEX) rose by 54% – reaching the best annual result since the pre-crisis year of 2007. The increasing development trend of other low-carbon indexes confirms the positive perception of investors towards the sector.

The ever-increasing renewable energy production causes growing energy prices in many EU countries and it is said to affect negatively the industrial competitiveness, especially compared to USA. The concern is that the energy triangle of economic efficiency, supply security and sustainability is no longer in balance. The EU is therefore considering how a future energy market could be designed. A market where subsidies should, if possible, be replaced by a sustainable and competitive energy market. Sustaining that renewable energy and climate, in many ways, remains a top priority on the European agenda, is the new target definition drafted by the EU Commission. For the period until 2030, the draft contains a reduction goal of 40% for CO_2 emissions and a proposal that the average share of renewable energy across the EU zone constitutes 27%. Proponents consider the draft a visionary climate and energy policy, while opponents consider it irrelevant or lacking ambitions.

Also, at global level, climate issues are at the center of focus. At the latest UN Climate Change Conference in Warsaw, in November 2013, the pathway for governments to work on a draft text of a new universal climate agreement was set. This is considered an essential step towards reaching a final global agreement at the UN summit COP21 in Paris, in 2015. Expectations for this arrangement, which is supposed to replace the Kyoto Protocol and to take effect from 2020, are high. And with good reason, many opinion leaders would argue: in the USA, the emission of CO_2 increased by 2 % in 2013 compared to 2012 and global warming seems to be an ever-increasing challenge causing extreme weather events and related floods, drought or similar natural disasters.

Greentech faces strong politically changing winds blowing across the Company's markets. Continuing decreasing tariffs and ever-evolving incentive schemes create a new renewable world order.

The existing challenges, however, sharpen Greentech's focus on finding the right path through the stormy and cloudy political and regulatory environment. There is a hard work to be done as the renewable energy industry cannot take growth for granted or expect to rely on political favour for investments and stable incentive schemes. Business conditions are evolving. However, the global demand for energy is a constantly-increasing factor. Myself and my co-Board representatives are therefore confident that Greentech is entitled to a position in the renewable energy market where it can provide non-polluting energy. Greentech still has a strong vision for this sector.

We thank you for supporting our Company to achieve its goals.

Thank you for your attention.

Peter Høstgaard-Jensen
Chairman of the Board of Directors

Letter from the CEO

Greentech grows despite the crisis

Year 2013 was a year of growth for our Group despite the perpetuation of this serious economic downturn in Europe that has caused record unemployment levels, leaving over 30 million people unemployed, causing a crisis of immense proportions. The austerity policies imposed by Europe upon the majority of the member states and the restrictive tax policies have, in many countries, led to a complete overhaul of the renewable sources incentive system and, in some cases, such as Spain, to devastating retroactive effects. This regulatory uncertainty coupled with falling prices of electricity throughout Europe due to the economic recession and to the credit crunch imposed by banks prevents us from planning investments which are, by definition, long-term investments.

Given the economic downturn and the foregoing considerations, we have opted to follow a conservative approach toward potential aggregations and to focus on improving the efficiency of our Group and of all our plants. We have persevered our cost-containment program by cutting both fixed and variable costs, enabling us to raise our profitability, achieving an EBITDA margin of 60%. We have exceeded the 2013 outlook provided to the markets with 2 indicators out of 3. All our economic indicators rose in 2013 compared to 2012, and we achieved a combined net production of 405 GWh, (+12%), group revenues of EUR 75.3M (+ 7%), and EBITDA of EUR 45.4M (+18%). This year, we closed our fiscal year for the first time with net earnings of EUR 1.4M. We also attained a positive cash flow from operating activities, totaling EUR 10.2M. Our net financial position is negative, totaling EUR -212.3M (excluding hedging instruments), with a conservative financial leverage for our sector of approximately 4.7x EBITDA which gives us a comfortable position towards our competitors. We have preserved a level of cash that will enable us to take advantage of attractive potential opportunities.

We keep a proactive approach in evaluating potential aggregations in our sector since we remain convinced that achieving a critical size is increasingly important in order to remain competitive in our industry. We have restructured the Company in various operating departments, bolstering efficiency at all levels. For example, we implemented a reporting and planning system similar to that used by large multinationals and we are taking steps to also internalize a large share of O&M activities on our plants, in addition to the control and monitoring activities that are already handled by our Group, aiming at transforming Greentech into a stronger industrial player on the market. We continue to remain focused on the production and sale of electricity from renewable sources, as a true renewable utility rather than developing and selling renewable plants, a part from few minor exceptions involving portfolio trading and few non-strategic developed assets. Our development activities, which are currently focused on Poland, are moving significantly forward despite not only the regulatory uncertainty which led us to slow down in 2013, but also because of the difficulties in securing funding from the banking system. We strive to be extremely disciplined in selecting our investments, in terms of both individual plants and portfolios of plants or companies. If these investments fail to achieve minimum levels of profitability for an industrial player like us, we choose not to pursue them even if this slows down our growth. We can consider 2013 a year of consolidation of our perimeter and transition that will prepare our Group to face 2014 with even more strength and determination.

The renewable energy produced by our Group has satisfied the energy requirements of 164,252 families, and energy savings of 672,661 barrels of oil and 261,161 tons of CO_2.

I wish to thank all the members of our Board of Directors for their trust, support and strategic guidance, as well as all the Shareholders and Investors for the trust they have placed in us, which trust we strive to deserve and renew every day with our hard work and passionate commitment.

Sigieri Diaz della Vittoria Pallavicini
CEO

Energia Alternativa I Italy

Our history

The history of Greentech spans 90 years, telling the story of a company now focusing on developing, constructing and operating renewable energy projects, having spent its younger years as a local savings bank and later as an investment bank. In 1924, Greentech was founded as a local Danish bank. Following its transformation to an investment company in 1991, Greentech started investing in renewable energy in 1998, focusing on wind energy and building a portfolio of projects in Denmark, Italy, Poland and Germany.

In September 2010, the Italian group GWM Renewable Energy (GWM RE) became a major shareholder in Greentech. GWM RE was founded in 2009 with the main objective of creating an international industrial group active in the green energy sector, with the multinational pharmaceutical company Rottapharm Madaus as its major shareholder. GWM RE's initial core focus was developing Photovoltaic (PV) projects in Italy and Spain, where investment opportunities were particularly attractive thanks to public incentives that were the highest in the world. In 2010, GWM RE and Pirelli Group established a joint venture in the solar business and, in 2011, important institutional investors, including Pirelli Group and Intesa Group, the largest Italian bank, took a significant position in GWM RE's capital.

In August 2011, Greentech Energy Systems and GWM RE were merged. The business combination of Greentech's wind farms and GWM RE's PV plants was the first step in implementing a new strategy of diversification, aimed at reducing dependency on a single market and on a single technology. This diversification in technology also led Greentech to enter the environment business through Gruppo Zilio, a leading Italian operator in the niche market of drinking water and sludge treatment systems.

Thanks to the combination of the two groups, the 'New Greentech' is today one of the leading independent European renewable power producers, with more than 300MW already in operation and more than 600MW now in the pipeline, active in the wind, solar and environment sectors.

Our vision

In 2013, despite its continuous growth, the renewable energy sector was still hampered by the persistent economic and financial crisis. As a result, many countries were forced to take strong measures to contrast the effects of the crisis, including heavy cutting on subsidies for renewable energy projects that had bolstered this industry in previous years.
For the second consecutive year, renewables saw a decline in investment for two main reasons: the impact on investor confidence of the shifts in policy on renewable energy production in Europe and the US, and, in large part, the falling cost of solar installations, that grew their volume worldwide by around 20% to a new record.

While as stated by Bloomberg New Energy Finance, investment in renewable energy dropped by 11% in 2013, after falling 10% in 2012, the NEX Index (WilderHill New Energy Global Innovation Index) soared by over 50%. Equity raisings by listed clean energy companies more than doubled and other positive signals came from the sector.

Furthermore, increasing energy demand is putting pressure on the energy supply and, therefore,

Polczyno | Poland

Monte Grighine | Italy

as well on energy security. But the need to address these needs in a sustainable way becomes a must for matured countries as for emerging ones, that are, seriously affected by the climate change. For this reason, in different ways, governments are obliged to support the development of renewable energy sources.
The decision by governments to switch from fossil fuel towards cleaner energy sources continues to provide a solid base for growth in this sector from a long-term business perspective. Therefore Greentech continues to firmly believe that renewable energy is the right industry to invest in over the long term.
Even though the renewable energy sector is facing a very difficult moment due to the general economic and financial crisis, Greentech believes that it is crucial to have an industrial approach to ensure business solidity.

Our strategy

In recent years, Greentech has been focusing its strategy on growing its installed capacity.
At the same time, the Company wants to mitigate the risk related to its business operations as much as possible. Greentech strives to diversify both geographically and technologically, by developing or acquiring projects as well as by forging joint ventures with major industrial groups or specialised investment funds in different countries. Greentech believes that it is crucial to have an industrial approach to build a sound business model. Therefore, the Company monitors the performance of its plants on an on-going basis in order to optimize performance and profitability.
For this purpose, Greentech has implemented its own internal control and monitoring system which is constantly active and enables the Company to intervene on the plants alongside its O&M suppliers, at any moment.
Our strategy is to become **a global green utility that generates and distributes renewable energy to the end consumer while preserving the environment and contributing to worldwide sustainable growth**.

Cerveteri | Italy

Renewables for climate change

Despite the challenging economic context, the policy uncertainty in some countries and the turbulence in the industry, the medium-term global outlook for Renewable Energy Sources (RES) remains positive (IEA). Pursuing the goal to switch from fuel oil, coal and nuclear to a more sustainable energy production, the EU's power sector continues to increase its total installed generating capacity with RES and, at worldwide level, the overall development of RES remains solid, especially in emerging markets, where the electricity demand is rising very rapidly.

In 2013, European RES installation decreased by 8% compared to 2012, which was a record year. According to EWEA, the wind power capacity installed in 2013 will cover about 8% of the EU's electricity consumption, which is 1% higher than 2012. In 2013, 25.4 GW of new renewable power capacity was installed in the EU, which means over 72% of the 35 GW of the total European new installed capacity (including non-renewable sources). Furthermore, for the sixth year running, over 55% of all new power capacity in the EU came from RES.

RES are becoming cost-competitive with respect to fossil fuels in a broader set of circumstances. Wind plants compete well with new fossil fuel power plants in several markets, from Brazil to Turkey and New Zealand, which experience significant capacity factors. Solar plants are attractive in markets with high electricity peak prices, that are set by oil-fired generation.

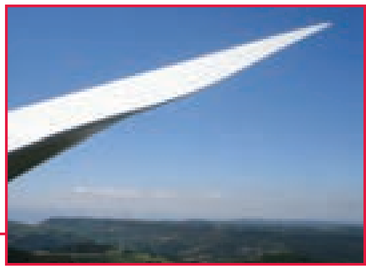
The generation costs of decentralized solar plants have become lower than retail electricity prices in a number of countries, including Italy, Spain, Australia, Denmark and Southern Germany. Achieving grid parity becomes an additional driver for investment and deployment of RES. Many nations have renewed and strengthened their commitment to mitigate climate change and move towards more sustainable development, therefore RES will play a key role in the transition towards a competitive and secure energy system.

According to Intergovernmental Panel on Climate Change (IPCC), climate change is no longer a matter of belief: 97% of climate scientists have confirmed that climate change is happening and, with a probability of over 95%, human activity has been the dominant cause of the warming observed since the mid-20th century. They concluded that energy sources that we have relied on for decades are largely responsible for the greenhouse effect.

The fifth assessment report done by the IPCC concludes that carbon dioxide concentrations are now higher than at any time in the past 800,000 years and that the world is on a path towards unprecedented increasing temperatures. The IPCC reports that the last three decades have been successively warmer at the surface of the Earth than any preceding decade since 1850. In the Northern Hemisphere, 1983–2012 was likely the warmest 30-year period in the last 1,400 years, and the rate of rising sea levels since the mid-19th century has been greater than what occurred over the previous two millennia. Despite all the warnings, in 2013 the amount of carbon dioxide in the atmosphere reached its highest point in human history.

On January the 22nd 2014, the EU presented the new framework on climate and energy for 2030. An ambitious 40% greenhouse reduction target for 2030 was set together with the binding target for RES share of at least 27%. This is an important signal to the investors, which should boost green jobs and support security of energy supply, while reducing the expensive dependence on energy imports.

Energia Alternativa | Italy



Conesa | Spain

Even the United States, historically reluctant to take measures to achieve greenhouse gas reduction, are now promoting significant action to fight climate change, developing a Climate Action Plan and signing important agreements with numerous countries, and, most importantly, with China. These two countries together are responsible for 40% of the world's emissions and the decision to sign a common agreement is a milestone in the path towards a worldwide low-carbon economy.

John Kerry, the US Secretary of State, stated: "The global energy market is the future. The solution to climate change is energy policy. And this market is poised to be the largest market the world has ever known. Between now and 2035, investment in the energy sector is expected to reach nearly $17 trillion. That's more than the entire GDP of China and India combined".

These important signals provide the evidence that renewable energy will play a fundamental role in future economic growth, since a future not based on renewable energy is no longer an option.

Cerveteri | Italy

Management review

Financial highlights of the Group

EUR'000	2013	2012	2011	2010
Income statement				
Revenue	73,891	59,863	34,786	20,825
Gross profit	28,208	24,986	10,865	4,435
EBITDA	44,560	31,715	13,773	-780
Earnings before interest and tax (EBIT) before impairment	17,661	12,800	1,479	-2,272
Net financials	-15,135	-13,684	-9,062	-1,108
Profit/loss for the year	**1,398**	**-13,274**	**11,322**	**-2,895**
Comprehensive income for the year	**8,599**	**-23,969**	**4,333**	**-3,866**
Balance sheet				
Non-current assets	479,913	511,397	452,516	138,412
Current assets	79,679	84,346	109,723	37,365
Assets classified as held for sale	771	1,971	0	7,648
Total assets	**560,363**	**597,714**	**562,239**	**183,425**
Share capital	71,623	71,623	71,623	35,571
Equity	**220,705**	**212,106**	**238,209**	**76,771**
Non-current liabilities	273,866	289,104	251,783	64,080
Current liabilities	65,792	96,504	72,247	39,988
Net working capital (NWC)	28,384	11,632	2,017	-19,931
Cash flows				
Cash flows from operating activities	10,184	337	-667	1,616
Cash flows from/used in investing activities	-18,758	-8,883	-30,842	-65,833
Of which investment in property, plant and equipment	-21,660	-6,766	-39,648	-37,662
Cash flow from financing activities	1,986	-17,727	54,271	85,296
Total cash flows	-6,588	-26,273	22,762	21,079
Key figures				
Gross margin before impairment	38.2%	41.7%	31.2%	21.3%
EBITDA margin	60.3%	53.0%	39.6%	-3.7%
EBIT margin	23.9%	21.4%	4.3%	-10.9%
Equity ratio	39.4%	35.5%	42.4%	41.9%
Return on invested capital (ROIC)	3.7%	1.4%	8.0%	-3.5%
Return on equity	0.6%	-5.9%	7.2%	-7.5%
Gearing ratio	1.1	1.2	0.8	0.8
Per share figures				
Average number of shares, 1000 shares	101,405	101,405	72,100	48,620
Number of shares at the end of the period, 1000 shares	101,405	101,405	101,405	52,782
Earnings per share (EPS basic), EUR	0.01	-0.13	0.16	-0.05
Net asset value per share, EUR	2.18	2.10	2.36	3.55
Price/net asset value	0.72	0.65	1.02	0.61
Actual price earnings (P/E Basic)	113.76	neg,	15.42	neg,
Dividend per share	0.00	0.00	0.00	0.00
Payout ratio (%)	0%	0%	0%	0%
Market price, year end, EUR	1.57	1.35	2.42	2.16
Average number of employees	79	88	98	45
Number of employees	78	82	106	64
Of which consultants	9	8	9	6
Of which employees under notice	0	1	4	0
Key figures related to operations				
Production in GWh	405.2	361.2	275.9	11.7
Net capacity (MW)	257.9	257.2	224.9	11.1

Due to the reverse acquisition, as from 11 August 2011, the actual figures include the combination of GWM group and Greentech. Hence, it is not possible to make a comparison of the activities for 2011 and 2012. Figures for 2010 include only GWM group, as GWM Renewable Energy S.p.A. was established in 2010.

Oppelstrup | Denmark

Targets achievement 2013 and outlook for 2014

The results achieved by Greentech outperformed the expectations for 2013 announced in March 2013 on almost all parameters.

Growth in financial and production figures continued in 2013 and the positive trend was confirmed by a net profit for Greentech.

Wind conditions were generally favourable in Southern Europe, while Northern Europe registered wind conditions below expected level.
The extremely good wind performance in Italy contributed to a full-year net production 4% above expectations and 14% higher than in 2012, partially due to the full-year performance of Energia Alternativa which became operational in November 2012. Solar conditions were very average during the year and generated a solar production in line with expectations and with the year-earlier performance.

Revenue for 2013 has been adversely affected by decreases in tariffs for both wind and solar assets in Italy and poor performance of the environment division. The increase in wind production capacity through Energia Alternativa in November 2012, favourable wind conditions in the Italian key market and some one-off revenues have contributed positively.

These items, together with the full effect of the restructuring plan initiated in 2011-2012, contributed to the over-performance of the EBITDA level.

Revenue and EBITDA from Monte Grighine project are consolidated pro-rata (50%) only in 2013.

OUTLOOK 2014

MEUR	Actual 2012	Outlook 2013	Actual 2013	Outlook 2014
Net production (GWh)	361.2	390 - 400	405.2	390 - 400
Revenue	59.9	75 - 80	73.9	59 - 62
- of which from the Environment Business	*7.5*	*11 - 15*	*5.9*	*8 - 10*
Revenue from associates	10.8	1 - 2	1.4	12 - 14
Revenue incl. rev. from associates	**70.7**	**76 - 82**	**75.3**	**71 - 76**
EBITDA*	31.7	39 - 41	44.6	31 - 32
EBITDA from associates	6.9	0.1 - 0.5	0.8	9 -10
EBITDA incl. EBITDA from associates	**38.6**	**39.1 - 41.5**	**45.4**	**40 - 42**
EBITDA margin	54.6%	51.4% - 50.6%	60.2%	56% - 55%

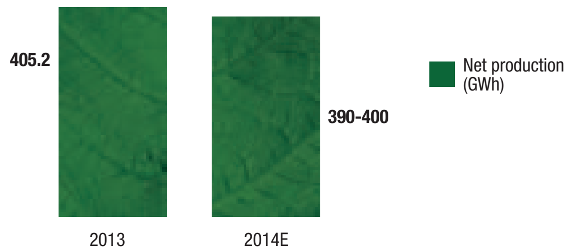
* Adjusted for income from Associates

The expectations of Greentech for the financial year 2014 are based on estimates and assumptions prepared in accordance with the recognition and measurement requirements of the International Financial Reporting Standards (IFRS) and the ordinary internal procedures for preparing the forecasts of the Company.

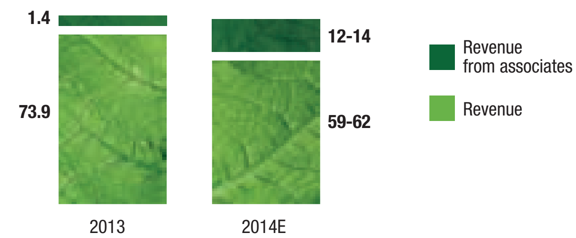
Management believes that the key assumptions underlying the financial outlook of the Company for 2014 are:
- Projected installed capacity;
- Weather conditions;
- Energy prices and evolution in tax regulations;
- Improvement in Operating Expenses.

More specifically, the estimates are based on the following assumptions:
- No additional capacity will be installed in 2014;
- Considering the particularly favorable weather conditions in 2013, the Management forecasted an average year 2014 with respect to wind conditions and irradiation. The production from wind projects is projected on the basis of conservative P75* estimates realized by external experts. The production from solar projects is based on minimum guaranteed contractual Performance Ratio, which is always below actual Performance Ratio;
- A decrease in the expectation of the settlement prices for the production is expected, if compared to the average 2013, besides inflation adjustments in some countries;
- Some regulatory effects should be taken into account (refer to Breakdown by country):
  - the introduction of the new Law on RES in Spain, starting from 1 January 2014;
  - the stabilization of imbalance costs for intermittent energy sources in Italy;
  - the introduction of the resolution on minimum guaranteed price on Italian less-than-1 MW PV plants;
- The Management has performed a thorough review of Operating Expenses for each plant and, based on 2013 experience, has identified some room for savings;
- The Environment division will go through a strong repositioning from public to private sector and increase its geographic reach, mainly in Central Europe.

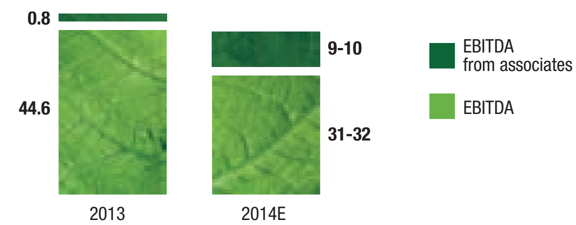
NET PRODUCTION, GWh



REVENUES, MEUR



EBITDA, MEUR



* P75 means that the probability to exceed the estimated figures is 75%, i.e. such estimates are quite conservative.

Monte Grighine | Italy

Financial review

REVENUE

Revenue generated in 2013 was EUR 73.9M compared to EUR 59.9M in 2012 (+ 23%).
If we consider the revenue from Associates, as to facilitate the comparability, the revenue generated in 2013 was EUR 75.3M compared to EUR 70.7M in 2012 (+ 6.5%).

Energia Alternativa and Monte Grighine contributed to this increase respectively for EUR 4.5M and EUR 2.4M, of which, for the latter, EUR 1.7M related to the reimbursement of electricity and Green Certificates produced in previous years and not registered by the GSE, the Italian Energy Authority (see also our H1 and Q3 2013 Reports). Such positive contribution has compensated the decrease in revenue from solar and environment sectors.

The revenue from wind sector benefited from good availability and favourable weather conditions in Italy, despite the decrease in the tariffs.

The revenue from solar sector was negatively affected by a low irradiation in Italy and a decrease in tariffs. In December 2013, Greentech has completed the acquisition of 2 solar plants from Pirelli Group for 0.7MW.

If compared to last year, the Environment division has performed poorly due to the general market trend in the public sector in Italy. The Management has taken measures to accelerate the shift of the business towards the private sector.

The table below shows a detail of the consolidated revenue (excl. Associates) for 2013 compared to 2012, by technology and country.

REVENUE (EUR'000)	Full year 2013	Full year 2012	VAR. %
WIND			
Denmark	1,140	1,180	-3.4%
Germany	2,780	2,609	6.6%
Poland	293	315	-7.0%
Spain	6,219	5,508	12.9%
Italy*	34,786	17,666	96.9%
Total Wind	**45,218**	**27,278**	**65.8%**
SOLAR			
Italy	17,638	19,191	-8.1%
Spain	4,922	4,268	15.3%
Total Solar	**22,560**	**23,459**	**-3.8%**
Environment	5,905	7,518	-21.5%
Other	208	1,608	-87.1%
Total	73,891	59,863	23.4%

* Monte Grighine project was not consolidated on a pro-rata basis (50%) in 2012.

EBITDA

The EBITDA generated in 2013 was EUR 44.6M compared to EUR 31.7M in 2012 (+41%).
If we consider the EBITDA from Associates, as to facilitate the comparability, the EBITDA has reached EUR 45.4 which is an increase of EUR 6.8M (+18%).
Energia Alternativa and Monte Grighine contributed to this increase respectively for EUR 3.3M and EUR 3.2M, of which, for the latter, EUR 1.7M related to the reimbursement of electricity and Green Certificates produced in previous years and not registered by the GSE, the Italian Energy Authority (see also our H1 and Q3 2013 Reports).

The EBITDA margin for Greentech was 60%, compared to 55% in 2012.
Excluding the contribution from the Environment activities, the EBITDA margin for 2013 amounts to 62%.

IMPAIRMENT

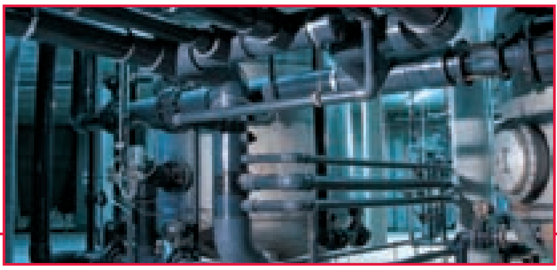
In connection with the preparation of the Annual Report for 2013, the Board of Directors and the Management have reviewed the activities of the Company, especially in light of the still fragile EU economic environment in which the Company operates.
The long-term industrial plan has been reviewed and has been the basis for the preparation of the impairment test for the goodwill, intangible and tangible assets, for each plant. For the calculation of the discount factor (WACC) applied in the valuation of the assets, the Management of Greentech has taken a balanced approach applying a 180-days average risk-free interest rate in order to reduce the volatility.
For 2013, the outcome of the impairment test for 2013 is a net write-down of EUR -18K. This amount is the result of different contributions.
Due to a decrease in the expected price of electricity, our wind farm Energia Verde located in Sardinia suffered a write-down for impairment in 2013 for EUR -1.1M.
Regarding our Spanish assets, we made an assessment of the impact of the law for the electricity sector approved last 26 December 2013 (Law 24/2013) and entered into force on December 28th 2013. The impact on revenues has been estimated in a range of -15/-20% for solar and in a range of +10/+15% for wind asset.
Thus, our solar plant Fotocampillos (GWM RE Spain Group) was impaired by approx. EUR 0.4M.
On the other hand, following to the review of our business plan done by the Management, some cost savings have been identified, especially in the Operating Expenses related to the Italian solar assets, which have positively affected the profitability of our Italian solar assets for which we have reversed the impairment done in prior years for EUR 1.5M (Refer to Note 15 for further details).

NET FINANCIALS

Net financials for 2013 amounted to EUR -15.1M compared to EUR -13.7M in 2012. The net financials are affected by increased interest charges related to the financing of Energia Alternativa and to the 50% pro-rata consolidation of Monte Grighine, which was not pro-rata consolidated in 2012 since the governance was modified mid December 2012.

RESULT

Despite a negative Q4 2013, the result for the year 2013 is a profit of EUR 1.4M, which is a significant improvement compared to 2012, when Greentech experienced a loss of EUR -13.3M.
Such profit is positively affected by the reimbursements related to Monte Grighine, as mentioned in the EBITDA paragraph above, but also by EUR 1.5M related to the sale of 50% stake of the Wojciechowo project in Poland to PGE Energia Odnawlalna S.A. in January 2013.



Water Purification Plant | Italy

Energia Alternativa | Italy

CASH FLOW

In 2013, due to the stabilization in the performance of our assets, the cash flow from operating activities is significantly positive for the first year, amounting to EUR 10.2M, compared to EUR 0.3M in 2012.

Cash flow from investing activities amounts to a negative EUR -18.8M, and is also composed of the payment of the turbines of Energia Alternativa.

Cash flow from financing activities amounts to EUR 2M, following to the acquisition of Pirelli PV assets in December.
The main items that compose this aggregate are

- a first payment of VAT claimed for reimbursement related to the construction period of Minerva Messina and Monte Grighine wind farms for approx. EUR 9M,
- the loan to Energia Alternativa, raised in February 2013,
- the yearly instalment of approx. EUR 23M to financial institutions.
- in February 2013 the Company has completed the project financing of the Cagliari II project, (Energia Alternativa) a 24 MW Wind Farm located in Cagliari (Sardinia - Italy) for a total credit facility of EUR 14,461K.

In total, cash flow over 2013 amounts to a negative EUR -6.6M, which corresponds mainly to Greentech's investment in Energia Alternativa.

Next year, cash and cash equivalents should not vary significantly since the ordinary activities are now stabilized.

TOTAL ASSETS

The evolution in total assets from EUR 597.7M in 2012 to EUR 560.4M in 2013 is mainly composed of the decrease in non-current assets due to the yearly amortization of the plants and the decrease in current assets due to two opposite elements: the increase in trade receivables from of Monte Grighine and a lower cash position due to the investment in Energia Alternativa, in February 2013. An amount of EUR 0.8M has been classified as "Assets held for sale" relating to the sale of Parnowo project to EdF Energies Nouvelles which was postponed to 2014, due to regulatory uncertainties still pending in Poland.

In December 2013, the Italian subsidiary GP Energia S.r.l. has completed the acquisition of the Alessano Strutture project from Pirelli Group, a 702 KW solar plant located in the municipality of Alessano (Apulia) for a total amount of EUR 288K

TOTAL LIABILITIES

In 2013, the positive net result of the year and an adjustment on the fair value of our hedging instruments related to the upper-shift in the expected long-term interest rate curve, generated an increase in the total equity by EUR 8.6M. Non-current liabilities decreased by approximately EUR 15.2M as a net result of the new project finance loan of Energia Alternativa wind farm and the progressive decrease in the debt towards Credit Insitutions related to other projects.
Current liabilities decreased by approximately EUR 30.7M if compared to 2012, mainly because of the payment of the Nordex turbines of Energia Alternativa wind farm and the adjustment in the fair value of financial instruments.

GEARING RATIO AND CASH POSITION

The gearing ratio has improved in 2013 to 1.10 from 1.20 in 2012 as a consequence of the positive impact of the equity for approximately EUR 8.6M and the decreasing debt towards credit intstitutions.
Without the investment in Energia Alternativa wind farm, the cash position over the year would have been stable at approx. EUR 38M.

COMMENTS TO PARENT COMPANY FINANCIAL STATEMENTS

The revenue in 2013 was negatively affected by the average performance of Danish wind assets and the end of the revenue recognition on the Cooperation Agreement with EdF.
The result in 2013 was not influenced by non-recurring costs as in 2012 (EUR 3.5M) and benefited from the sale of 50% stake in the Polish project Wojciechowo for EUR 1.5M (classified in Other operating income). However, the Company had an impairment write-down for EUR 12,5M relating to investments in subsidiaries.

CHANGES IN PERIMETER OF CONSOLIDATION

Following a change in the governance of Monte Grighine just before year-end 2012, Greentech had the right to consolidate the project line by line (50%) starting from 31 December 2012. La Castilleja has been consolidated line-by-line (50%) since 11 August 2011. From January 1st 2014, the implementation of IFRS 11 does not allow to account for such Joint Ventures with proportional method. Therefore, both Monte Grighine and La Castilleja will be consolidated with the equity method and included in Associates figures in 2014. Therefore, the implementation of IFRS 11 will not affect the profit or the equity of Greentech. A more detailed explanation of these effects for the statement of profit and loss and the balance sheet is disclosed in Note 36.

EVENTS AFTER THE BALANCE SHEET DATE

No events of relevance for this report occurred after the balance sheet date except for regulatory changes in Italy and Spain. Please refer to section "Breakdown by country", Note 3 and 15.

Fotocampillos | Spain

Greentech activities

Greentech's current portfolio consists of projects in Wind and Solar technologies, which are at various stages of development and are located in 5 different countries: Italy, Spain, Poland, Germany and Denmark.

At the end of 2013, Greentech's total gross capacity amounted to 319 MW divided in 276 MW of wind farms and 43 MW of solar plants.

(MW)	Production capacity 31-12-2012 Gross	Net	Production capacity 31-12-2013 Gross	Net	Pipeline 31-12-2013 Gross	Net
Wind						
Denmark	15.45	15.45	15.45	15.45	-	-
Germany*	36.90	30.15	36.90	30.15	-	-
Poland	1.60	1.60	1.60	1.60	220.10	220.10
Italy	192.20	142.75	192.20	142.75	374.50	372.90
Spain	30.00	30.00	30.00	30.00	-	-
Total wind	**276.15**	**219.95**	**276.15**	**219.95**	**594.60**	**593.00**
Solar						
Italy	30.25	30.25	30.95	30.95	26.00	26.00
Spain	11.90	7.00	11.90	7.00	-	-
Total solar	**42.15**	**37.25**	**42.85**	**37.95**	**26.00**	**26.00**
Total	**318.30**	**257.20**	**319.00**	**257.90**	**620.60**	**619.00**

* Of which 13.5 MW (6.75 MW net) relate to the installed capacity of Associates

In 2013, a combined production of the wind and solar activities reached 493 GWh (gross) and 405 GWh (net). The gross production increased by 11% compared to the production realised in 2012.

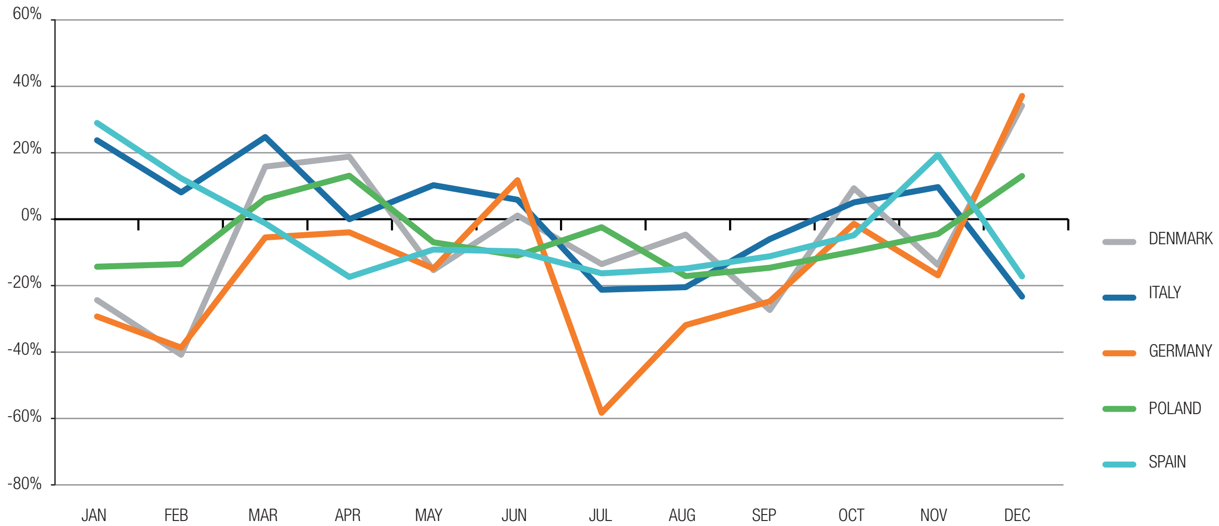
[MWh]	Production 2013 Gross	Net	Production 2012 Gross	Net
Wind				
Denmark	23,223	23,223	25,155	25,155
Germany	55,332	41,830	58,312	43,061
Poland	2,630	2,630	2,898	2,898
Italy	276,458	210,503	227,016	167,611
Spain	71,331	71,331	67,199	67,199
Total Wind	**428,974**	**349,517**	**380,580**	**305,924**
Solar				
Italy	44,649	44,649	43,555	43,555
Spain	19,133	11,060	20,088	11,757
Total Solar	**63,782**	**55,709**	**63,643**	**55,312**
Total	**492,756**	**405,226**	**444,223**	**361,236**

WIND - At the end of 2013, Greentech's operational wind portfolio amounted to 276 MW (gross), distributed on 13 plants in Denmark, Germany, Poland, Italy and Spain.

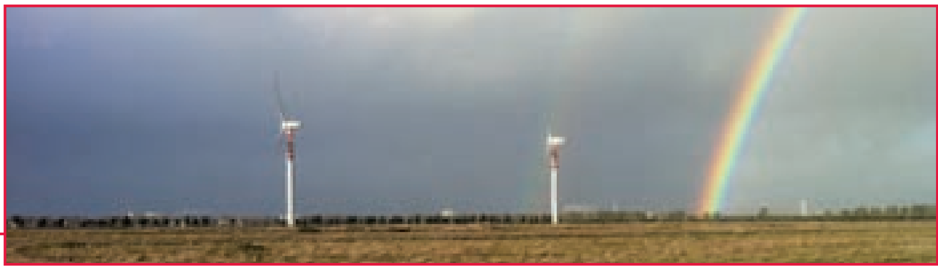
The operational wind portfolio reached a total net production of approx. 350 GWh in 2013: an increase of 14% compared to 2012. In particular, the Italian wind farms performed very well showing an increase of 26% compared to 2012.
The full year wind production generated in 2013 was in general affected by the varying wind conditions prevailing in the Company's markets and performed 5% above budget.

Wind conditions have been quite favorable across Southern Europe, in particular during the first half of 2013 in Italy and the first 3 months 2013 in Spain. Due to the poor wind conditions persisting in Northern Europe during almost the whole year, the production from the Danish, German and Polish wind farms was below expectations.

DIFFERENCE IN WIND CONDITIONS



Percentage ratio between 2013 actual wind speed and forecasted wind speed



Energia Verde | Italy

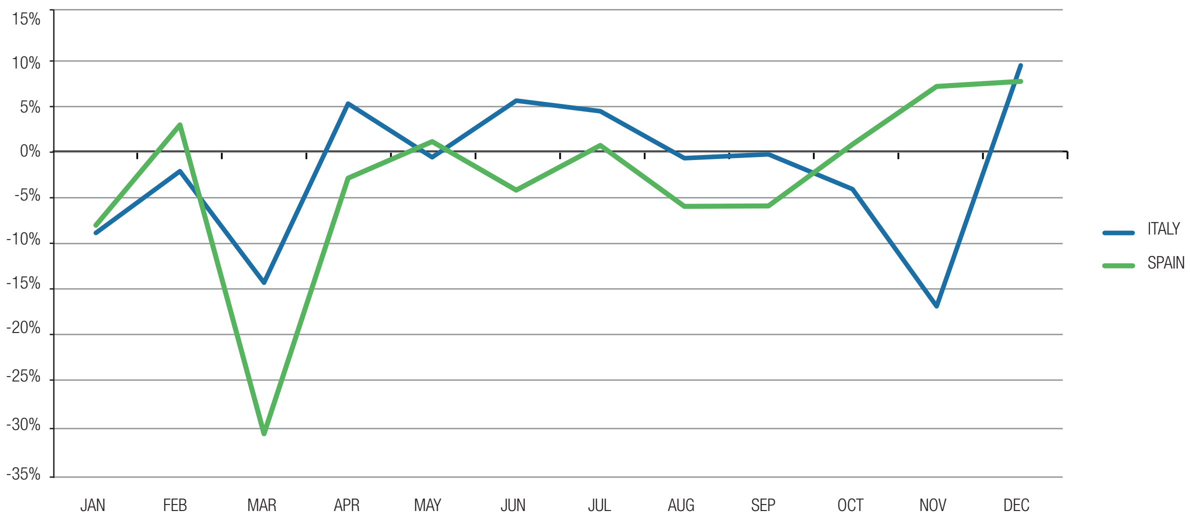
SOLAR - At the end of 2013, Greentech's solar production capacity amounted to approx. 43 MW (gross), distributed on 17 plants located in Italy and Spain.

The increase in installed capacity for 0.70 MW is related to the acquisition of Pirelli PV assets (Alessano Strutture) located in Apulia, Italy, in December 2013.

The full-year net solar production reached 56 GWh, which is in line with estimates and very similar to the 2012 level.

Throughout 2013, the average irradiation was in line with the expectations in Italy and slightly lower than estimated in Spain.

DIFFERENCE IN SOLAR IRRADIATION



Percentage ratio between 2013 actual solar irradiation and forecasted solar irradiation

RISKS RELATED TO THE ACTIVITIES

Greentech's activities are exposed to different risks, such as development risk, construction risk, operating risk and other general risks.

Please refer to Note 3 for a detailed disclosure of these risks.

Breakdown by country

The following section contains a brief presentation of the regulatory framework of the countries in which Greentech operates, followed by a description of current activities and future pipeline.

ITALY

TARIFF SYSTEM

Italy has different Renewable Energy Sources incentive systems for photovoltaic plants and for non-photovoltaic renewable energy sources.
The photovoltaic incentive system has been based on a feed-in tariffs mechanism granted for a fixed period of time until June the 6th 2013. On such date, the Fifth and last Energy Account expired, having reached the 6.7 billion Euro cap established by the Italian Government as the maximum reachable cap for the incentives distribution. The solar plants installed after this date are no longer qualified for any incentives. All GES photovoltaic plants benefit from the previous Energy Account (First, second third and fourth) so the reform had no impact on our Company.

Currently, the incentives for the production of electricity using wind farms connected to the electricity grid are set forth in the Ministerial Decree dated 6 July 2012. The new Decree also governs how plants that are already in operation, and subject to incentives provided under the Ministerial Decree dated 18/12/08, will transition, starting in 2016, from the green certificates mechanism to the new incentive mechanisms.
The Ministerial Decree dated 6 July 2012 governs the incentives for electricity produced by plants fuelled by renewable sources, other than photovoltaic solar plants, having output of at least 1 kW.

The incentives apply to new plants, entirely rebuilt/reconstructed plants, reactivated plants and plants on which upgrading/strengthening works or renovation works have been performed, which enter into operation on or after 1 January 2013.
The new incentive system also introduces annual allotments of power eligible for incentives, for each year from 2013 through 2015, sub-divided by type of source and plant and also by modality of access to the incentives (Auctions/competitive bidding procedures; Registries for construction works, full reconstruction, reactivation, upgrading and hybrids; Registries for renovations).

These decrees do not affect Greentech plants already in operation which are still under the green certificate regime. Nevertheless, their impact will be assessed in developing the future pipeline in Italy.

At the end of 2013, two important changes occurred in the renewable energy sector:
On 19 December 2013, the AEEG (Autorità per l'Energia Elettrica e il Gas) published the annual resolution "AEEG Resolution 618/2013" which came into force on 1 January 2014. The resolution has decreased the amount of minimum guaranteed prices ("minimi garantiti") applicable to solar energy plants with a capacity of up to 1 MW which benefit from the mandatory purchase

Gehlenberg | Germany

regime* ("ritiro dedicato"). The minimum guaranteed price is now set at 38.5 €/MWh for PV plants and 48.4 €/MWh for wind farms.
Due to historical price trends, payment by the GSE of minimum guaranteed prices has always been advantageous for producers, because it is usually higher than the average hourly zone prices. Under the new regime, this trend will be reversed.

GREENTECH CASE: The Management estimates that the impact of this change on Greentech' small PV assets will be in a range of -2%/-5% of their total revenues.

With regards to the imbalance cost, the Italian AEEG reintroduced last October such cost even though it had been rejected in the first instance by the administrative court. Appeals against the administrative court ruling are currently pending. Greentech will continue to account for the imbalance cost based on specific POYRY study.

OPERATING ASSETS

Wind farms

In 2013 the production has been above budget for all the wind farms.

Project	Type of turbine	Gross capacity MW	Commis-sioned	Ownership	Output 2013 (MWh, gross)	Output 2013 (MWh, net)	Average GC* 2013 (€/MWh)	Average electricity price (€/MWh)
Monte Grighine	Nordex	98.9	Jun 2010	50 %	131,908	65,953	89.28	57.82
Minerva Messina	Nordex	48.3	Jun 2010	100 %	81,390	81,390	89.28	85.07
Energia Alternativa	Nordex	24.0	Nov 2012	100 %	31,927	31,927	89.28	57.56
Energia Verde	Nordex	21.0	Jul 2007	100 %	31,233	31,233	89.28	57.80
Italy		192.2			276,458	210,503		

* GC = Green Certificate

* Starting from 1 January 2008, the producers of electricity have the option to sell the electricity under the mandatory purchase regime (ritiro dedicato), instead of selling it through bilateral power purchase agreements (PPAs) or directly on the electricity exchange market. Producers operating plants with a capacity of up to 1 MW who benefit from the mandatory purchase regime, can choose – on an annual basis – between two different pricing systems: the hourly zone price regime and the minimum guaranteed price regime.

Solar plants

In December 2013, Greentech has acquired 1 solar plant from Pirelli group in Italy, for a capacity of approximately 0.70 MW. Considering the timing of the transaction, no revenue has been considered in the Income Statement for 2013.

The average combined tariff in 2013 is quite stable compared to 2012 level.
The Italian solar PV plants operate under the First Energy Account (DM 28/7/2005 - DM 6/2/2006), the Second Energy Account (DM 19/2/2007), the Third Energy Account (D.Lgs. 6/08/2010) and the Fourth Energy Account (DM 05/07/2012).

Project	Type	Gross capacity MW	Commis-sioned	Ownership	Output 2013 (MWh, gross)	Output 2013 (MWh, net)	Average tariff 2013 (€/MWh)	Average electricity price 2013 (€/MWh)
Nardò Caputo	fixed	9.77	apr-11	100 %	13,844	13,844	297	51
Cerveteri	fixed	8.74	feb-11	100 %	12,731	12,731	346	56
Vaglio 2	Biaxial tracking	1.96	dec-09/ feb-10	100 %	3,145	3,145	349	93
Vaglio 1	Biaxial tracking	1.02	apr-09	100 %	1,656	1,656	526	93
Montemesola	fixed	1.00	giu-12	100 %	1,503	1,503	181	
De Marinis	fixed	0.99	mar-11	100 %	1,372	1,372	346	85
Ferrante	fixed	0.99	apr-11	100 %	1,480	1,480	314	83
Torremaggiore	Biaxial tracking	0.99	dec-09	100 %	1,471	1,471	353	83 84
Ugento 1	fixed	0.98	dec-09	100 %	1,364	1,364	353	83
Ugento 2	fixed	0.98	apr-11	100 %	1,442	1,442	346	83
Alessano Bortone	fixed	0.98	dec-09	100 %	1,488	1,488	353	83
Nardò Nanni	Mono-axial tracking	0.95	oct-09	100 %	1,603	1,603	353	83
Mercurio	Biaxial tracking	0.99	apr-11	100 %	1,550	1,550	346	84
Alessano Strutture*	Fixed-tilt on roof	0.70	apr-11	100 %	-	-	-	-
Italy		30.96			44,649	44,649		

* Project acquired on 18/12/2013. Greentech considers production and revenues starting from 01/01/2014.

Energia Verde | Italy

Wormlage | Germany

PROJECTS UNDER DEVELOPMENT

Wind

According to the Cooperation Agreement signed between Greentech and EdF Energies Nouvelles (EDF EN) in May 2009 (see Company announcements 13/2009, 14/2009 and 18/2009 for further information) Greentech's joint venture with EDF Italia for the development of the 70 MW Brindisi project is still in place and considerations for the construction of the farm are on-going.
The 140 MW Francavilla wind project is still under development, while facing difficulties related to the environmental impact.
Projects Apricena, Carbonia and Montegrighine 2, Due Serri and Cagliari 3 are still under evaluation.

Solar

Greentech is assessing the feasibility of 1 solar project in Sardinia, with a total capacity of 26 MW.

ENVIRONMENT

Greentech operates in the Environment sector through Gruppo Zilio. With over 50 years of experience, Gruppo Zilio is a leading operator in Italy in the development and distribution of state-of-the-art water treatment systems. It is also specialized in the construction of renewable energy generation plants powered by solar, biomass or hydropower sources.

In December 2012, Greentech has increased the ownership of Gruppo Zilio from 60% to 90%, for a total consideration of EUR 2M. A strategic reorganization process started, switching its core business from Engineering, procurement and construction (EPC) operations in the solar sector to the environmental sector. At present, the Gruppo Zilio core business is drinking water treatment, a specific market niche where the Gruppo Zilio developed a patented technology that guarantees the removal from the water of over 95% of heavy metals, in particular arsenic, fluorine, vanadium and boron, while ensuring lower energy consumption and 40% water savings during the purification process. After the construction of approximately 100 purification plants, in 2013 Gruppo Zilio built in Piombino (Tuscany), the largest plant in Europe for bore and arsenic removal from drinking water.

In order to move from" EPC contractor to technology provider" Zilio enlarged its technologies portfolio through a joint venture with Pirelli, that became the exclusive supplier for silicium carbon membranes (SIC), a new technology for ultrafiltration that extends to 10 years the lifetime of the filters, and considerably decreases the costs of maintenance for the clients' water treatment plants. This technology is also very efficient at high temperatures and addresses specifically the Oil and Gas sector.

For these reasons, in 2013 Gruppo Zilio moved toward a greater diversification of the business, increasing the internationalization and opening the business also to private sector so to achieve a 50%/50% public/private clients' distribution.
Gruppo Zilio has invested in a new industrial pilot with SIC membranes to test on site waste or potable water, in order to be able to propose "tailor made solutions" for customers in Italy and abroad.

In order to support this effort in the development of efficient and innovative technology for water system treatment, in 2013 Gruppo Zilio has started the first part of its innovating investment program with regeneration and filter mass production plants in order to be its own supplier on the market. These investments were selected and supported up to 50% by the EU funds. The SIC investment technology was selected by the European program LIFE+ to compete for funding.

SPAIN

TARIFF SYSTEM

The Spanish Government started a reform effort on July 12, 2013 by approving Royal Decree- (RD) 9/2013, which aims to limit the tariff deficit of the Spanish electricity sector.

- The new Spanish Law 24/2013, approved on 26 December 2013, replaced retroactively (starting from July 12, 2013) the support scheme applicable to electricity generation from renewable sources ("special-regime installations") with a new remuneration system based on the so-called "reasonable profitability" of the investment.
- Under the new law, RES producers will not receive a regulated price for the electricity but rather a specific compensation based mainly on the initial investment, that is calculated on a plant-by-plant basis by the Authority, taking into account the following parameters:
  a) Standard income from the sale of generated power valued at production market prices;
  b) Standard operating costs;
  c) Standard value of the initial investment.
- 3 February 2014 - a new draft submitted by the Ministry of Industry set the return granted to the renewable energy plants already in operation at 7.4%, and at 7.5% for the new plants.

GREENTECH CASE: The Management has assessed the consequences of the Law based on the current draft of Application Decree: the impact on revenues for 2014 is expected to be in the range of -15/-20% on the solar assets and in the range of +10/+15% for the Conesa wind farm.

OPERATING ASSETS

Wind farms

Project	Type of turbine	Gross capacity MW	Commis-sioned	Ownership	Output 2013 (MWh, gross)	Output 2013 (MWh, net)	Average tariff 2012 (€/MWh)
Conesa	Gamesa	30	aug - 09	100 %	71,331	71,331	87.06

Starting from July 2013, the tariff system was revised abolishing, for wind plants, the all-embracing regulated tariff and introducing a compensation system based on the market price plus the specific remuneration based on the initial investment. For Conesa plant, the combined effect of market price plus specific remuneration was higher than the previous tariff.

Minerva Messina | Italy

Solar plants

Project	Type	Gross capacity MW	Commis-sioned	Ownership	Output 2013 (MWh, gross)	Output 2013 (MWh, net)	Average tariff 2013 (€/MWh)
La Carlota	fixed	9.8	set-08	50.03%	16,150	8,080	421.0
Fotocampilos	fixed	2.1	may-08	100%	2,983	2,980	510.2
Spain		11.9			19,113	11,060	

Starting from July 2013 the tariffs were lowered, and the restrictive cap in hours in force under the previous law was abolished. For 2013 the tariff reduction was more than compensated by the abolishment of the restrictive cap.

POLAND

TARIFF SYSTEM

On 17 September 2013, the Ministry of the Economy circulated a draft regarding the support scheme for RES, which will be based on an auction system rather than green certificates.

The Green Certificates support system should be maintained for the wind farms that are already operating or that will enter into operation before the new statutory regulations enters into force. The new support scheme therefore does not affect GES wind farm already in operation (Polczyno). Based on the current information available, the Management considers that projects already in development portfolio will be pursued due to their expected high wind performances.

11 March 2014 was the final deadline for amendments to the grid condition agreements. Pursuant to the amendment to the Energy law dated 26 July 2013 (“Small Threepack”). All grid connection agreements valid as of the date on which the act comes into force shall include a grid time schedule.

OPERATING ASSETS

Wind farms

Project	Type of turbine	Gross capacity MW	Commis-sioned	Ownership	Output 2013 (MWh, gross)	Output 2013 (MWh, net)	Average GC 2013 (€/MWh)	Average GC 2013 (€/MWh)
Polczyno	Enercon	1.6	aug-06	100%	2,630	2,630	64.53	49.98

PROJECTS UNDER DEVELOPMENT

In Poland, Greentech holds a comprehensive wind pipeline as the country is considered an attractive market in Eastern Europe. Development and changes regarding the Polish portfolio have occurred during the course of 2012 and the beginning of 2013.
Ustka (29.9 MW) and Parnowo (12.5 MW) projects reached fully-permitted stage. According to the Cooperation Agreement between Greentech and EdF Energies Nouvelles ("EDF EN") signed on May 2009, EDF EN decided to exercise the option to acquire a share of 40% in the Ustka project and 100% of the Parnowo project (for Parnowo, see the Consolidated Balance Sheet in Assets classified as held for sale for EUR 0.8M).
Due to the still-evolving regulatory framework, the transactions are postponed to 2014.
Regarding Smolecin, permitting process is ongoing with green lights from Municipalities involved. Construction of the plant is expected to commence in H1 2015 with scheduled finalization in H1 2016.

GERMANY

TARIFF SYSTEM

In Germany, Greentech has developed 3 wind farms which are currently regulated under the legislation on Renewable Energy Sources in the Electricity Sector and Amending Related Provisions of 2008.

In Germany, the government has applied a settlement which guarantees a fixed price for each individual project. The settlement price is fixed at the date of commissioning.

In 2013, Greentech sold the electricity at the market price, after having switched from the guaranteed fix price in 2012, when the energy prices in Germany considerably increased.

OPERATING ASSETS

Wind farms

Project	Type of turbine	Gross capacity MW	Commis-sioned	Ownership	Output 2013 (MWh, gross)	Output 2013 (MWh, net)	Average tariff 2013 (€/MWh)
Gehlenberg	Enercon	23.4	dec-01	100%	28,301	28,304	94.40
Wormlage	Vestas	7.5	dec-05	50%	15,651	7,832	88.50
Tiefenthal	Vestas	6.0	dec-05	50%	11,380	5,694	91.92
Germany		36.9			55,332	41,830	

La Carlota | Spain

DENMARK

TARIFF SYSTEM

No changes in tariff system has been made in 2013 or planned for 2014.

Wind installations are regulated under the Promotion of Renewable Energy Act no. 1392 of 27 December 2008. Price depends on the connection date to the grid.

According to the law, wind farms connected at the latest on the 20.2.2008 will receive a premium of maximum 13€ MWh (0,10 DKK/kWh) for 20 years from connection, in addition to the market price, which is set by the Nordic power exchange, Nord Pool. For plants connected before 1.1.2005, the premium changes according to the market price in order not to exceed a total remuneration of 48 €/MWh (0,36 DKK/kWh).

New wind turbines - onshore as well as offshore - connected from the 21st February 2008 will receive, in addition to the market price, a premium of approx. 33.5 €/MWh (0,25 DKK/kWh) for the first 22.000 full load hours + approx. 3 € MWh (0,023 DKK/kWh) as a contribution to the balancing expenses.

OPERATING ASSETS

Wind farms

Greentech operating portfolio in Denmark is regulated by the daily market price and the fixed premium of 13 €/MWh.

Project	Type of turbine	Gross capacity MW	Commis-sioned	Ownership	Output 2013 (MWh, gross)	Output 2013 (MWh, net)	Average tariff 2013 (€/MWh)
Milbak	NEG. Micon	3.75	aug-01	100%	5,690	5,690	53.55
Oppelstrup	NEG. Micon	7.50	aug-01	100%	12,285	12,285	47.06
Hannesborg	Nordex	1.60	feb-01	100%	2,214	2,214	47.03
Frørup	Nordex	2.60	dec-00	100%	3,034	3,034	46.94
Denmark		15.45			23,223	23,223	

Corporate Governance

The Board of Directors and the Management Board of Greentech consider the development of the management model and the organisation to be an on-going process during which adjustments are made as the Company grows and becomes more complex. During this continuous process, Greentech addresses the principles of corporate governance with due consideration to current legislation, practices and recommendations.

GENERAL MEETINGS

The General Meeting is the supreme authority of the Company. Resolutions are made by a simple majority of votes unless legislation prescribes special rules on representation and majority.

The Articles of Association of Greentech, available on the Company's website, contain information about the notice of the general meeting, shareholders' rights to submit proposals and have specific subjects considered on the agenda, admission and voting rights.

In 2013, Greentech held its Annual General Meeting on 18 April.

The next Annual General Meeting will be held on 15 April 2014.

BOARD OF DIRECTORS

The Board of Directors is responsible for the overall management of the Company, including the appointment of a Board of Management, determination of strategy, action plans, targets and budgets, and also the definition of the principles for risk management and control procedures, etc.

Under the Articles of Association, the Board of Directors has been granted authorisation, which remains in force until 17 April 2017, to increase the nominal share capital in one or more issues by up to DKK 150,000,000, corresponding to 30,000,000 shares of DKK 5.

At the latest Annual General Meeting, the authority to the Board of Directors to issue convertible debt instruments was renewed to comprise a nominal share capital increase by up to DKK 50,000,000 in one or more issues with expiry on 18 April 2018.

The Board of Directors has moreover been authorised for one year by the latest General Meeting to let Greentech acquire up to 10% treasury shares. By year-end 2013, Greentech holds an amount of treasury shares corresponding to 4.93 % of the share capital. The portfolio of treasury shares is held for M&A opportunities.

Board practices

The Board of Directors meets according to a work and meeting calendar with five scheduled annual meetings and otherwise, as required. 11 meetings were held in 2013 including conference calls.

Ordinary Board meetings have a predetermined agenda under which operation and performance are discussed and current issues and new projects are considered and approved. Once every year the Board of Directors reviews its rules of procedure and checks that the framework and procedures are in order. Risk management and capital and share structures are also predetermined items on

Gehlenberg | Germany

Frorup | Denmark

the agenda. The Annual Report is reviewed at the meeting in March, where accounting policies and audit process for the year are also reviewed and discussed together with the Auditor, without the Management Board being present. In 2013, the Board of Directors has introduced a self-assessment procedure with the aim of evaluating, on an annual basis, the contributions and results of the Board of Directors and the individual members as well as the collaboration with the Management Board.

Composition

The Board of Directors currently consists of seven members elected at the Annual General Meeting with a broad composition of skills and experiences. Board members mandates are subject to renewal every year. No board member is elected by and among the employees since the Parent Company, Greentech Energy Systems A/S, has not met the threshold of having more than 35 employees.

At the Annual General Meeting held on 18 April 2013, the five incumbent members of the Board of Directors were re-elected. In addition, the Board of Directors was enlarged with two new members: Mr. Giorgio Bruno and Mr. Giovanni Ferrari.

None of the Board members has been previously employed by the Company and there are no current transactions between the Company and the Board of Directors. In terms of independence, as defined in the Corporate Governance recommendations, 3 out of 7 (Mr. Luca Rovati, Mr. Giorgio Bruno and Mr. Giovanni Ferrari) are considered non-independent as they represent large shareholders of GWM Renewable Energy II S.p.A. which controls Greentech Energy Systems A/S.

BOARD OF MANAGEMENT

The Board of Management is appointed by the Board of Directors which sets the guidelines and terms for the Board of Management to perform its duties. The Board of Management implements the strategy and is in charge of the day-to-day management, organisation and development of Greentech, management of assets and liabilities, bookkeeping and reporting. Its performance is evaluated by the Board of Directors once a year.

The Board of Management consists of:

Sigieri Diaz della Vittoria Pallavicini,
Chief Executive Officer;

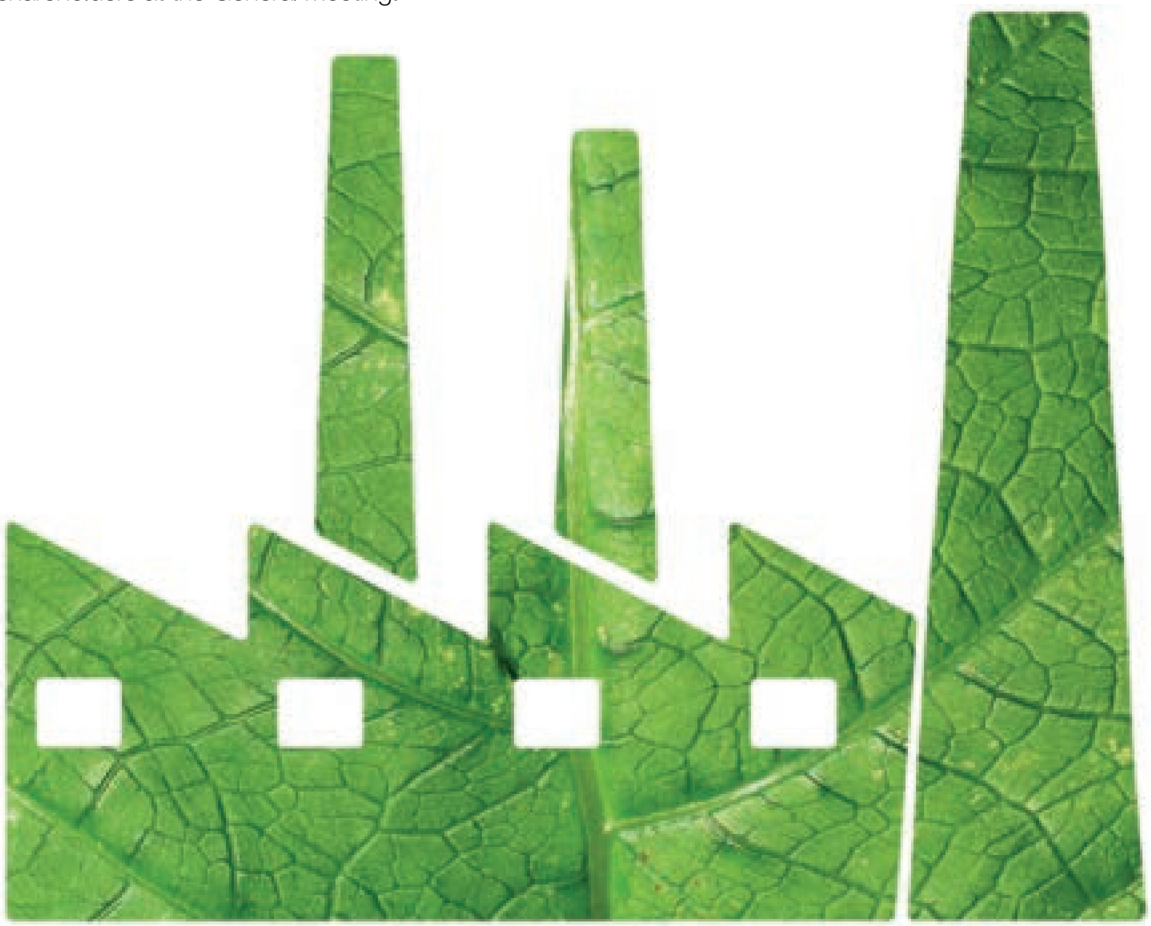
Alessandro Reitelli,
Chief Financial Officer and Chief Operating Officer ad interim.

REMUNERATION

REMUNERATION POLICY

Remuneration for the Board of Directors and the Management Board is based on the "General guidelines for incentive pay", approved by the shareholders at the Annual General Meeting of 23 April 2008, which is available on Greentech's website. The Board of Directors approves remuneration for the Board of Management within the framework of the guidelines. In 2013, the only incentive element applied for the remuneration of the Management Board members was a bonus of up to one fourth of the annual salary. Remuneration for the Board of Directors is approved by the shareholders at the General Meeting.

The Board of Directors is empowered with an authorisation to issue up to 5,000,000 warrants (nominal share capital of DKK 25,000,000) in one or more issues with expiry on 17 April 2017 in accordance with the "General guidelines for incentive pay" and article 4c of the Articles of Association. The Board of Directors has not exercised this authorisation in 2013.



Polczyno | poland

ORGANIZATION

The Board of Directors and the Management Board of Greentech are constantly monitoring the organization in order to improve its effectiveness and the quality of the working environment.

In 2013, the Company mapped very thoroughly the tasks and responsibilities of each employee, in order to clarify the current organization in place and identify the areas of simplification.

On the basis of such mapping, the Company implemented a performance management system based on two rounds of interviews (February and July) with each employee, in order to set individual annual targets and monitor their achievement. This is the basis for the computation and the granting of the variable part of the employee's compensation.

Finally, Greentech has enriched its internal control system through the implementation of an ethics code.

For 2014, the Management will put effort in developing employees' individual skills and leadership.
The employees' benefit package will also be reviewed in order to improve its quality, subject to the targets set in the outlook.

As of 31 December 2013, Greentech Group totaled 78 employees (full-time equivalent), distributed by country and by technology as follows:

By country:

Denmark	5
Italy	65
Spain	2
Poland	6

By technology:

	Wind	Solar	Environ.	Other
Average number of employees	7.8	4.8	26.9	39.6
Number of employees	7.0	5.0	28.0	38.0
Of which consultants	0.5	0.5	6.0	2.0
Of which employees under notice	0	0	0	0

As of 31 December 2013 the average age of the employees is about 41 and the average seniority with the company is about 4.5 years.

The breakdown by gender is:

Women	41%
Men	59%

STATUTORY STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors of Greentech employs the recommendations of the Committee on Corporate Governance (available on www.corporategovernance.dk) as an important source of inspiration in its efforts. A detailed review of Greentech's position on all the recommendations as well as a description of the internal control and risk management system relating to the financial reporting can be found in the statutory report on corporate governance pursuant to section 107b of the Danish Financial Statements Act which is available on Greentech's website, www.greentech.dk, under "Investor", "Corporate Governance" (http://greentech.dk/investor/corporate-governance/).

According to the recommendations, companies must explain any non-compliance. Greentech fully complies with the vast majority of the recommendations (41 out of 47), the exceptions being:

- 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 (Recommendation 3.1.4).

- Due to the Company's size, Greentech has so far not deemed necessary to set up specific 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. The Board of Directors jointly functions as the Audit Committee (Recommendations 3.4.1, 3.4.6, 3.4.7).

- Greentech has not incorporated policies which ensure the possibility for reclaim, in full or in part, variable components of remuneration that were paid on the basis of data which proved to be manifestly misstated (Recommendation 4.1.2).

- The combined remuneration of the Management Board is disclosed in note 5 of the Annual Report for privacy reasons. Disclosure of the remuneration of the individual members of the Management Board is, moreover, not at present considered material to stakeholders' assessment. The remuneration of the Management Board is considered in line with comparable companies and is in accordance with the remuneration guidelines (Recommendation 4.2.3).

Polczyno | Poland

Pozzo Palaggi | Italy

CORPORATE RESPONSIBILITY

Greentech is highly aware of the Company's role as a player in society in a local, national and international context. Therefore, Greentech remains attentive towards making targeted efforts to ensure that its core business area and activities are developed in a financially, environmentally and socially responsible manner by both complying with statutory requirements and taking voluntary Corporate Responsibility initiatives in the countries and communities in which Greentech operates. Greentech believes that responsible business behaviour is a precondition for long-term value creation for the Company and its stakeholders.

The UN principles on human rights, labour rights, environment and anticorruption form the guiding framework on which Greentech's Corporate Responsibility efforts are based.
In its considerations relating to Corporate Responsibility initiatives, Greentech seeks inspiration in the UN Global Compact initiative for corporate social responsibility.

The following statement constitutes Greentech's statutory report on corporate responsibility published in accordance with the provisions stipulated in section 99a of the Danish Financial Statements Act.

CLIMATE AND ENVIRONMENT

Through the Company's core business of producing and selling renewable energy, Greentech directly contributes to set a positive footprint in terms of reducing the environmental and climate impact.

In line with Greentech's business goal of enlarging the operational portfolio significantly, Greentech strives to generate and distribute clean energy production in order to preserve the environment and to contribute to a world sustainable growth.

During the past years, Greentech has provided a continuously increasing production of renewable energy providing environmental advantages in terms of savings of fossil fuels and reduction of CO_2 emissions.

	2013	2012	2011
Gross production (GWh)	492.8	444.2	358.1
Clean Power Supply (number of house-holds in 1 year)	164,252	148,074	119,373
Emission of CO_2 avoided (tons)	261,161	235,883	190,162
Oil saved (barrels)	672,661	606,409	488,870

During the 3-year period from 2011 to 2013, the production generated by Greentech's gross installed capacity has increased by 38% supplying 164,000 families with non-polluting energy in 2013 - 45,000 more than in 2011.

As Greentech offers an alternative to the dependency on scarce and polluting power sources providing clean energy without emissions of hazardous particles or greenhouse gases, no special environmental risks are involved with Greentech's activities.

The Company, however, stays extremely attentive towards and is highly committed to assess the physical impact of the Company's activities. Greentech's projects are subject to environmental permits, and at all project stages Greentech is governed by comprehensive environmental legislation and rules which, through mandatory surveys and analyses, serve to safeguard the surroundings of the Company's plants, i.e. flora and fauna, local residents and the landscape.

To the extent possible, Greentech also limits the environmental impact of its business activities. Greentech focuses on replanting of e.g. trees and shrubs in corresponding areas if removal of such plants is needed to complete the Company's activities.

PEOPLE

Greentech considers diversity an important asset and remains committed to ensuring equal opportunities and rights for employees and therefore will not tolerate discrimination or harassment based on religion, race, ethnicity, gender, age, sexuality, political opinion or other status.

Greentech has a diverse staff with a broad employee composition in terms of geographical and cultural background, gender and age distribution (see the paragraph "Organisation" for details on the composition of the employees).

Moreover, Greentech gives high priority to ensuring a safe and sound working environment. Particularly in the Company's wind and solar plants, severe health and safety procedures have been implemented to secure the employees and minimise risk of accidents. So far, these provisions have prevented the occurrence of any such serious incidents.

As Greentech's activities are often carried out in geographical areas that have a high rate of unemployment, Greentech also contributes to ensuring growth in local communities through employment of local workers, contractors and suppliers.

Diversity in management - Reporting according to section 99b of the Danish Financial Statements Act.

In 2013, the Board of Directors has set focus specifically on initiatives encouraging diversity at managerial levels. In Q1 2013, hence, the Board of Directors adopted a policy centred on proposing election of candidates for the Board that may bring a greater degree of gender equality to the Board of Directors. In line with section 139a of the Danish Companies Act, the Board of Directors, thus, has stipulated a target figure for the proportion of women, who currently constitute the underrepresented sex of the Board:

It is the aim of the Board of Directors of Greentech that 2 female board members be elected by the General Meeting within a 4-year period.

Minerva Messina | Italy

Vaglio | Italy

Greentech is ambitious on the topic and wishes to make targeted efforts to achieve the goal within a shorter time frame.

The target may, however, be amended, and it is always the primary criteria that the candidates proposed for the Board of Directors are selected considering their suitability based on professional and personals skills and competences.

Greentech's Board of Directors currently consists of 7 male members. The next election for the Board of Directors is at the Annual General Meeting to be held on 15 April 2014.

Additionally, the Company has adopted policies regarding the proportion of gender in the other management levels of the Company:

Greentech is committed to working towards creating and maintaining equal opportunities for women and men at all management levels in the Company. In connection with all recruitment, including recruitment at management level, it is Greentech's policy to fulfil the Company's requirements for employees with the necessary skills and competences, regardless of gender, age, ethnicity etc. When choosing between equally qualified candidates, the diversity among the employees shall be taken into consideration. In connection with recruitment for managerial positions it should be ensured, where possible, that the candidates invited for interview include both men and women.

ETHICS AND BEHAVIOUR

Transparency and compliance with national and international regulation and standards are considered cornerstones in Greentech's business behaviour and the Company is committed to undertake its activities with due consideration and respect of internal and external procedures and guidelines.

A code of ethics has been introduced for the majority of the Group companies that addresses relevant issues and prescribes the correct behaviour in interactions with the Company's internal and external stakeholders.

Greentech operates in an international context, currently in five different European countries (Denmark, Germany, Italy, Poland and Spain) which all constitutes fairly limited risk factors in terms of businesses' exposure to human rights violations. Consequently, Greentech does not conduct any activities, liaise or contract with business partners or suppliers in countries considered high-risk in terms of human rights abuses.

In the future, Greentech will continuously endeavour to expand its corporate responsibility efforts by integrating environmental and social aspects in its planning and decision-making processes. These efforts will be based on the topics most relevant with respect to Greentech's core business and commercial goals as this is the best way in which Greentech can contribute through relevant initiatives to the benefit of the Company and of its stakeholders.

Board of Directors and Board of Management

Peter Høstgaard-Jensen
Chairman
Graduated in Chemical Engineering and Business
Born in 1945
Nationality: Danish

Elected as chairman in October 2010, most recently elected at the Annual General Meeting in 2013. Current election period expires at the Annual General Meeting in 2014.

Peter Høstgaard-Jensen is considered as an independent Board member.

Competencies of special relevance to Greentech:
Energy, power distribution

Other executive functions/directorships:
Aalborg Energie Technik A/S (Chairman)
EnviScan A/S (Chairman)
Borean Innovation A/S (Chairman)
Hedeselskabet, Dalgasgroup A/S (Vice Chairman)
Aalborg Engineering A/S (Board member)
Nordenergie Renewables A/S
Nordenergie A/S (Board member)
Xergi A/S (Board member)
Frederikshavn Forsyning A/S (Board member)

Luca Rovati
Managing director of Rottapharm Madaus

Graduated cum laude in Economics,
Certified Business Consultant
and Chartered Accountant
Born in 1961
Nationality: Italian

Elected as deputy chairman of the Board of Directors in October 2010, most recently elected at the Annual General Meeting in 2013. Current election period expires at the Annual General Meeting in 2014.

Luca Rovati is considered as a non-independent board member as he represents one of the major shareholders of Greentech Energy Systems A/S.

Competencies of special relevance to Greentech:
Renewable energy

Other executive functions/directorships:
Rottapharm Madaus (Vice Chairman)
Pirelli &C S.p.A. (Director)
Fenice S.r.l (Director)

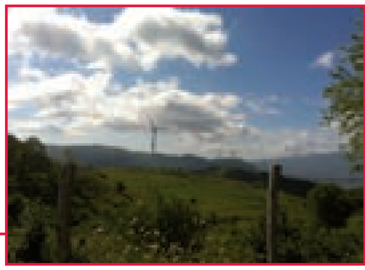
Benjamin Guest
Board member
Graduated in Mechanical Engineering at Imperial College, London
Born in 1973
Nationality: English

Elected as board member in October 2010, most recently elected at the Annual General Meeting in 2013. Current election period expires at the Annual General Meeting in 2014.

Benjamin Guest is considered as an independent Board member.

Competences of special relevance to Greentech:
Clean tech Fund Management, Communication with the equity market

Other executive functions/directorships:
Non-Executive Chairman and Director of Oxis Energy Ltd

Minerva Messina | Italy

Director of:
Hazel Renewable Energy VCT1 Plc
Owl Lodge Solar (Holding) Limited
Archletter Ltd
AEE Renewables UK3 Ltd
AEE Renewables UK6 Ltd
AEE Renewables UK7 Ltd
AEE Renewables UK13 Ltd
AEE Renewables UK15 Ltd
AEE Renewables UK26 Ltd
Causilgey Solar (Holding) Ltd
Hazel Renewables Ltd
Higher Tregarne Solar (Holding) Ltd
South Marston Renewables Ltd
Beechgrove Solar Ltd
Hewas Solar Ltd
St Columb Solar Ltd
HRE Willow Ltd
Minsmere Power Ltd
Small Wind Generation Ltd
Tumblewind Ltd
Penhale Solar Ltd
Gloucester Wind Ltd
ZW Parsonage Ltd
New Energy Era Ltd
Lux Energy Ltd
Vicarage Solar Limited
Yonder Netherton Solar (Holding) Limited
Albarreal Solar Nueva Energia SL.

Partner of:
Hazel Capital LLP
New Enterprise LLP
Ingenious Film Partners II LLP

Jean-Marc Janailhac

Former CEO of Veolia Environmental Services South Europe
(Subsidiary of the waste management division of Veolia Environment Group)

Graduated in Economics
Born in 1954
Nationality: French

Elected as board member in October 2010, most recently elected at the Annual General Meeting 2013. Current election expires at the Annual General Meeting in 2014.

Jean-Marc Janailhac is considered as an independent Board member.

Competencies of special relevance to Greentech:
Environment

Executive functions/directorships
SFIC development SAS (CEO)
Fabregue SA (Board member)
Eneris SA (Board member)
Eurohold (Senior advisor)

Valerio Andreoli Bonazzi

CEO of Epico and of its subsidiary Hydrowatt Abruzzo S.p.A.

Graduated in Finance
Born in 1970
Nationality: Italian

Elected as board member in October 2010, most recently elected at the Annual General Meeting in 2013. Current position expires at the Annual General Meeting in 2014.

Valerio Andreoli Bonazzi is considered as an independent Board member.

Competencies of special relevance to Greentech:
Hydro, Biomass, Solar, Wind

Executive functions/directorships:
Epico Usa Inc., the America subsidiary of the Epico Group (Vice president)

Giorgio Bruno
Chairman and CEO of Pirelli & C. Ambiente Srl
(wholly-owned subsidiary of Pirelli & C .S.p.A)

Graduated in Economics and Business
Born in 1960
Nationality: Italian

Elected as board member at the Annual general Meeting in 2013. Current position expires at the Annual General Meeting in 2014.

Giorgio Bruno is considered as a non-independent board member as he represents one of the major shareholders of Greentech Energy Systems A/S.

Competencies of special relevance to Greentech: Renewable energy industry, particularly in the photovoltaic, waste energy and energy efficiency segments

Other executive functions/directorships:
Pirelli & C. Eco Technology Romania S.r.l. (Chairman)
Pzero Srl (Chairman)
I.D.E.A. GRANDA S.CON. S.r.l. (Board member)
Fondazione Centro Internazionale della Fotonica per Energia ("CIFE") (Board member)
Prelios S.p.A (Chiarman)
Marco Tronchetti Provera & C. S.p.A (Board member)
Lauro 61 S.p.A. (CEO)
Nuove Partecipazioni S.p.A (CEO)

Giovanni Ferrari
Manager of Merchant Banking Intesa Sanpaolo S.p.A.

Graduated cum laude in Economics
Born in 1956
Nationality: Italian

Elected as board member at the Annual general Meeting in 2013. Current position expires at the Annual General Meeting in 2014.

Giovanni Ferrari is considered as a non independent board member as he represents one of the major shareholders of Greentech Energy Systems A/S.

Competences of special relevance to Greentech: Broad experience in corporate governance and on project finance structuring also with regards to the renewable energy sector.

Other executive functions/directorships:
Genova High Tech (Board member)
Immobiliare San Bartolomeo S.r.l. (Board member)
Leonardo Technology S.p.A. (Board member)
Termomeccanica Ecologia S.p.A. (Board member)
Termomeccanica S.p.A. (Board member)
Varese Investimenti S.p.A. (Board member)
EUROMED (Investment committee member)

Sludge treatment plant | Italy

Sigieri Diaz della Vittoria Pallavicini

CEO

Employed with the company as CEO in November 2010.

Graduated cum laude in Economics
Born in 1969
Nationality: Italian

Other executive functions/directorships:
GWM Group S.A. (Chairman)
Rottapharm Madaus (Board member)

Alessandro Reitelli

CFO and COO ad interim

Employed with the company as COO in September 2012.
CFO and COO ad interim since November 2012

Graduated cum laude in Economics
Born in 1969
Nationality: Italian and French

Other executive functions/directorships:
GWM Renewable Energy II S.p.A (Director)

Directorships held within the Greentech Group are excluded from the descriptions above.
All directorships are as per 1 February 2014.

SHAREHOLDINGS IN GREENTECH ENERGY SYSTEMS A/S
AS AT 31 DECEMBER 2013

Board of Directors:	Shares
Peter Høstgaard-Jensen	12,500
Luca Rovati	0
Benjamin Guest	0
Jean-Marc Janailhac	0
Valerio Andreoli Bonazzi	0
Giorgio Bruno	0
Giovanni Ferrari	0
Total	**12,500**

Management Board:	
Sigieri Diaz Pallavicini (indirectly*)	76,255,610
Alessandro Reitelli**	25,000
Total	**76,255,610**

* Through his engagement in GWM Renewable Energy II, Sigieri Diaz della Vittoria Pallavicini represents a shareholding of 76,255,610 shares.

** In 2013 Alessandro Reitelli bought 25,000 shares. The other shareholdings have remained unchanged during 2013.

Shareholder information

SHARE CAPITAL

MASTER DATA	
Share capital	DKK 533,313,475.00
Number of shares	106,662,695 shares of DKK 5
Treasury shares	5,257,952
Share classes	One (A shares)
Voting/ownership restrictions	None
ISIN code	DK0010240514
Ticker	GES.CO
Trading symbol	GES

SHAREHOLDERS

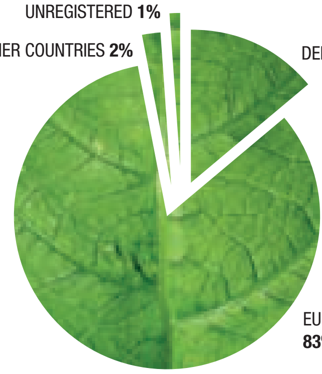
At year-end 2013, the registered shareholders represented approximately 99% of the share capital which was in line with year-end 2012. Greentech encourages shareholders to register their share portfolio to ease the possibility of exercising their rights.

At the end of 2013, GWM Renewable Energy II held 71.49% of Greentech share capital and was the only major shareholder registered under section 29 of the Danish Securities Trading Act with a shareholding exceeding 5%.Through GWM Renewable Energy II, Greentech relies on strong institutional investors in major international groups Pirelli (tire group), Intesa Sanpaolo (banking group) and Fidim Srl., the holding company of Rottapharm Madaus (multinational pharmaceutical group).

At 31 December 2013, Greentech had approx. 5,800 registered shareholders. Greentech estimates that around 86% of the share capital is held outside Denmark.

Greentech held 4.93% (unchanged from year-end 2012) own shares. The portfolio of treasury shares is held for M&A opportunities.

SHAREHOLDINGS - geographic composition as per 31.12.2013



VALUE CREATION

Greentech seeks to provide a return to its shareholders through consistent, long-term share price appreciation. Currently, the dividend policy decided by the Board of Directors gives priority to increasing the Company's value by reinvesting into profitable growth any profit generated.

MATERIAL CONTRACTS

A change in ownership and control on Greentech could impact the current financing agreements of project companies. A potential new owner should be confirmed by the financing parties in order to avoid the anticipated reimbursement of the outstanding debt. Should the potential owner not be confirmed by the current financing parties nor be able to find new financing parties, the ownership of the assets would be transferred to the current financing parties.

THE GREENTECH SHARE

The Greentech share is listed on Nasdaq OMX Copenhagen and included in the Nasdaq OMX Copenhagen MidCap Index. The share price experienced a positive trend during 2013, rising from DKK 10.1 at 31 December 2012 to DKK 11.7 at 31 December 2013, an increase of 16%.

The table above shows Greentech share trend over the past 3 years compared to the ERIX Index (European Renewable Energy Index) market trend during the same period.
As of 31 December 2013, the market share price was approximately 28% below the share book value. This discount was experienced by other listed players in 2013.
Greentech's book value is sustained by the impairment analysis performed by the Management at the end of the year (refer to Note 15) based on the industrial plan for each plant that captures the forecasted performance of the assets.

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 the value of its share.
Greentech seeks to create awareness of its activities through an active and open dialogue with equity market participants. The Company engages actively in giving national and international institutional investors and financial analysts the best possible insight into matters that can ensure fair pricing of the Greentech share.

This is done through various activities such as investor/analyst meetings, conference calls in connection with the presentation of quarterly financial results and participation in investor events/seminars. In 2013, Greentech attended a number of arrangements with private and institutional investors, participating in 1-1 meetings and panel discussions.

The Company's brand new website provides access to announcements, quarterly reports, monthly updates and investor presentations. Moreover, all interested parties can subscribe to Greentech's newsletter and automatically receive company announcements, announcements of financial results etc., via e-mail.
The Management is responsible for the Company's investor relations.

IR contact person is:
Camilla Lydom
E-mail: clydom@greentech.dk
Telephone: +45 33 36 42 02
Fax: +45 33 36 42 01

FINANCIAL CALENDAR FOR 2014

Annual Report for 2013	20 March 2014
Annual General Meeting 2014	15 April 2014
Interim Report for the three months ending 31 March 2014	14 May 2014
Interim Report for the six months ending 30 June 2014	6 August 2014
Interim Report for the nine months ending 31 September 2014	12 November 2014

Monte Grighine | Italy

Statement and report

Statement by the Board of Directors and the Management Board

Today the Board of Directors and the Management Board have discussed and approved the Annual Report of Greentech Energy Systems A/S for the financial year ended 31 December 2013.

The Annual Report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

In our opinion the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2013 and of the results of the Group's and the Parent Company's operations and cash flow for the financial year then ended.

In our opinion the Management's Review includes a true and fair review about the development in the Group's and the Parent Company's operations and financial matters, the results for the year and the Parent Company's financial position, and the position as a whole for the entities included in the Consolidated Financial Statements, as well as a review of the more significant risks and uncertainties faced by the Group and the Parent Company.

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

Copenhagen, 20 March 2014

MANAGEMENT BOARD

Sigieri Diaz della Vittoria Pallavicini
CEO

Alessandro Reitelli
CFO and COO ad interim

BOARD OF DIRECTORS

Peter Høstgaard-Jensen
Chairman

Luca Rovati
Deputy Chairman

Valerio Andreoli Bonazzi

Giorgio Bruno

Giovanni Ferrari

Benjamin Guest

Jean-Marc Janailhac

Independent Auditor’s report

To the shareholders of Greentech Energy Systems A/S. Report on consolidated financial statements and parent company financial statements

We have audited the consolidated financial statements and the parent company financial statements of Greentech Energy Systems A/S for the financial year 1 January 2013 – 31 December 2013, which comprise an income statement, comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies for the group as well as the company. The consolidated financial statements and the parent company financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Management’s responsibility for the consolidated financial statements and the parent company financial statements

Management is responsible for the preparation of consolidated financial statements and the parent company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies. Further, management is responsible for such internal control as it determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s responsibility

Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with international standards on auditing and additional requirements according to Danish audit regulations. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the parent company financial statements. The procedures selected depend on the auditor’s judgement, including an assessment of the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation of consolidated financial statements and parent company financial statements that give a true and fair view. The purpose is to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by management as well as the overall presentation of the consolidated financial statements and the parent company financial statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the group’s and the company’s financial position at 31 December 2013 and of the results of the group’s and the company’s operations and cash flows for the financial year 1 January 2013 – 31 December 2013 in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Statement on the management’s review

In accordance with the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the audit of the consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information provided in the management's review is consistent with the consolidated financial statements and the parent company financial statements.

Copenhagen, 20 March 2014

Ernst & Young
Godkendt Revisionspartnerselskab

Eskild Jakobsen	Jan C. Olsen
State authorised public accountant	*State authorised public accountant*

Sludge Treatment Plant | Italy

Financial statements

Financial Statements - Index

Income statement

		GROUP		PARENT COMPANY	
EUR'000	Note	2013	2012	2013	2012
Revenue	4	73,891	59,863	1,543	2,636
Production costs	5	-45,683	-34,877	-1,179	-1,332
Gross profit		**28,208**	**24,986**	**364**	**1,304**
Administrative expenses	5,6	-11,963	-13,436	-3,149	-3,253
Other operating income		2,153	684	1,644	0
Other operating expenses		-833	-918	0	0
Income from investments in associates	7	96	1,484	0	0
Operating profit/loss before impairment		**17,661**	**12,800**	**-1,141**	**-1,949**
Impairment of assets	14,15	-18	-3,069	-12,511	-9,457
Special items	10	0	-3,525	0	-3,525
Operating profit/loss		**17,643**	**6,206**	**-13,652**	**-14,931**
Financial income	8	1,163	1,054	4,201	7,266
Financial expenses	9	-16,298	-14,738	-201	-1,810
Profit/loss before tax		**2,508**	**-7,478**	**-9,652**	**-9,475**
Tax on profit/loss for the year	11	-1,110	-5,796	-293	-434
Profit/loss for the year		**1,398**	**-13,274**	**-9,945**	**-9,909**
Is distributed as follows:					
Shareholders in Greentech Energy Systems A/S		1,485	-12,998	-9,945	-9,909
Minority interests		-87	-276	0	0
		1,398	-13,274	-9,945	-9,909
EARNINGS PER SHARE	12				
Earnings per share (EPS), EUR		0.01	-0.13		
Diluted earnings per share (D-EPS), EUR		0.01	-0.13		
PROPOSED DISTRIBUTION OF PROFIT/LOSS					
Proposed dividends				0	0
Retained earnings				-9,945	-9,909
				-9,945	**-9,909**

1 JANUARY - 31 DECEMBER

Minerva Messina | Italy

Statement of other comprehensive income

	GROUP		PARENT COMPANY	
EUR'000	2013	2012	2013	2012
Profit/loss for the year	1,398	-13,274	-9,945	-9,909
Other comprehensive income:				
Items subsequently reclassified to Profit and Loss				
Value adjustment of hedging instruments	9,014	-14,572	0	0
Tax on fair value adjustmnet of hedging instruments	-1,750	3,799	0	0
Exchange adjustment of translation to reporting currency	-6	10	-1	-97
Exchange adjustment of foreign enterprises	-57	68	4	-943
Total other comprehensive income	7,201	-10,695	3	-1,040
Comprehensive income for the year	**8,599**	**-23,969**	**-9,942**	**-10,949**
Is distributed as follows:				
Shareholders of Greentech Energy Systems A/S	8,688	-23,693	-9,942	-10,949
Minority interests	-89	-276	0	0
	8,599	-23,969	-9,942	-10,949

1 JANUARY - 31 DECEMBER

Balance sheet

ASSETS		GROUP		PARENT COMPANY	
EUR'000	Note	2013	2012	2013	2012
Intangible assets					
Goodwill		3,554	3,675	0	0
Other intangible assets		44,167	47,214	0	0
Total intangible assets	**15**	**47,721**	**50,889**	**0**	**0**
Land and building		3,308	2,784	0	0
Plant and machinery		361,995	379,023	5,289	6,001
Equipment		1,428	1,296	479	237
Plant and machinery under construction		713	755	0	0
Total property, plant and equipment	**15**	**367,444**	**383,858**	**5,768**	**6,238**
Investments in subsidiaries	13	0	0	176,036	150,018
Investments in associates and joint ventures	14	3,945	3,849	28,503	26,332
Other non-current financial assets	16	37,038	48,593	28,978	74,174
Other non-current assets	17	29	412	0	0
Deferred tax	23	23,736	23,796	0	0
Other non-current assets		**64,748**	**76,650**	**233,517**	**250,524**
TOTAL NON-CURRENT ASSETS		**479,913**	**511,397**	**239,285**	**256,762**
Current assets					
Inventories	18	2,153	3,857	0	0
Trade receivables	19	31,815	25,750	177	732
Income tax receivable		4,285	4,513	0	0
Other current financial assets	20	1,526	9,037	0	742
Other current assets	21	8,519	3,184	67	3
Fair value of financial instruments	31	11	0	0	0
Cash at bank and in hand	31	31,370	38,005	13,685	3,684
TOTAL CURRENT ASSETS		**79,679**	**84,346**	**13,929**	**5,161**
Assets classified as held for sale	27	771	1,971	604	1,923
TOTAL ASSETS		**560,363**	**597,714**	**253,818**	**263,846**

AT 31 DECEMBER

Cerveteri | Italy

Balance sheet

LIABILITIES AND EQUITY		GROUP		PARENT COMPANY	
EUR'000	Note	2013	2012	2013	2012
Share capital	22	71,623	71,623	71,623	71,623
Share premium account		355,763	355,763	355,763	355,763
Exchange adjustment reserve		-962	-899	0	0
Hedging instrument reserve		-11,158	-18,424	0	0
Retained earnings		-194,130	-195,555	-179,553	-169,611
Share of equity held by majority shareholders		**221,136**	**212,508**	**247,833**	**257,775**
Minority interests		**-431**	**-402**	**-**	**-**
TOTAL EQUITY		**220,705**	**212,106**	**247,833**	**257,775**
Provision for deferred tax	23	8,914	8,323	302	292
Employee benefits		488	411	0	0
Other deferred liabilities	24	8,136	8,829	425	407
Credit institutions	25	256,328	271,541	402	603
Non-current liabilities		**273,866**	**289,104**	**1,129**	**1,302**
Current portion of long-term bank debt	25	25,618	20,648	201	201
Trade payables		7,640	25,385	215	114
Income tax		3,103	3,085	254	135
Other current liabilities	26	6,463	13,398	4,186	4,319
Fair value of financial instruments	31	22,968	33,988	0	0
Current liabilities		**65,792**	**96,504**	**4,856**	**4,769**
TOTAL LIABILITIES		**339,658**	**385,608**	**5,985**	**6,071**
TOTAL LIABILITIES AND EQUITY		**560,363**	**597,714**	**253,818**	**263,846**

AT 31 DECEMBER

Statement of changes in equity

GROUP

EUR'000	Share capital	Share premium account	Exchange adjustment reserve	Hedging instruments reserve	Retained earnings	Total	Minority interests	Total
Equity at 1 January 2012	71,623	355,763	-9	-7,651	-179,930	239,796	-1,587	238,209
Profit/Loss for the period	0	0	0	0	-12,998	-12,998	-276	-13,274
Other comprehensive income	0	0	78	-10,773	0	-10,695	0	-10,695
Capial increase in associates	0	0	0	0	-50	-50	50	0
Acquisition of shares from minority interests	0	0	0	0	-3,478	-3,478	1,411	-2,067
Disposal of controlling interests	0	0	0	0	-67	-67	0	-67
Re-classification	0	0	-968	0	968	0	0	0
Equity at 31 December 2012	71,623	355,763	-899	-18,424	-195,555	212,508	-402	212,106
Equity at 1 January 2013	71,623	355,763	-899	-18,424	-195,555	212,508	-402	212,106
Profit/Loss for the period	0	0	0	0	1,485	1,485	-87	1,398
Other comprehensive income	0	0	-63	7,266	0	7,203	-2	7,201
Capital increase in associates	0	0	0	0	-60	-60	60	0
Equity at 31 December 2013	71,623	355,763	-962	-11,158	-194,130	221,136	-431	220,705

Exchange adjustment reserve

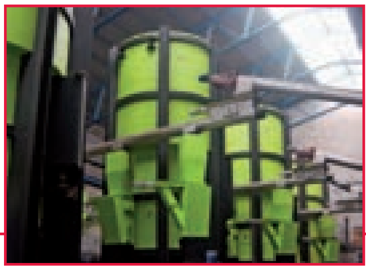
The translation reserve in the Consolidated Financial Statements comprises exchange adjustments arising from the translation of the Financial Statements of foreign enterprises from their functional currencies into the presentation currency (EURO) of the Greentech Group.
On full or partial realisation of a net investment, foreign exchange adjustments are recognized in the Income Statement.

Hedging instruments reserve

The hedging instruments reserve in the Consolidated Financial Statement is related to changes in the fair value of derivative financial instruments classified as hedging of expected future transactions.

AT 31 DECEMBER

Plant for removal of arsenic | Italy



Gasification plant | Italy

Statement of changes in equity

PARENT COMPANY

EUR'000	Share capital	Share premium account	Retained earnings	Total
Equity at 1 January 2012	71,623	355,763	-158,662	268,724
Profit/Loss for the year	0	0	-9,909	-9,909
Other comprehensive income	0	0	-1,040	-1,040
Equity at 31 December 2012	71,623	355,763	-169,611	257,775
Equity at 1 January 2013	71,623	355,763	-169,611	257,775
Profit/Loss for the year	0	0	-9,945	-9,945
Other comprehensive income	0	0	3	3
Equity at 31 December 2013	71,623	355,763	-179,553	247,833

There are no limitations concerning distribution on share premium account.

AT 31 DECEMBER

Cash flow statement

	GROUP		PARENT COMPANY	
EUR'000	2013	2012	2013	2012
Profit/Loss for the year	1,398	-13,274	-9,945	-9,909
Adjustments to reconcile profit/loss for the year to net cash flow:				
Depreciation	26,995	20,399	771	772
Impairment of assets	18	3,069	12,489	9,457
Income from associates etc,	-150	-1,561	-1,312	-64
Financial income	-1,163	-1,054	-4,201	-7,266
Financial expenses	16,298	14,738	201	1,810
Dividends from subsidiaries	0	0	1,093	103
Tax	1,110	5,796	293	434
Cash flow before change in working capital	**44,506**	**28,113**	**-611**	**-4,663**
Change in working capital	-16,795	-6,504	461	-930
Cash flow from operations	**27,711**	**21,609**	**-150**	**-5,593**
Interest received	1,140	1,119	4,142	6,396
Interest paid	-15,397	-15,477	-97	-1,797
Tax paid	-3,270	-6,914	-164	-87
Cash flow from operating activities	**10,184**	**337**	**3,731**	**-1,081**
Purchase of property, plant and equipment	-21,660	-6,766	-300	-43
Sale of associates	2,531	0	2,531	0
Sale of property, plant and equipment	659	1,493	0	0
Acquisitions of subsidiaries/capital increases in subsidiaries	-288	-3,610	-7,818	0
Cash flows from investing activities	**-18,758**	**-8,883**	**-5,587**	**-43**
Decrease in other financial receivables	15,525	0	0	527
Increase in other financial receivables	0	-6,740	-11	0
Increase in debt to related companies	-1,104	0	0	0
Decrease in loans to associates	872	2,892	4,100	3,432
Decrease in loans to subsidiaries	0	0	11,540	3,003
Increase in loans to subsidiaries	0	0	-3,568	-1,755
Repayment of debt to credit institutions	-28,566	-15,699	-201	-1,270
Loans raised with credit institutions	15,259	1,820	0	0
Cash flows from financing activities	**1,986**	**-17,727**	**11,860**	**3,937**
Cash flow for the year	**-6,588**	**-26,273**	**10,004**	**2,813**

>>>

1 JANUARY - 31 DECEMBER

Cordoba I Spain

Cash flow statement

>>>

EUR'000	GROUP 2013	GROUP 2012	PARENT COMPANY 2013	PARENT COMPANY 2012
Exchange adjustment of cash at the beginning of the year	-47	25	-3	0
Cash and cash equivalents from change in perimeter of consolidation	0	3,749	0	0
Cash and cash equivalents from acquired companies	0	30	0	0
Disposal of controlling interest	0	-77	0	0
Cash and cash equivalents, beginning of year	38,005	60,551	3,684	871
Cash and cash equivalents, year end	**31,370**	**38,005**	**13,685**	**3,684**

The cash flow statement cannot be derived using only the published financial data

Accounting Policy

The cash flow statement shows the cash flow for the year from operating, investing and financing activities. The cash flow statement is presented using the indirect method on the basis of the profit/loss of the year.
The cash flow statement shows cash flow for the year, as well as cash and cash equivalents at the beginning and at the end of the financial year. Cash flow from operating activities is calculated as the profit/loss of the year adjusted for non-cash operating items and working capital changes. Cash flow from investing activities comprises payments in connection with acquisition and divestment of enterprises or assets. Cash flow from financing activities comprises the raising of loans, installments on loans, payment of dividends and increases of the share capital.

In the cash flow statement, cash flow concerning acquired companies is recognized from the date of acquisition, while cash flow concerning divested companies is recognized until the date of divestment.

Cash and cash equivalents

Cash and cash equivalents consist of cash at banks and in hand and short-term deposits with an original maturity of less than three months.
Cash and cash equivalents include cash and bonds less short-term bank debt.

Cash and cash equivalents include free cash available for the holdings and restricted cash available for the operations of the project companies.
Please also refer to Note 31.

1. Accounting policies

Basis of preparation
Greentech Energy Systems A/S is a public limited company incorporated in Denmark and listed on NASDAQ OMX Copenhagen.

Annual report for the Group and the Parent Company has been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and additional Danish disclosure requirements for annual reports of listed companies.

The additional Danish disclosure requirements are stated in the Danish Statutory Order on Adoption of IFRS issued in pursuance of the Danish Financial Statements Act and the rules issued by NASDAQ OMX Copenhagen.

The Annual Report is presented in EURO.

Change of accounting policies, including presentation and implementation of financial reporting standards
The accounting policies are unchanged compared to last year. However, the presentation of the notes has been revised. This note 1 has been reduced by moving paragraphs related to specific area to the relevant note.

New and changed standard and interpretations
The following EU adopted IFRS standards and interpretations with relevance for Greentech were implemented with effect from 1 January 2013

- Amendments to IAS 1 "Presentation of Items of Other Comprehensive Income"
- IFRS 13 "Fair Value Measurement"
- Annual improvements to IFRSs (2009-2011)

The new and changed standards and interpretations have not impacted the recognition and measurement and have only lead to additional information in the notes.

New standards and interpretations not yet entered into force
Standards and amendments issued by the IASB relevant for Greentech with effective date after 31 December 2013, or not adopted by the EU and therefore not implemented, comprise:

- IFRS 9 "Financial Instruments"
- IFRS 10 "Consolidated Financial Statements"
- IFRS 11 "Joint Arrangements"
- IFRS 12 "Disclosures of Interest Other Entities"

Implementation of these will with exception of IFRS 11 lead to further specifications in the Notes and reclassifications but to material changes in recognition and measurement. Reference is made to Note 36 for effect of IFRS 11.

Greentech will implement the new standards and interpretations when they will enter into force in the EU.

Consolidation method
Relevant principles of consolidation are as follows:

- the Consolidated Financial Statements include the Financial Statements of the Company and the companies in which it holds a controlling interest, from the date control over such subsidiaries begins until the date that control ceases. Control exists when the Group has the majority of voting rights or has the power, directly or indirectly, to govern, also through contractual agreements, the financial and operating policies of an enterprise so as to obtain benefits from its activities;
- the Consolidated Financial Statements are based on the Financial Statements of the individual Group companies prepared for the same reporting period using consistent accounting policies. The Financial Statements have been prepared under the historical cost convention, except for certain financial assets and liabilities measured at fair value as described in the Notes. The closing date of the Financial Statements of the individual Group companies utilized in the consolidation is the same closing date of the Consolidated Financial Statements. Such Financial Statements are adjusted, where necessary, to comply with Group accounting policies;
- all significant intra-Group balances and transactions, including unrealized profits arising from intra-Group transactions, are eliminated in full. Unrealized profits and losses resulting from transactions with associates are eliminated for the amount attributable to the Group; the acquisition of controlling investments from third parties are accounted for by the acquisition method of accounting and the excess between the consideration transferred and the amount recognised for non-controlling interest over the fair value of the identifiable assets acquired, less liabilities assumed, is allocated to goodwill. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the Income Statement. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Acquisition-related costs are accounted for in the Income Statement as expenses in the period in which the costs are incurred except for such costs that shall be recorded in accordance with IAS 32 and IAS 39 (costs to issue debt or equity securities);
- if the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Consolidated Financial Statements present provisional amounts for the items for which the accounting is incomplete. The measurement period for the completion of the accounting does not exceed one year from the acquisition date. During the measurement period, the Company recognizes retrospectively the adjustments to the provisional amounts to reflect new information obtained about facts and circumstances that existed at the acquisition date and which, if known, would have affected the measurement of the amounts recognized at that date;
- the assets, liabilities, revenues and expenses of the consolidated companies have been consolidated on a line-by-line basis; non-controlling interests in shareholders' equity and net income are disclosed separately in the consolidated balance sheet and included in the consolidated Income Statement. Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance;
- when acquiring minority interests, the net assets are not valued at fair value. The difference between the consideration and the minority's share of the book value inclusive of goodwill is transferred from the minorities share of the equity to the share of the equity related to the shareholders of Greentech.
- if the Group loses control over a subsidiary, it:

  - derecognises the assets (including goodwill) and liabilities of the subsidiary;
  - derecognises the carrying amount of any non-controlling interest;
  - derecognises the cumulative translation differences, recorded in equity;
  - recognises the fair value of the consideration received;
  - recognises the fair value of any investment retained;
  - recognises any surplus or deficit in the Income Statement;
  - reclassifies the parent's share of components previously recognised in other comprehensive income to Income Statement or retained earnings, as appropriate;

Foreign currency translation
Functional currency and reporting currency
The Group determines a functional currency for each reporting entity in the Group. The functional currency is the currency used in the primary financial environment in which the individual reporting entity operates. Transactions in currencies other than the functional currency are foreign exchange transactions. The functional currency of the Parent company is Danish kroner (DKK), but out of consideration for the Group's international relations the Consolidated Financial Statements are presented in euro (EUR).

Translation to reporting currency
The Balance Sheet is translated to the reporting currency based on the EUR rate at the Balance Sheet date. The Income Statement is translated at the rate at the date of the transaction. An average rate for the year is used as the rate at the date of the transaction to the extent that this does not give materially different view.

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 recognized 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 exchange rate ruling at the date when the receivable or payable arose or the exchange rate applied in the most recent annual report is recognized in the Income Statement under financial income or financial expenses.

On consolidation of companies with functional currencies other than EUR, the Income Statement is translated at the exchange rates ruling at the transaction date, and the Balance Sheets is translated at the exchange rate ruling at the respective 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 from the translation of the opening equity of such companies at the exchange rate ruling at the Balance Sheet date and on the translation of the income statement from the exchange rate ruling at the transaction date to the exchange rate ruling at the Balance Sheet date are taken through other comprehensive income directly to equity under 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 EUR are recognized through other comprehensive income directly in equity in the Consolidated Financial Statements under a separate reserve for currency translation. 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 recognized through other comprehensive income directly in equity under a separate reserve for currency translation.

On recognition in the Consolidated Financial Statements of associates with a functional currency other than EUR, 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 from 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 recognized through other comprehensive income directly in equity under a separate reserve for currency translation.

Impairment of financial assets

At each reporting date, the Group assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has a reasonably estimated impact on the estimated future cash flow of the financial asset or the group of financial assets. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulties, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial restructuring and where observable data indicate that there is a measurable decrease in the estimated future cash flow, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortized cost
For financial assets carried at amortized cost, first the Group assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has incurred, the amount of the loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flow (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flow is discounted at the original effective interest rate of the financial asset. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the Income Statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the interest rate used to discount the future cash flow for the purpose of measuring the impairment loss.

The interest income is recorded as part of finance income in the Income Statement. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is adjusted to finance costs in the Income Statement.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the recoverable amount of the asset. The recoverable amount is the higher of the fair value of the asset or the cash-generating unit (CGU) less costs to sell, and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflow that is largely independent from the cash flow of other assets or groups of assets. If the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flow is discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time-value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses of continuing operations are recognized in the Income Statement in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, or CGU, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Income Statement unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Definitions

Earnings per share (EPS) and diluted earnings per share (D-EPS) are calculated according to IAS 33.

Other key ratios are calculated in accordance with "Recommendations and Ratios 2010" issued by the Danish Society of Financial Analysts.

Gross margin	$\frac{\text{Gross profit/loss x 100}}{\text{Revenue}}$
EBITDA margin	$\frac{\text{Earnings before interest, tax, depreciation and amortisation (EBITDA) x 100}}{\text{Revenue}}$
EBIT margin	$\frac{\text{Earnings before interest and tax x 100}}{\text{Revenue}}$
Equity ratio	$\frac{\text{Equity (end of year) excl minority interests x 100}}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit/loss x 100}}{\text{Average equity}}$
Earning Per Share Basic (EPS Basic)	$\frac{\text{Net profit/loss}}{\text{Average number of shares in circulation}}$

Net asset value per share (BVPS)	Equity / Number of shares, year end
Price/net asset value	Market price / BVPS
Net working capital (NWC)	Inventories + Trade Receivables + Other Current Assets - Trade Payables (excluding Trade Payables related to Assets Under Construction and current tax assets/ liabilities) Other Current Liabilities
Gearing ratio	Net interest-bearing debt / Equity incl minority interests
Return on invested capital (ROIC)	EBIT x 100 / Average invested capital
Invested capital	NWC + property, plant and equipment + intangible assets - other provisions - other non-current liabilities

2. Material accounting estimates and assessments

The calculation of the carrying amounts of certain assets and liabilities at the Balance Sheet date requires an estimate of how future events will affect the value of such assets and liabilities. Esti-mates vital to the financial reporting are made in the calculation of, inter alia, depreciation, amorti-sation and impairment losses, provisions as well as contingent liabilities and assets.

The estimates applied are based on assumptions which Management believes to be reasonable, but which are inherently uncertain and unpredictable. Such assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise afterwards. In addition, the Com-pany is subject to risks and uncertainties that may cause actual results to deviate from the esti-mates. Risk factors which are specific to the Group are described in Note 3.

To the extent possible, the notes to the financial statements disclose information about assump-tions regarding the future and other estimation uncertainties relating to estimates at the balance sheet date involving a considerable risk of changes that could lead to a material adjustment of the carrying amount of assets or liabilities within the upcoming financial year.

The accounting estimates which are relevant to the Management Board in the preparation of the Consolidated Financial Statements are described in notes 15, 23, 31 and 35.

3. Risk management

Special risks
Greentech's risk management activities apply to the individual projects and are 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 risk by diversifying its operations in several countries under different tariff systems, and in the individual countries, by diversifying its operations in different regions. Additionally, Greentech seeks to manage its overall risk by a diversification in the technologies applied.

Greentech carefully evaluates every single project offered to the Company before committing resources to such project. The evaluation is formalized to a comprehensive screening of weather 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. Greentech will only proceed with actual project development if the preceding screening does not reveal factors that ould directly prevent the project from being completed. In spite of this thorough screening process, there will always be risks related to the Company's activities.
Greentech's activities cover the following four phases:

1) Project development
2) Construction of renewable energy projects
3) Operation of renewable energy projects
4) Acquisition of renewable energy projects

The specific risks related to the four phases are reviewed below. 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 prioritized.

Project development
The development of a renewable energy project often takes three to seven years, and during that period the permits which are required in the relevant country to allow for the installation of renewable energy projects 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 or a region 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.

Local collaboration partners
Greentech selects and develops projects in collaboration with local partners, and the Company therefore depends on collaboration with the local partners, who are often in charge of the technical design of the project to ensure compliance with local norms and standards 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.

Limitations concerning number of sites
Political decision-makers often impose a cap on how much output capacity 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 production. This is especially relevant in Poland. Accordingly, there is a risk that project development is delayed or that the Company will have to reduce the capacity of a given project.

Weather conditions at project sites
The weather conditions at a given site are essential for the profitability of a project. Following the conclusion of a screening process as described above, most often the weather data available will be from reference measurements in the area. As one of the first steps in the development process of a wind farm, Greentech mounts wind measurement masts at the individual sites. When these measurement masts have recorded wind data for a period of 12 months, the data is reviewed and compared with the reference data. Same measurement process is done for solar projects, using pyranometers.

Such evaluation may lead to a conclusion that wind or solar conditions at a specific site deviate so radically from the reference measurements that the project would not be profitable and therefore has to be abandoned, even though it actually passed the screening test.

Construction of renewable energy projects
Risks during the construction phase are mainly related to delays in contract work, problems relating to grid connection, delayed delivery of wind turbines/solar panels and financing issues.

Delivery conditions
During the construction of its renewable energy project, the Company may

encounter a number of impediments such as unfavourable weather conditions, grid connection problems, non-delivery or difficult transport conditions. The construction of a renewable energy project 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.

For the construction of a wind farm Greentech normally signs three types of contracts, i.e. for construction work, electrical work and supply/installation of turbines, as dividing contracts into these categories, in the Company's opinion, is the best way of managing the individual activities. However, if sub-contractors fail to deliver or are prevented from meeting the agreed time schedules due to the weather or parallel activities from other players at the site, this could cause a significant delay in the completion of a wind farm. 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 minimize such risks and to interfere with potential delays at a very early stage. This is done through very tight project management where Greentech's construction unit works closely together with local engineers and technical advisers. Detailed time and delivery schedules are prepared which are approved by the individual supplier and all schedules are checked against the actual status at regular construction and project meetings. In future Greentech will strengthen this control by extending local construction units.

Greentech uses internal resources for the construction of solar projects. This does not minimise the risk of delays from sub-suppliers or unfavourable wind conditions, but experience shows that this strategy ensures a higher extent of flexibility and, consequently, it is possible to limit any delays. It moreover ensures that the work performed constructing the solar plants is of a better quality than that performed when a third party is contracted.

Financing
Renewable energy projects are very capital intensive activities requiring the Company's procurement of financing in order to realize the individual projects. As an overall objective Greentech wants to secure this financing before the construction activities are commenced. Such a financial package will in the future often consist of a 70-80% project financing of the total investment obtained from one or several international banks and the Company's financing of the remaining part.

The Company will also to a great extent construct and operate projects in joint ventures with large international/national players in the market. This will partly improve the possibility of obtaining favourable financing and partly limit equity financing required by the Company.

If the Company cannot obtain satisfactory financing, the commencement of construction will at first be postponed. Long postponements may ultimately imply the abandonment of a project or that all of the project or parts of it will have to be sold. The present conditions of the international capital markets have obstructed the procurement of project financing.

Additional costs
Completion of major construction projects are often subject to uncertainty as to the overall investment. Most often, some aspects of the contracts can only be priced as the project progresses. For example, there may be geological conditions that require load-bearing structures to be reinforced or transport issues such as conditions at a site making it necessary to source equipment that had not been foreseen when the contract was signed.

Such conditions may result in extra costs for the project that would most often have to be covered by the project company involved or by Greentech. The Company seeks to minimize such risks by preparing detailed tender documents and ensuring strict construction management.

Operation of renewable energy projects

The risks of operating renewable energy projects basically relate to the climate, the mechanical operations of the wind turbines/solar panels, credit risk related to the buyer of electricity and green certificates, political risks and variations in tariffs.

Risks relating to the climate
Weather conditions may vary and impact production and thereby earnings in the individual plant. To minimize this risk, the Company only commences projects for which weather conditions have been analyzed with data covering a period of not less than 12 months. Often, there will also be weather data generated by reference measuring stations over a longer period to support the data measured. Even with lengthy weather measurements, however, and under normal operations of the projects, changes will occur in weather conditions, which may affect the results of individual years.

Operating risks relating to the renewable energy projects
Operating disruptions may occur resulting in the projects not generating power for short or long periods of time.
Greentech seeks to minimize this risk by concluding current service 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 organization in the country where the turbines are to be installed.

During the service and maintenance period, the wind turbine supplier also guarantees that the turbines are available for production typically 95-97% of the time. Where this is not the case, the wind turbine supplier is liable to pay compensation.

Greentech has an internal service organisation handling the solar projects. Greentech has implemented its own monitoring system of solar projects, which gives complete control of the actual operating status and performance of each project. This system enables immediate action if operating issues arise and, consequently, minimises any loss of production.

Greentech's renewable energy projects are insured against consequential losses. Typical consequential loss insurance covers production loss due to technical problems with a deductible for the first 48-120 hours. The consequential loss is calculated on the basis of production figures from other power-generating units in the project. The insurance does not cover consequential loss due to lack of wind/solar, grid errors, grid failure, repairs and other disturbances that may reduce the output capacity of the project.

Credit risk related to the buyer
In Germany and Poland, the electricity generated by the 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 Denmark, the electricity is sold at government-stipulated rates to the existing system, which does not give rise to any settlement risk. In Italy, electricity generated by renewable projects is sold through a power exchange, where only players who meet their obligations may participate. Greentech considers this to be an acceptable credit risk.

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.

In Spain, the electricity generated by the renewable energy projects is sold to the power companies that are bound to buy the energy at the Spanish Government stipulated feed-in-tariff. The power companies are counter guaranteed by the Government and therefore this is considered as being a country risk.

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 of wind are subsidized 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. This also applies to Spain as well as solar projects in Italy where subsidisation takes place by way of guaranteed tariffs for the life of the project. If the rules on allocation and settlement of green certificates are changed, this could impact the Company's income base.

In Spain, the recent law 24/2013 has affected the energy sector. For further information on the impact on the Company's activities, please refer to Note 15.

Variations in settlement prices
A wind farm is estimated to have a technical lifetime of 20 years and a solar project is estimated to have a technical lifetime of 25 - 30 years.

Naturally, investment calculations for such a long time horizon must be based on a number of assumptions, such as developments in settlement prices. The German and Spanish wind turbines are subject to the domestic national system, which generally stipulates a fixed settlement price for the first 20 years of a turbine's lifetime. The Company's Danish turbines are subject to the transition rules of 1999 which stipulate a variable price structure for a 20-year period. This also applies to solar projects in Italy and Spain where subsidisation takes place by way of guaranteed tariffs for a period of 20 in Italy and 28 years in Spain. The systems applied in Poland and Italy, on the other hand, are to a large extent market-driven, which may cause fluctuations in tariffs.

In Italy, the Resolution AEEG 281/12 and 493/2012/R introduced the payment of imbalance costs for intermittent energy sources and the AEEG Resolution 618/2013, eliminated the minimum guaranteed price for solar assets under 1MW. For further information, please refer to Note 15.

Acquisition of renewable energy projects

Greentech has a strategy of making acquisitions of operating renewable energy projects and possibly also development projects. Acquisition may take place by way of acquiring individual projects or by way of acquisition of/merger with companies with portfolios of renewable energy projects. Risks arising during the acquisition process concern primarily access to information, regulatory requirements, possibility of transferring rights/financing, etc, determination of acquisition price and price structure as well as expenses incurred with respect to the acquisition activities.

Access to and possibility of information verification

Especially in connection with acquisition of companies there may in some cases be limits to the scope of information available with respect to technical, legal, tax and financial matters. Limits may also be encountered with respect to the possibility of having such information verified. This may result in material risk related to the calculation of the expected yield from a possible investment.

Greentech has a carefully prepared procedure in place for assessing potential acquisition targets and has specific requirements for information, the assessment of such information as well as testing/verification of the information. The Company has moreover developed calculation models for the financial assessment of projects which can simulate any uncertainty of the information received or lacking.

Regulatory requirements

In connection with the acquisition of a single project there may be local regulatory requirements concerning the transfer of the title to the projects related to rights of the use of land, connection to the electricity grid or guaranteed tariffs. Transfer of such matters is decisive to the profitability of a project.

In connection with the acquisition of companies the above matters may also apply and there may moreover be regulatory requirements by way of competition laws, duty to prepare prospectuses, redemption offers, etc.

During all acquisition processes Greentech will lever on the assistance from well-esteemed local legal advisers with special competence within this field. This ensures that Greentech can optimise a potential take-over and ensure that terms and conditions are incorporated into agreements to buy which make it possible to make an acquisition conditional on regulatory acceptance.

Possibility of transfer of rights/financing

Any take-over of projects or companies may involve a number of agreements including especially service and maintenance agreements, production sales agreements as well as financing arrangements containing special clauses which cause difficulties in taking over the project/company in question. The transfer of such agreements is decisive to the profitability of the project.

Determination of acquisition price and price structure

To the extent possible, Greentech wants to effect acquisitions by applying the Company's share capital especially in connection with acquisition of companies. As the Company's share price may be volatile and the seller may have special requirements as to the liquidity of Greentech's shares, this may have a material impact on the profitability of the investment made.

When acquiring Greentech will, as soon as it is possible, determine the possible price structure as well as the market price and number of shares to be used for the acquisition in question. This minimises the risk of fluctuations in the yield of the investment made.

Expenses incurred for acquisition activities

In connection with acquisition of specifically companies the Company uses a number of external consultants represented by technical, legal and financial experts. Although fee agreements are concluded in contracting such experts, budget overrun may occur due to significant increase in scope of work or additional regulatory requirements. This may result in reduced profitability of the investment made.

General risks

Intellectual capital

The Company's core competences involve project evaluation, project development and construction management, financial engineering and operating renewable energy projects. 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. At the same time, Greentech seeks to reduce its dependence on these key employees by strengthening the organization and recruiting new specialists in Denmark, Italy, Spain and Poland. To date, Greentech has not encountered difficulties in recruiting employees, but it should be emphasized that Greentech has a number of employees, each of whom are specialists in their respective fields.

Interest rate risk

Rises in interest rates may harm the profitability of individual projects, because 50-80% of the project sum is debt-funded. Thus, the policy of the Company is to conclude interest rate hedge agreements to minimize this risk.

Therefore, when concluding large project financing agreements the Company also concludes a so-called "hedge agreement" which ensures that the interest rate only fluctuates by a small spread of usually 2-2.5%, or a fixed-interest rate agreement is concluded. Refer to Note 31.

Currency risks

There is a sound currency equilibrium in Greentech's cash inflows and outflows and between assets and liabilities. 0.2% of Greentech's net interest-bearing debt is denominated in DKK, 99.7% in EUR and 0.1% 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 risk is therefore exclusively a presentation risk arising as a result of Greentech preparing its financial statements in EURO, while a growing part of its income, expenses and investments are denominated in other currencies, mainly PLN (Poland) and DKK (Denmark). 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. Refer to Note 31.

Environmental risks

There are no special environmental risks related to Greentech's activities. On the contrary, wind power contributes to a cleaner and better environment. All projects require local environmental approval, which ensures that the Company acts in accordance with applicable legislation.

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 or solar plants.

Research and development activities

Greentech only has research and development activities related to the Company's environmental activities including especially water treatment processes. Research and development expenses incurred are limited and, consequently, the Company does not consider any related risk material. Greentech moreover uses the latest knowhow of wind turbine/solar panel manufacturers and other business partners.

4. Segment information

Acounting policy

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, net of discounts, rebates, and sales taxes or duty.

Sales of goods

Income from sales of goods is recognized upon appropriate transfer of ownership.

Sales of electricity

Revenue from the sales 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 domestic laws applicable in the country where it is produced.

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

Rendering of services

Revenues from services rendered are recognized in the Income Statement according to the stage of completion of the service and only when the outcome of the service rendered can be estimated reliably.

Production costs

Production costs comprise the costs incurred to obtain the revenue for the year. Cost comprises 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.

Segments Information

Segment reporting is made in respect of different technologies, which are the Group primary segments. Segments are based on the management structure and internal financial reporting system as determined by the Management Board. Segment information has been prepared in accordance with the Group accounting policies.

Segment income and segment costs as well as segment assets and liabilities comprise those items that can be directly attributed to each individual segment on a reliable basis.

	Wind		Solar		Environment		Other		Group	
EUR'000	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Revenue	45,218	27,278	22,560	23,459	5,905	7,518	208	1,608	73,891	59,863
EBITDA	33,865	20,030	15,870	18,291	-305	26	-4,870	-6,632	44,560	31,715
Operating profit/loss (EBIT)	15,067	7,400	8,806	9,170	-633	519	-5,597	-10,883	17,643	6,206
Profit/loss before tax	2,687	-5,447	1,239	520	-812	330	-606	-2,881	2,508	-7,478
Profit/loss for the year	2,410	-6,876	15	-967	-874	116	-153	-5,547	1,398	-13,274
Non-current assets	308,756	335,761	162,466	160,933	4,790	4,537	3,901	10,166	479,913	511,397
–of which shares in associates	3,945	3,849	0	0	0	0	0	0	3,945	3,849
Addition, fixed assets	1,372	89,685	4,718	6,397	694	1,246	864	722	7,648	98,050
Depreciation	17,768	11,560	8,172	7,810	328	304	727	725	26,995	20,399
Impairment	-1,126	-3,530	-398	-336	0	0	0	0	-1,524	-3,866
Impairment, reversal of prior year	0	0	1,506	0	0	797	0	0	1,506	797
Current assets	36,665	37,579	16,326	19,728	8,023	10,366	18,665	16,673	79,679	84,346
Assets classified as held for sale	0	0	0	0	0	0	771	1,971	771	1,971
Segment assets	345,421	373,340	178,792	180,661	12,813	14,903	23,337	28,810	560,363	597,714
Segment liabilities	184,245	213,823	149,353	162,553	3,718	5,462	2,342	3,768	339,658	385,606
Average number of employees	8	10	5	5	27	28	39	45	79	88
Number of employees	7	8	5	5	28	27	38	43	78	83

The above segments represent the Group's operating segments. "Other" includes administrative expenses and all development and construction activities that cannot be allocated to segments.

There are no material transactions between the reporting segments, and the revenue listed for the segments is therefore external revenue. All eliminated intra-group transactions are included in "Other" and amount to EUR 1,391K (2012: 1,648K).

The following table presents a view of intangible and tangible assets and revenue by geography.

	Intangible and tangible assets		Revenue	
EUR'000	2013	2012	2013	2012
Italy	308,968	320,909	58,461	44,744
Spain	81,041	86,433	11,179	9,799
Germany	9,563	11,030	2,779	2,609
Denmark	6,196	6,730	1,159	2,396
Poland	9,397	9,645	313	315
Total	**415,165**	**434,747**	**73,891**	**59,863**

No customer represents more than 10% of revenue in the Environment segment.

For Wind and Solar segments, such information is not applicable since there is no private customer and the revenue is fully originated by the sales of electricity to the domestic grid operator.

5. Production costs and administrative expenses

Staff costs	Group		Parent Company	
EUR'000	2013	2012	2013	2012
Wages and salaries	5,461	6,128	1,456	1,387
Severance pay	0	1,534	0	1,534
Pensions	193	272	21	50
Other social security costs	1,092	1,190	9	12
Total staff costs	**6,746**	**9,124**	**1,486**	**2,983**
Board of Directors (remuneration)	337	280	337	280
Management (salary)	731	1,166	731	1,166
Management (provision for potential and paid bonus)	275	-205	275	-205
Management (severance pay)	0	1,534	0	1,534
Management (pension)	0	62	0	62
Total remuneration to Board of Directors and Management	**1,343**	**2,837**	**1,343**	**2,837**
Staff costs are recognised as follows:				
Production costs	1,693	2,202	0	78
Administrative expenses	5,053	6,922	1,486	2,905
Average number of employees	79	88	4	8
Number of employees	78	83	6	7
- Of which consultants	9	8	0	0
- Of which employee under notice	0	1	0	1

The payment of seveance compensation is mainly related to the resignation of the CFO and COO in 2012. The severance payment is included in the special itmes. See Note 10 for further information.

Depreciation	Group		Parent Company	
EUR'000	2013	2012	2013	2012
Depreciation is recognised as follows:				
Production costs	26,053	19,442	712	713
Administrative expenses	942	957	59	59
	26,995	20,399	771	772

For depreciation allocated on assets see Note 15.

6. Fee to auditors appointed at the General Meeting

	Group		Parent Company	
EUR'000	2013	2012	2013	2012
Ernst & Young:				
Audit services	427	487	158	214
Assurance engagements other than audits	0	0	0	0
Tax advice	47	5	47	5
Non-audit services	154	64	4	11
	628	556	209	230

7. Investment in associates

Accounting policy
Investments in associates are measured using the equity method.
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. See also note 14.

	Group	
Summary financial information - 100%	2013	2012
Revenue	2,804	21,460
EBITDA	1,592	13,738
EBIT	582	4,574
Profit for the year	192	2,968
GES Group' share of the profit for the year	96	1,484

8. Financial income

Accounting policy

Interest income and expenses

Financial income and Financial expenses comprise interest income and interest costs, as well as realized and unrealized foreign exchange gains and losses. Financial income and Financial expenses also include fair value adjustmnet of derivatives used to hedge liabilities, and income and costs relating to cash flow hedges that are transferred from Other comprehensive income on realization of the hedged item.

Dividends

Revenue is recognised when the dividend is declared and approved by the General Meeting.

	Group		Parent Company	
EUR'000	2013	2012	2013	2012
Interest on receivables from subsidiaries	0	0	4,137	6.338
Interest on receivables from associates	310	420	0	20
Interest on bank account	530	699	6	38
Interest income	840	1,119	4,143	6,396
Exchange adjustment	22	796	0	672
Fair value adjustment of financial instruments	301	-861	0	0
Dividend from subsidiaries	0	0	1,093	45,463
Impairment of subsidiaries related to the received dividend	0	0	-1,035	-45,265
Total financial income	1,163	1,054	4,201	7,266

9. Financial expenses

	Group		Parent Company	
EUR'000	2013	2012	2013	2012
Interest on payables to associates/subsidiaries	44	0	49	1,702
Interest on bank loans	8,885	14,334	46	95
Fair value adjustment of financial instruments	5,930	-852	0	0
Interest expenses	14,859	13,482	95	1,797
Exchange adjustment	93	0	93	0
Interest on financial leasing contracts	1,330	1,211	0	0
Bank expenses	16	45	13	13
Total financial expenses	16,298	14,738	201	1,810

10. Special items

Accounting policy

Special items constitute one-off items of income and expenses which cannot be attributed directly to the ordinary operating activities of the Group but arise from fundamental changes in the structure, the perimeter or the processes of the Group and any associated gains or losses.

Management carefully considers such changes in order to ensure that accurate distinction is made between the operating activities and the restructuring activities of the Group which are carried out to enhance the future profitability of the Group.

	Group		Parent Company	
EUR'000	2013	2012	2013	2012
Cost related to the takeover bid on Fersa Energias Renovables	0	1,879	0	1,879
Severance payment	0	1,646	0	1,646
	0	3,525	0	3,525

11. Tax on Income Statement for the year

Accounting policy
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 recognized in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity. 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 taxable income for prior years and for tax paid under the on-account tax scheme.

The Parent Company is taxed jointly with all its Danish subsidiaries. The current Danish income tax liability is allocated among the subsidiaries of the tax pool in proportion to their taxable income. Subsidiaries utilizing tax losses from other subsidiaries pay joint taxation contributions to the Parent company equal to the tax value of the utilized losses, while subsidiaries whose tax losses are utilized by other subsidiaries receive joint taxation contributions from the Parent Company equal to the tax value of the utilized losses (full allocation).

The jointly taxed subsidiaries pay tax under the Danish on-account tax scheme. A tax consolidation exsists also in Italy, at GWM RE S.p.A. sub-group level.

	Group		Parent Company	
EUR'000	2013	2012	2013	2012
Tax on profit/loss for the year	-1,110	-5,796	-293	-434
Total taxes for the year	**-1,110**	**-5,796**	**-293**	**-434**
Tax on profit/loss for the year is calculated as follows:				
Current tax	-3,514	-3,216	-283	-214
Adjustment of deferred tax assets from prior years	-6	-3,643	35	69
Deferred tax adjustment	2,410	1,063	-45	-289
Tax effect of	**-1,110**	**-5,796**	**-293**	**-434**
Tax on profit/loss for the year is specified as follows:				
Calculated 25% tax of profit/loss for the year	-627	1,870	2,413	2,369
Adjustment of calculated tax in foreign group enterprises as compared to 25%	-176	523	0	0
Tax effect of				
Other non-deductible expenses/taxable income	1,026	-4,603	-2,741	-2,872
Adjustment of deferred tax assets	-1,327	-3,643	0	0
Adjustment of tax concerning prior years	-6	57	35	69
	-1,110	**-5,796**	**-293**	**-434**

12. Earnings per share

Accounting policy
Earnings Per Share (EPS) and Diluted Earnings Per Share (D-EPS) are calculated in accordance with IAS 33, as follows:

Earnings per outstanding shares (EPS)

$$\frac{\text{Profit attributed to equity holders of Greentech Energy Systems A/S}}{\text{Average number of outstanding shares}}$$

Diluted earnings per outstanding shares (D-EPS)

$$\frac{\text{Profit attributed to equity holders of Greentech Energy Systems A/S}}{\text{Diluted average number of outstanding shares}}$$

	Group	
	2013	2012
Profit/loss for the year (EUR'000)	1,398	-13,274
Average number of shares	101,404,743	101,404,743
EPS (EUR)	**0.01**	**-0.13**
D-EPS (EUR)	**0.01**	**-0.13**

13. Investments in subsidiaries

Accounting policy

Investments in subsidiaries and associates in the Parent Company's Financial Statements

Investments in subsidiaries and associates are measured at cost reduced by impairment write-downs. Where cost exceeds the recoverable amount, the investment is written down to this lower amount.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportional share of the amounts previously recognized in other comprehensive income are reclassified to Income Statement, if appropriate.

EUR'000	Parent Company 2013	Parent Company 2012
Cost at 1 January	246,158	223,728
Exchange adjustment	-23	-647
Additions	40,859	23,681
Transferred to assets classified as held for sale	0	-604
Transferred to investment in associates and joint ventures	-2,170	0
Disposals	-3,270	0
Cost at 31 December	**281,554**	**246,158**
Impairment loss at 1 January	96,140	54,342
Exchange adjustment	-12	0
Disposal	-3,282	0
Impairment loss for the year related to received dividends	1,035	45,265
Impairment, reversal of prior year impairment	0	-3,724
Impairment loss for the year	11,637	257
Impairment loss at 31 December	105,518	96,140
Carrying amount at 31 December	**176,036**	**150,018**

Additions relate to debt conversion and capital increase.
In the Parent Company impairment tests have been made in order to assess the value of the investments in subsidiaries.
An impairmnet write-down of EUR 11.637K (2012: EUR 257K) as well as a reversal of prior year impairment write-down EUR 3,724K has been made.
The impairment write-down for 2013 relates to Italian Wind and Solar assets.
Refer to Note 15 for assumptions applied.

The calculated value for some subsidiaries is close or equal to the carrying amount. If the assumptions applied in the impairmnet were to change negatively regarding production, prices or WACC there would be a need for a further impairment write-down of the investment in these subsidiaries or in the loans.

14. Investments in associates and joint ventures

Accounting policy

Investment in associates

IInvestments in associates are measured at cost in the Parent Company and using the equity method at Group level.
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.
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 EUR 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.

Interest in joint ventures

The Group has investments in joint ventures which are joint arrangements over which none of the participating parties exercises control.
Until end of 2013, joint arrangements were recognised by proportional consolidation in the Consolidated Financial Statements. The investment was measured as joint arrangement at cost in the Parent Company Financial Statements. Write-down is made when the recoverable amount is lower than the carrying amount.

EUR'000	Group 2013	Group 2012	Parent Company 2013	Parent Company 2012
Cost at 1 January	3,762	33,541	37,504	38,943
Exchange adjustment	0	0	0	-120
Additions	0	2	0	0
Transferred to pro-rata consolidation	0	-28,247	0	0
Transferred from investment in subsidiaries	0	0	2,170	0
Transferred to assets classified as held for sale	0	-1,534	0	-1,319
Cost at 31 December	**3,762**	**3,762**	**39,674**	**37,504**
Adjustments at 1 January	87	-753	-11,172	-5,798
Exchange adjustment	0	81	1	4
Transferred to pro-rate consolidation	0	-898	0	0
Transferred to assets classified as held for sale	0	173	0	0
Impairment for the year	0	0	0	-5,378
Profit/loss for the year	96	1,484	0	0
Adjustments at 31 December	**183**	**87**	**-11,171**	**-11,172**
Carrying amount at 31 December	**3,945**	**3,849**	**28,503**	**26,332**

Greentech Monte Grighine Srl*

	2013	2012
Registered office	Italy	Italy
Ownership	50%	50%
Revenue (Greentech' share)	11,475	9,072
EBITDA (Greentech' share)	9,002	5,811
EBIT (Greentech' share)	4,862	1,733
Profit for the year (Greentech' share)	1,488	1,195
Assets (Greentech' share)	85,040	87,636
Liabilities (Greentech' share)	52,458	56,829
Equity (Greentech'share)	32,582	30,807

La Castilleja Energia S.L.U. (Global Litator S.L.)*

	2013	2012
Registered office	Spain	Spain
Ownership	50,03%	50,03%
Revenue (Greentech' share)	3,403	3,000
EBITDA (Greentech' share)	2,794	2,876
EBIT (Greentech' share)	1,072	1,184
Profit for the year (Greentech' share)	-353	-504
Assets (Greentech' share)	32,336	39,836
Liabilities (Greentech' share)	33,954	41,614
Equity (Greentech' share)	-1,618	-1,778

Parco Eolico Pugliese Srl

	2013	2012
Registered office	Italy	Italy
Ownership	50%	50%
Revenue (Greentech' share)	0	0
EBITDA (Greentech' share)	-17	-1
EBIT (Greentech' share)	-17	-1
Loss for the year (Greentech' share)	-17	-1
Assets (Greentech' share)	45	5
Liabilities (Greentech' share)	59	2
Equity (Greentech' share)	-14	3

Wormlage Windenergieanlagen GmbH & Co KG

	2013	2012
Registered office	Germany	Germany
Ownership	50%	50%
Revenue (Greentech' share)	935	1,087
EBITDA (Greentech' share)	467	640
EBIT (Greentech' share)	156	329
Profit for the year (Greentech' share)	47	192
Assets (Greentech' share)	4,757	4,707
Liabilities (Greentech' share)	2,250	2,248
Equity (Greentech' share)	2,507	2,459

Tiefenthal Windenergieanlagen GmbH & Co KG

	2013	2012
Registered office	Germany	Germany
Ownership	50%	50%
Revenue (Greentech' share)	504	571
EBITDA (Greentech' share)	346	419
EBIT (Greentech' share)	152	226
Profit for the year (Greentech' share)	66	98
Assets (Greentech' share)	5,873	6,364
Liabilities (Greentech' share)	4,421	4,977
Equity (Greentech' share)	1,452	1,387

* Both Greentech Monte Grighine S.r.l. and La Castilleja S.L.U. (GlobalLitator S.L.) are pro rate consolidated in the Group. However both companies are considered as associates in the Parent Company.

The data provided have been adjusted to the level at which they are recognised in the Consolidated Financial Statements. Not all data are publicly available, as not all companies have a duty of disclosure.

As at 31 December 2013, Management performed an impairment test of the carrying amount of investments in associates.
The impairment test shows no need for an impairment write-down of investment in associates at group level or in the Parent Company (2012: EUR 5,378K).

15. Intangible assets, property, plant and equipment

Accounting policy

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 components that are depreciated separately if the useful lives of each component varies significantly.

Subsequent expenses (e.g. for replacing components of an asset) are recognised in the carrying amount of the related asset when it is probable that the expense will lead to future economic benefits for 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 life of the assets/components as follows:

Category	Useful life
Land and buildings	20 years
Wind turbines	10-20 years
Solar plants	20 years
Equipment	3–13 years

The basis of depreciation is calculated with due consideration to the asset scrap value, reduced by any impairment losses. The scrap value is determined at the date of acquisition and revalued each year. When 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 deprecation is not included in the cost of assets of own construction.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Intangible assets

An intangible asset is recognized if it is probable that the expected future economic benefits attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are measured at cost, including all direct attributable costs relating to their acquisition or their utilization. Intangible assets acquired in a business combination are measured at fair value at the acquisition date. Following initial recognition, intangible assets are carried at cost less any accumulated depreciation and any accumulated impairment losses.

Each intangible asset has either definite or indefinite useful life. Intangible assets with definite useful lives are depreciated on a systematic basis reflecting the pattern of use over their estimated useful life; if the pattern of use cannot be determined reliably, a straight-line basis is used.
The depreciation period and method is reviewed at least once a year, at closing date. Changes in the expected useful life or in the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the depreciation period or method, as appropriate, and are treated as changes in accounting estimates.

The carrying value of assets with definite useful lives is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Impairment losses are reversed in case of changes in circumstances that determined the initial impairment. The Group does not have any intangible asset with indefinite useful life.

A summary of the policies applied to the main intangible assets is as follows:

Concession & Rights	Useful life of 20 years;
	Depreciated on a straight-line basis for the shortest of:
	- Legal period of contract;
	- Expected period of utilization.

2013	Group					
EUR'000	Goodwill	Other intangible assets	Land and buildings	Plant and machinery	Equipment	Plant and machinery under-construction
Cost at 1 January 2013	9,111	55,274	2,795	413,759	1,669	826
Exchange adjustment	0	0	0	-18	-2	-57
Addition	134	751	548	1,892	543	418
Addition from business combination	-189	0	0	3,551	0	0
Disposals	0	-71	0	-266	-147	-385
Cost at 31 December 2013	**9,056**	**55,954**	**3,343**	**418,918**	**2,063**	**802**
Depreciation at 1 January 2013	5,436	8,060	11	34,736	373	71
Exchange adjustment	0	0	0	-2	0	18
Re-classification	-332	568	0	-680	0	0
Disposals	0	-7	0	-32	-95	0
Impairment for the year	398	1,126	0	0	0	0
Impairment, reversal from prior year	0	-813	0	-693	0	0
Depreciation	0	2,853	24	23,594	357	0
Depreciation at 31 December 2013	5,502	11,787	35	56,923	635	89
Carrying amount at 31 December 2013	**3,554**	**44,167**	**3,308**	**361,995**	**1,428**	**713**
Hereof financial leased plants and machinery				**32,040**		
The carrying amount can be specified as follows:						
Wind	2,549	29,060	0	232,867	56	713
Solar	923	14,034	1,756	129,128	6	0
Environmnet	82	1,073	1,552	0	474	0
Other	0	0	0	0	892	0
	3,554	**44,167**	**3,308**	**361,995**	**1,428**	**713**
Depreciated over	N/A	20 years	20 years	20 years	3-13 years	N/A

2012	Group					
EUR'000	Goodwill	Other intangible assets	Land and buildings	Plant and machinery	Equipment	Plant and machinery under-construction
Cost at 1 January 2012	8672	54,952	2,769	305,871	1,863	11,828
Exchange adjustment	0	0	0	71	7	319
Additions	168	283	60	11,111	216	10,593
Additions from business combination	271	39	0	5,824	0	0
Additions from change in consolidation per i meter	0	0	0	69,466	19	0
Disposals	0	0	-34	-498	-436	0
Transfer of wind turbines under construction to plant and machinery	0	0	0	21.914	0	-21.914
Cost at 31 December 2012	**9,111**	**55,274**	**2,795**	**413,759**	**1,669**	**826**
Depreciation at 1 January 2012	5,436	1,923	0	17,858	320	71
Exchange adjustment	0	0	0	3	-1	0
Re-classification	0	708	0	-708	0	0
Disposals	0	0	0	-93	-299	0
Impairment for the year	0	3,531	0	336	0	0
Impairment, reversal from prior year	0	-797	0	0	0	0
Depreciation	0	2,695	11	17,340	353	0
Depreciation at 31 December 2012	5,436	8,060	11	34,736	373	71
Carrying amount at 31 December 2012	**3,675**	**47,214**	**2,784**	**379,023**	**1,296**	**755**
Hereof financial leased plants and machinery				**30,119**		
The carrying amount can be specified as follows:						
Wind	2,328	32,586	0	247,052	30	755
Solar	978	13,399	1,756	131,971	3	0
Environmnet	369	1,229	1,028	0	542	0
Other	0	0	0	0	721	0
	3,675	**47,214**	**2,784**	**379,023**	**1,296**	**755**
Depreciated over	N/A	20 years	20 years	20 years	3-13 years	N/A

Other intangible assets relate to authorizations and connection rights.

2013	Parent Company	
EUR'000	Plant and machinery	Equipment
Cost at 1 January 2013	17,526	586
Additions	0	301
Disposals	0	-1
Cost at 31 December 2013	**17,526**	**886**
Depreciation at 1 January 2013	11,525	349
Disposals	0	-1
Depreciation	712	59
Depreciation at 31 December 2013	12,237	407
Carrying amount at 31 December 2013	**5,289**	**479**
The carrying amount can be specified as follows:		
Wind	5,289	0
Other	0	479
	5,289	**479**
Depreciated over	20 years	3-13 years

2012	Parent Company	
EUR'000	Plant and machinery	Equipment
Cost at 1 January 2012	17,549	544
Exchange adjustment	-23	-1
Additions	0	43
Cost at 31 December 2012	**17,526**	**586**
Depreciation at 1 January 2012	10,813	290
Exchange adjustment	-1	0
Depreciation	713	59
Depreciation at 31 December 2012	11,525	349
Carrying amount at 31 December 2012	**6,001**	**237**
The carrying amount can be specified as follows:		
Wind	6,001	0
Other	0	237
	6,001	**237**
Depreciated over	20 years	3-13 years

Impairment of non-financial assets and sensitivity analysis.

Accounting policy

An impairment exists when the carrying value of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, which is the highest of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from sales transactions at arm's length of similar assets or observable market prices less incremental costs for the disposal of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flow deriving from the long-term industrial plan for the next years does not include restructuring activities that the Group is not yet committed to or significant future investments/capital expenditures that would enhance the asset's performance of the CGU being tested.

Impairment test and sensitivity analysis

At year end, based on the DCF model, the Management has performed an impairment test of the carrying amount of, intangible assets including goodwill, property, plant and equipment and investment in associates, at consolidated level. At Parent Company level, the Management has performed an impairment test of the carrying amount of investment in subsidiaries, investment in associates and other non-current financial assets.
The discount rate utilized for the DCF model is the Weighted Average Cost of Capital (WACC) after tax. When differentiating the elements that compose the WAAC, country-specific risks (stability in tariffs, interest rate levels, 180-days average risk-free interest rate in order to reduce the volatility, etc.) are taken into consideration. For projects under construction, the percentage of completion of the project is assessed, including the risk of budget overruns, delays, etc. If the project is close to completion and commissioning and the risk of budget overruns is very limited, a WACC is applied as for projects in operation in the same country, although at the high end of the range.
In 2013, the WACC for Greentech ranges from 5.2% to 6.3% for wind and solar projects in operation, and from 9.3% to 9.7% for assets under development. The WACC for the Environment segment is 8,6%.
The table below shows the WACC pre-tax and post-tax applied in 2012 and 2013.

WACC	Dec. 2012		Dec. 2013	
	Post - tax	Pre - tax	Post - tax	Pre - tax
Solar Italy	6.0%	7.1%	6.1%	6.7%
Solar Spain	6.4%	7.7%	6.2%	7.0%
Gruppo Zilio	8.9%	8.9%	8.6%	8.6%
Wind Spain	6.0%	7.3%	6.1%	7.0%
Wind Denmark	5.0%	6.2%	5.3%	6.3%
Wind Germany	5.3%	6.6%	5.2%	6.3%
Wind Poland (Op.)	7.1%	8.0%	6.3%	7.1%
Wind Poland (Dev.)	10.4%	11.4%	9.7%	10.4%
Wind Italy (Op.)	6.6%	9.0%	5.9%	7.0%
Wind Italy (Dev.)	10.2%	11.6%	9.3%	10.8%

Overall, the WAAC applied has decreased following to the improvement of the economic environment, especially in Italy and Spain.

The recoverable amount for Wind and Solar assets is based on the long-term industrial plan approved by the Management over 20 years, without any terminal value. The recoverable amount for Environment segment is based on a 3-year business plan approved by the Management, without any growth rate applied to the terminal value.

Here below, we describe the main assumptions underlying the long-term industrial plan for Wind and Solar assets, as well as those for the Environment segment.

Revenues

The revenues for the Wind segment are based on estimate of production of all wind farms (P75 scenario) prepared by technical consultants for Italian and Spanish plants, and on the average of historical production for Danish, Germans and Polish plants. The revenues for the Solar segment are based on estimate of irradiance as per historical data and on the minimum guaranteed Performance Ratio as per O&M contracts.

Concerning the tariffs to be applied to the production estimate, for Green Certificates and Feed-in Tariffs, we consider each national legislation and the prices officially recognized by the government for each single plant. In particular, in Spain, the recent law 24/2013 for the electricity sector, entered into force on December 28th 2013, impacts our estimates in a range of -15/-20% for the solar assets and of +10/+15% for the wind asset Conesa. In Italy, the AEEG Resolution 618/2013, which came into force on 1st January 2014, has been considered. The new law impacts our estimates in a range of -2%/-5% of total revenues from solar assets under 1MW.
Concerning the price of electricity, the Management utilizes estimates based on independent studies (i.e. Pöyry).
The revenues for the Environment segment are based on estimates of the evolution of the sales of each technology in different markets. The segment will go through a strong repositioning from public to private sector and increase its geographic reach, mainly in Central Europe.

Operating expenses
The operating expenses are based on existing contracts with suppliers: service and maintenance of the plants, land lease agreements, royalty agreements with the municipalities, property taxes, insurance, repairs, etc. Concerning the estimates of operating expenses for Italy and Spain, the following changes in regulation should be considered.
In Italy, the Resolution AEEG 281/12 and 493/2012/R introduced the payment of imbalance costs for intermittent energy sources. An imbalance for electricity production units, is the difference between the injection program defined on the energy markets and the actual energy injected into the grid during the physical delivery. Contrary to programmable sources, which have always been subject to the payment of imbalance costs, imbalances generated by intermittent energy sources in the previous years have been transferred to final consumers of the electricity system. In order to estimate the impact on the plants, for the wind farms Greentech considered specific Pöyry study and for solar plants Greentech considered the indicators from the approved Resolution.
In Spain, the Law 15/2012 on tax measures for energy sustainability that came into force on January 1, 2013 obliges the energy producers to pay a 7% tax on all revenues derived from the production/injection of energy (including all premiums or other compensations received).
On the Italian wind farms, at the end of the financing period, the Management considered that Greentech will be free to significantly reduce the perimeter of O&M activities and to make a saving of 30%, based on current price lists obtained by the suppliers.
The Management has also considered some savings over the long term related to general costs such as legal fees, other consultants fees, etc.

Concerning the Environment segment, despite the strong repositioning from public to private sector and increase its geographic reach, the profitability of the segment has been projected only based on historical performance.

Result of impairment tests 2013
Due to a decrease in the expected price of electricity, our wind farm Energia Verde located in Sardinia suffered a write-down for impairment in 2013 of EUR 1,1M. Regarding our Spanish assets, we made a preliminary assessment of the impact of the law 24/2013. As stated above, the impact on revenues has been estimated in a range of -15/-20% for solar assets and in a range of +10/+15% for our wind asset Conesa. Thus, our solar plant Fotocampillos (GWM RE Spain Group) was impaired by approx. EUR 0.4M. The cost savings identified by the Management, especially in the operating expenses related to the Italian solar assets, have positively affected the profitability of our Italian solar assets. Accordingly, the Management recalculated the recoverable amount of the CGU's, that led to the reversal of the prior year impairment loss of EUR 1,5M .

The following table describes the impact of the impairment tests and the recoverable amount after the impairment and reversal done:

(EUR'000)	Impairment 2013	Recoverable amount after impairment/reversal
GP Energia S.r.l	637	20,269
Solar Prometheus Group	201	14,405
Solar Utility Salento S.r.l.	175	3,949
Gruppo MG Energia	493	11,724
Energia Verde S.r.l.	-1,126	23,743
GWM RE Spain Group	-398	12,680
Total	**-18**	**86,770**

Impairment of EUR -1,126K is referred to intangible assets, EUR -398K are referred to goodwill, and EUR 1,506K are referred to reversal of prior year impairments losses on solar assets.
A negative impact on the assumptions applied will result in further impairment loss on the above CGU's

Result of impairment tests 2012
In 2012 an impairment write-down was made on goodwill of EUR 977K and on other intangible assets of EUR 2,553K related to Wind parks, on plant and machinery for EUR 336K related to the Solar parks and reversal of prior year impairment on intangible assets of EUR 797K related to the technology owned by the Environment. The write-down was primarily related to the changes in the regulatory framework.

Sensitivity analysis
The Management performed a sensitivity analysis on the results of the impairment test made at Group level, based on the main assumptions: an increase of 1% in WACC, a decrease of 5% in revenue and an increase of 10% in operating expenses. The following table presents the results of this analysis.

		Impairment Test	Sensivity		
		Need for impairment write-down of the Group assets	Assumptions		
		Wacc applied	Increase +1%Wacc	Decrease -5% Revenues	Increase +10% Operating expensers
	Wind	1,126	12,727	9,131	4,926
by Technology	Solar	1,108 *	2,466	1,603	320
	Environment	0	0	0	0
	Italy	0 *	13,629	9,561	4,529
	Denmark	0	0	0	0
by Geography	Spain	398	1,411	1,015	622
	Poland	0	153	158	95
	Germany	0	0	0	0
	Total	**18**	**15,193**	**10,734**	**5,246**

* Reversal of prior year impairment write-down.

The figures above show that an increase or decrease of factors and assumptions applied, other things being equal, causes an impairment of the group of assets of: (i) an amount of EUR 15,193 by a 1% increase in WACC; (ii) an amount of EUR 10,734 by a 5% decrease in revenue; (iii) an amount of EUR 5,246 by an increase of 10% in operating expenses.

16. Other non-current financial assets

EUR'000	Group 2013	Group 2012	Parent Company 2013	Parent Company 2012
Loans to subsidiaries	0	0	18,609	54,370
Loans to associates	8,191	9,798	10,153	19,600
Deposits	902	900	46	45
Deposits on accounts held as collateral	17,464	17,265	141	130
Other equity investments	29	29	29	29
Other receivables	10,452	20,601	0	0
Total other non-current financial assets	**37,038**	**48,593**	**28,978**	**74,174**

The receivables primarily involve domestic grid operators and VAT on development and construction costs incurred and receivables from associates, including primarily Greentech Monte Grighine Srl. As a result, the credit risk relating to receivables is limited and depends on the creditworthiness of the power companies, government institutions as well as the developments in the energy sector. Greentech has no major individual receivables, and in terms of regions they are concentrated in Germany, Italy, Spain, Poland and Denmark. See Note 4 on the distribution of assets by geography.

For receivables which all mature within one year after the end of the financial year, the nominal value is considered to correspond to the fair value. In 2013, the Group made writedowns on receivables of EUR 29K (2012: EUR 579K). Reference is also made to Note 31.

Other receivables relate primarily to VAT in Italy, which is repaid as activities subject to VAT are initiated. The Company estimates that EUR 10,225K of these VAT receivables will be repaid after one year (2012: EUR 20,345K).

17. Other non-current assets

EUR'000	Group 2013	Group 2012	Parent Company 2013	Parent Company 2012
Prepayments	23	29	0	0
Other receivable taxes	6	383	0	0
Total other non-current assets	**29**	**412**	**0**	**0**

18. Inventories

Accounting policy

Inventories, with the exception of contract work-in-progress, are stated at the lowest of cost or net sales price. The cost of inventories is determined by applying the weighted-average-cost method.

Work-in-progress relating to service contracts is stated on the basis of agreed contract revenue determined with reasonable certainty, recognised in proportion to the stage of completion.

19. Trade receivables

Accounting policy

Trade receivables

Trade receivables are recognized at fair value, being the invoice value less any allowance for doubtful accounts or sales returns. All trade receivables denominated in a foreign currency are translated into Euro using the exchange rates in effect at the transaction date and, subsequently, converted to the year-end exchange rate. The exchange rate variance is accounted for in the Income Statement. Trade receivables and other current assets for which the average collection period exceed twelve months in the normal course of business are accounted for at present value.

Green Certificates

In connection with the production of wind power, the Group is entitled to receive Green Certificates. On initial recognition, these are accounted for at the market price at the time of production, 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 lowest of cost and net realisable value.

EUR'000	Group 2013	Group 2012	Parent Company 2013	Parent Company 2012
Trade receivables	12,077	12,821	177	732
Green Certificates and other incentives	19,738	12,929	0	0
Total trade receivables	**31,815**	**25,750**	**177**	**732**

The Company is granted Green Certificates and other incentives relating to its power production in Italy, Poland and Spain.
Italy has implemented a tariff system which guarantees a fixed price for granted certificates provided that they are put up for sale before 31 March 2014. The Company has offered the Green Certificates for sale at the guaranteed price. Income from the Green Certificates has been assigned as security for debt, see Note 28. Certificates granted in Poland are settled at a two-month delay at a guaranteed price. Income from the Green Certificates has been assigned as security for debt, see Note 28.
Incentives granted in Spain are settled at a one-month delay at a guaranteed price. Income from incentives has been assigned as security for debt, see Note 28.

20. Other current financial assets

EUR'000	Group 2013	Group 2012	Parent Company 2013	Parent Company 2012
Loans to associates	278	972	0	742
Other receivables	1,248	8,065	0	0
Total other current financial assets	**1,526**	**9,037**	**0**	**742**

21. Other current assets

EUR'000	Group 2013	Group 2012	Parent Company 2013	Parent Company 2012
Prepayments on projects	355	489	0	0
Other prepayments	5,464	0	0	0
Accrued costs	2,700	2,695	67	3
Total non-current assets	**8,519**	**3,184**	**67**	**3**

22. Equity

	Number of shares 2013	Number of shares 2012	Nominal value 2013 EUR'000	Nominal value 2012 EUR'000
Share capital at 1 January	106,662,695	106,662,695	71,623	71,623
Capital increase in connection with business combination	0	0	0	0
Share capital at 31 December	**106,662,695**	**106,662,695**	**71,623**	**71,623**
Treasury shares	5,257,952	5,257,952		
Shares outstanding 31 December	**101,404,743**	**101,404,743**		

The share capital consists of 106,662,695 shares of DKK 5/EUR 0.67 nominal value each. No share carry any special right. The share capital is fully paid up.

Accounting policy

Treasury shares

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

The portfolio of treasury shares amounts to 5,257,952 shares, corresponding to 4.93% of the share capital (2012: 5,257,952 shares).
The shares were acquired for a total of EUR 14,870K and represented a market value of EUR 8,257K at 31 December 2013. The Company's portfolio of treasury shares is held for the purpose of potential acquisition of assets or companies.

23. Deferred tax

Accounting policy

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. If the computation of the tax value is 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 asset, 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 that will apply in the respective countries under the legislation in force at the Balance Sheet date when the deferred tax asset is expected to crystalise as current tax. Changes in deferred tax resulting from changes in tax rates are recognised in the Income Statement.

Material accounting estimates and assessments

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax law, and the amount and timing of future taxable income. Differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded.

Deferred tax assets are reviewed annually by the Management and recognized only to the extent considered as sustainable in the future considering the timing and the level of future taxable profits together with future tax planning strategies of the Group.

The review done in 2013 led to a write-down in deferred tax assets of EUR 1,101K related to non-deductible interest expenses in Italy.

EUR'000	Group 2013	Group 2012	Parent Company 2013	Parent Company 2012
Deferred tax at 1 January	15,473	13,727	-292	-4
Exchange adjustment	0	1	0	1
Acquisition of subsidiaries	0	1	0	0
Addition from business combination	122	0	0	0
Addition form change in consolidation perimeter	0	1,413	0	0
Adjustment of deferred tax concerning prior years	35	0	35	0
Adjustment for the year	-808	331	-45	-289
Deferred tax at 31 December	**14,822**	**15,473**	**-302**	**-292**
Deferred tax is recognised in the balance sheet as follows:				
Deferred tax asset	23,736	23,796	0	0
Provision for deferred tax	-8,914	-8,323	-302	-292
	14,822	15,473	-302	-292
Deferred tax relates to:				
Equipment	-127	14	-4	17
Plant and machinery	4,231	5,480	-425	-394
Tax losses carry-forward	1,407	1,230	0	0
Other non-current assets	1,975	2,994	0	0
Other current assets	-118	-8	0	0
Other non-current liabilities	288	-135	59	66
Other current liabilities	7,166	5,898	68	19
	14,822	15,473	-302	-292

Approximately EUR 371K of the deferred tax asset (2012: EUR 0K) should be utilised within 12 months. The balance will be utilised during the lifetime of the projects in accordance with each budget and local tax rules.

Tax losses carried forward for EUR 1,407K can be utilised indefinitely and are expected to be utilised against future taxable income between 3 to 5 years.

Deferred tax asset not recognised in the Balance Sheet

EUR'000	Group 2013	Group 2012	Parent Company 2013	Parent Company 2012
Temporary differences	0	0	0	0
Tax losses	2,011	1,538	0	0
	2,011	1,538	0	0

The deferred tax asset not recognised for 2013 concerns tax losses realised and postponements of the ability to have tax deductions of some of the interest paid in several legal entities in Italy. As tax rules of Italy put some restrictions on the timing of the taxable deduction of interest paid, it is uncertain whether and when the tax loss would be utilised.
Consequently, the Management has not recognised this deferred tax asset.

The deferred tax asset does not include deferred tax concerning the Company's German wind turbines, which are owned in a German company with separate tax liability. As there is significant uncertainty about the measurement of the deferred tax asset, it has not been accounted for in 2013.

24. Other deferred liabilities

Accounting policy
Provision for risks and charges
Provisions are recognized when the Group has a present obligation (legal or constructive), as a result of a past event, which is likely to generate an outflow of resources required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is reasonably certain. The expense relating to any provision is presented in the Income Statement net of any reimbursement.

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 recognized in financial expenses. Provisions are estimated by the Management considering the expected amount of the settlement of the liability.

Restructuring costs are recognized as liabilities when a detailed and formalized restructuring plan has been communicated within the Balance Sheet date to the parties involved. 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 recognized in respect of loss-making contracts when the unavoidable costs from the contract exceed the expected benefits.

Provision for restoration of sites
If the Group has an obligation to dismantle or dispose an asset or to restore the location where the asset is operated, a liability corresponding to the net present value of the expected future expenses is recognized.

Provisions relate to the restoration of sites used in the installation and operation of wind turbines and solar plants. The restoration obligation is calculated as the present value of the estimated net costs of restoration when the wind farm is de-commissioned. This will occur no earlier than 20 years after the turbines are commissioned.

	Group		Parent Company	
EUR'000	2013	2012	2013	2012
Provision for restoration of sites	3,787	3,196	270	257
Provision for risks and charges	4,349	5,633	0	0
Other payables, subsidiaries	0	0	155	150
Total other non-current liabilities	**8,136**	**8,829**	**425**	**407**

Provision for restoration of sites are expected to be utilized within 20 years.
Provision for risks and charges are expected to be utilized within 5 years.

25. Payables to credit institutions

Initial recognition and measurement
Financial liabilities within the scope of IAS 39 can be classified, as appropiate, as: financial liabilities at fair value through the Income Statement, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge. The Group determines the classification of its financial liabilities at initial recognition.
All financial liabilities are recognized initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.
The Group financial liabilities include trade and other payables, bank overdraft, loans and borrowings, financial guarantee contracts and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification as follows:

• Credit institutions
After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the Income Statement when the liabilities are derecognized as well as through the effective interest rate method (EIR) amortization process.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired.
Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance cost in the Income Statement.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the Income Statement.

	Group		Parent Company	
EUR'000	2013	2012	2013	2012
Payables to credit institutions are recognised as follows in the balance sheet:				
Non-current liabilities	256,328	271,541	402	603
Current liabilities	25,618	20,648	201	201
Total payables to credit institutions	**281,946**	**292,189**	**603**	**804**

Group Loans EUR'000	Expiry Date	Fixed/floating	Carrying amount 2013	2012
Stated in EUR	2013	Fixed	0	2,958
Stated in EUR	2014	Floating	7,686	3,241
Stated in DKK	2016	Floating	617	806
Stated in EUR	2016	Floating	0	0
Stated in EUR	2016	Fixed	0	0
Stated in PLN	2016	Floating	267	381
Stated in EUR	2017	Floating*	6,574	8,683
Stated in EUR	2017	Floating	5,754	7,352
Stated in EUR	2021	Floating*	13,915	0
Stated in EUR	2022	Floating*	44,145	49,212
Stated in EUR	2022	Floating*	8,496	9,371
Stated in EUR	2023	Floating	0	0
Stated in EUR	2024	Floating*	41,003	48,503
Stated in EUR	2025	Floating*	2,975	3,179
Stated in EUR	2027	Floating*	68,179	75,093
Stated in EUR	2027	Fixed	6,046	6,353
Stated in EUR	2028	Floating*	50,514	52,373
Stated in EUR	2029	Fixed	0	10,122
Stated in EUR	2029	Floating	25,775	14,562
Total payables to credit institutions			281,946	292,189

* The Group mitigates exposure to interest fluctuation by way of interest swap agreements. Consequently the group pays an interest at a fixed rate and receives an interest at a variable rate. The interest rate hedge agreement instruments are regarded as a separate derivative financial instruments. The fair value of the agreements is disclosed in note 31.

Parent Company Loan EUR'000	Expiry Date	Fixed/floating	Carrying amount 2013	2012
Stated in DKK	2016	Floating	603	804
Total payables to credit institutions			**603**	**804**

26. Other current liabilities

EUR'000	Group 2013	Group 2012	Parent Company 2013	Parent Company 2012
Payables to subsidiaries	0	0	2,352	2,157
Payables to associates	1,164	909	1,164	909
Other payables	5,299	12,489	670	1,253
Total other current liabilities	**6,463**	**13,398**	**4,186**	**4,319**

27. Assets and liabilities classified as held for sale

Accounting policy

Non-current assets and disposal groups classified as held for sale are measured at the lowest of carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

In the Consolidated Income Statement of the reporting period, and of the comparable period of the previous year, income and expenses from discontinued operations are reported separate from income and expenses from continuing activities, down to the level of profit after taxes, even when the Group retains a non-controlling interest in the subsidiary after the sale. The resulting profit or loss (after taxes) is reported separately in the Income Statement.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

In 2013 there are no discontinued operations.

On January 24, 2013 Greentech sold its 50% stake of the Wojciechow project in Poland to PGE Energia Odnawlalna S.A. The transaction price paid to Greentech for the 50% stake is EUR 3,665K (EUR 3,050K as share sale price and EUR 615K as shareholder loan repayment). Gain from the sale amounted to EUR 1,467K. Reference is made to Company announcement 2/2013 of 24 January 2013.

According to the Cooperation Agreement between Greentech and EdF Energies Nouvelles ("EDF EN") signed in May 2009, EDF EN has decided to exercise the option to acquire a share of 40% in the Ustka project and 100% of the Parnowo project. The due dilligences are in progress and the Management is confident in closing both transactions within 2014.

28. Pledges and guarantees

Parent company
As of 31 December 2013, an amount of EUR 603K (2012: EUR 804) has been provided as security for debt to credit institutions in respect of the Company's Danish wind turbines, as follows:

- Assignment of Trade Receivables deriving from the regular sale of electricity on the market from the Group's 19 Danish wind turbines;
- Security on the above-mentioned wind turbines with a carrying amount of EUR 5,289K (2012: EUR 6,001K);
- Greentech has deposited EUR 141K (2012: EUR 130K) for the demolition of wind turbines.

The Parent company has issued (i) a guarantee for loan-related payments and has placed it as security for debt to credit institutions concerning the Minerva Messina project for EUR 49,212K (2012: EUR 49,212K) and (ii) a Shareholder's counter guarantee for EUR 6,572K (2012: EUR 6,572K) in order for Minerva Messina S.r.l. to face all payments obligations deriving from an enforcement of the VAT guarantee.

As of 31 December 2013, the Parent company stands as guarantor with primary liability for loan-related payments for debt to credit institutions concerning the Gehlenberg project for EUR 5,754K (2012: EUR 7,352K).

Group
Wind and Solar projects
As of 31 December 2013, the following have been provided by the individual project companies as security for debt to credit institutions and financial leasing agreements in force:

- Right of subrogation in land lease agreements;
- Security in the wind turbines/solar panels installations;
- Pledge over the quota/shares in the project companies;
- Assignment of Trade Receivables deriving from the regular sales of electricity, Green Certificates and other incentives as well as any reimbursement from insurance;
- Right of subrogation in VAT Receivables;
- Right of subrogation in any Receivables related to financial leasing agreements;
- Accounts held as collateral have been established for an aggregated amount of EUR 17,464K (2012: EUR 17,265K).

Gruppo Zilio
A pledge of EUR 200K has been constituted on bond issued by a financial institution as a first demand bank guarantee, with the company as pledger and the financial institution as pledgee.
A guarantee of up to EUR 2,465K (2012: EUR 2,465K) has been granted to a financial institution and in the interest of a company to guarantee all the obligations under the leasing agreement signed between this company and the financial institution in connection with a building located in Poland for an outstanding debt of EUR 856K (2012: EUR 1,000K), as of December 31, 2013.

29. Contractual obligations

The Company and its subsidiaries are part of several agreements concerning the development and operation of the projects in the countries where the Group is operating. Overall, each project has entered into the following categories of agreement:

1. Land Lease Agreements with the private owners of the lands on which the renewable energy projects are located. The lease is either a variable fee depending on the actual production of the year or a fixed annual payment. The lease runs for 20 to 30 years with an option for renewal. As of 31st December 2013, the total yearly contractual obligation related to land lease agreements amounted to EUR 1,281K (2012: EUR 1,255K) The total remaining contractual obligation amounted to EUR 30,683K (2012: EUR 31,027K).

2. Agreements with the local authorities (municipalities, consortia, etc.), under which the project company pays an annual tax/royalty for a certain period of time. The payment is either a variable fee depending on the actual production of the year or a fixed annual payment. As of 31st December 2013, the total yearly contractual obligation related to land royalty agreements amounted to EUR 824K (2012: EUR 1,003K). The total remaining contractual obligation amounted to EUR 17,482K (2012: EUR 29,176K).

3. Operation & Maintenance agreements of the project company.
The agreements normally have a lifetime of 2-8 years from the commissioning with the option for renewal. As of 31st December 2013, the total yearly contractual obligation related to Operation & Maintenance agreements amounted to EUR 6,523K (2012: EUR 5,105K).
The total remaining contractual obligation amounted to EUR 11,958K (2012: EUR 15,644).

30. Contingent assets and liabilities

In 2013, the claims initiated against the Group concerning alleged breach of agreements in relation to construction, service or lease agreements amount to approximately EUR 612K (2012: EUR 550K).

In 2013, the claims initiated by the Group towards third parties concerning alleged breach in relation to construction and service agreements amount to approximately EUR 150K (2012: EUR 254).

The Group has received a certain number of payment requests (potential claims) from counterparties in relation to development, construction, service and lease agreements for a total amount of EUR 326K (2012: EUR 3,200K). Based on grounded rationale, the Group has taken all necessary actions to oppose and reject these requests and has not made any provision about.

31. Financial instruments

Accounting policy

Financial assets
• Initial recognition and measurement:
Financial assets within the scope of IAS 39 can be classified, as appropriate, as: financial assets at fair value through Income Statement, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognized initially at fair value plus, in the case of investments not at fair value through Income Statement, the directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The Group financial assets include cash and short-term deposits, trade and other receivables, loan and other receivables, quoted and unquoted financial instruments, and derivative financial instruments.

• Subsequent measurement
The subsequent measurement of financial assets depends on their classification as follows:

Derivatives
Derivative financial instruments are recognized at fair value at the transaction date in the Balance Sheet items fair value of derivatives in assets or equity and liabilities. Changes in the fair value of derivative financial instruments classified as hedging of expected future transactions are recognised in comprehensive income and accumulated in reserves for hedging instruments in equity. Any amounts deferred in equity are transferred to the income statement in the period in which the hedged item affects the Income Statement. Changes in the fair value of derivative financial instruments which do not meet the criteria of hedge accounting are recognised in financial income or financial expenses in the Income Statement.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method (EIR), less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Income Statement. The losses arising from impairment are recognized in the Income Statement in finance costs.

Fair value of financial instruments
The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same and discounted cash flow analysis.

Credit risk
The Group is subject to credit risk with respect to receivables (see Notes 19 and 20) and bank deposits. The maximum credit risk corresponds to the carrying amount. Outstanding receivables are regularly followed up by the Company. If uncertainty arises in respect of the customer's ability or willingness to pay a receivable, usually because payment is not made in accordance with the payment conditions, in case of bankruptcy or suspension of payments, and the Group finds that the claim therefore involves a risk, an impairment writedown is made to cover this risk. In 2013, the Group made impairment writedowns on receivables of EUR 30K (2012: EUR 579K).

The interest rate hedge agreements have been concluded with banks with at least B rating from Moody's.

The Group's distributable cash holdings and deposits in accounts held as collateral at 31 December 2013 were generally deposited within credit institutions that grant project financing to the Group. Consequently, the Group has a net debt to these credit institutions and Management therefore estimates that there are no credit risks involved with these cash holdings. At 31 December 2013, the Group had deposited distributable cash holdings according to the Group Treasury Policy, primarily using credit institution with an A rating from Moody's. Therefore, the Management estimates that the credit risk associated with these deposits is acceptable in view of the Group's present financial position.

Overdue balances on trade receivables break down as follows:

Group	0-30 days	31-60 days	61-90 days	91 - 180 days	> 180 days	Total 2013
Receivables due, not impaired	0	0	0	0	0	0
Receivables due, impaired	0	0	30	0	779	809
Impairment loss	0	0	-30	0	-779	-809
Impaired value						**0**

Group	0-30 days	31-60 days	61-90 days	91 - 180 days	> 180 days	Total 2012
Receivables due, not impaired	0	0	0	0	0	0
Receivables due, impaired	0	0	185	0	595	780
Impairment loss	0	0	-185	0	-595	-780
Impaired value						**0**

Parent Company	0-30 days	31-60 days	61-90 days	91 - 180 days	> 180 days	Total 2013
Receivables due,not impaired	0	0	0	0	0	0
Receivables due, impaired	0	0	0	0	200	200
Impairment loss	0	0	0	0	- 200	- 200
Impaired value						**0**

Parent Company	0-30 days	31-60 days	61-90 days	91 - 180 days	> 180 days	Total 2012
Receivables due,not impaired	0	0	0	0	0	0
Receivables due, impaired	0	0	0	0	200	200
Impairment loss	0	0	0	0	- 200	- 200
Impaired value						**0**

Liquidity risk (Group)

Loans raised for project financing have a maturity of up to 17 years, Other bank loans are renegotiated every year,

Maturities 2013	0 - 1 years	1 - 4 years	5 years -	Total*	Fair value **	Carryng amount
Measured at fair value						
Financial instruments***	22,957	0	0	22,957	22,957	22,957
Measured at amortised cost						
Credit institutions	39,628	114,220	216,278	370,126	281,946	281,946
Trade payables	7,640	0	0	7,640	7,640	7,640
Other non-current liabilities	0	4,349	3,787	8,136	8,136	8,136
Other payables	6,463	0	0	6,463	6,463	6,463
Total financial liabilities	**76,688**	**118,569**	**220,065**	**415,322**	**327,142**	**327,142**
Cash	31,370	0	0	31,370	31,370	31,370
Deposits on account held as collateral	0	0	17,464	17,464	17,464	17,464
Loans to associates	278	0	8,191	8,469	8,469	8,469
Deposits	0	0	902	902	902	902
Other receivables	1,603	0	10,481	12,084	12,084	12,084
Trade receivables	31,815	0	0	31,815	31,815	31,815
Total financial assets	**65,066**	**0**	**37,038**	**102,104**	**102,104**	**102,104**
Net	**11,622**	**118,569**	**183,027**	**313,218**	**225,038**	**225,038**

* All cash flow are undiscounted and comprise all obligations under agreements concluded, including future interest payments on loans.

** In all material aspects the financial liabilitties are subject to a variable interest rate, Any interest rate hedges are separately accounted for at fair value, Thus the fair value of the financial liabilities is considered equal to the booked value.

*** The financial instruments are not traded in an active market based on quoted prices, but are individual agreements, The fair value of the financial instruments is determined according to valuation methods which apply market-based data such as interest rates (level 2).

Categories of financial instruments

Financial assets and liabilities at fair value are related to interest rates swaps all of which has been valued using a valuation technique with market observable inputs (level 2).

The Group enters into derivative financial instruments with financial institutions. Derivatives valued using valuation techniques with market observable inputs are mainly interest rate forward contracts. The most frequently applied valuation techniques include forward pricing models using present value calculations. The models incorporate various inputs including the credit quality of counterparties and interest SWAP. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Group's own non-performance risk.

Maturities 2012	0 - 1 years	1 - 4 years	5 years -	Total*	Fair value **	Carryng amount
Measured at fair value						
Financial instruments***	33,988	0	0	33,988	33,988	33,988
Measured at amortised cost						
Credit institutions	35,882	115,381	249,063	400,326	292,189	292,189
Trade payables	25,385	0	0	25,385	25,385	25,385
Other non-current liabilities	5,633	0	0	5,633	5,633	5,633
Other payables	13,398	0	0	13,398	13,398	13,398
Total financial liabilities	**114,286**	**115,381**	**249,063**	**478,730**	**370,593**	**370,593**
Cash	38,005	0	0	38,005	38,005	38,005
Deposits on account held as collateral	0	0	17,265	17,265	17,265	17,265
Loans to associates	972	0	9,798	10,770	10,770	10,770
Deposits	0	0	900	900	900	900
Other receivables	8,554	0	20,630	29,184	29,184	29,184
Trade receivables	25,750	0	0	25,750	25,750	25,750
Total financial assets	**73,281**	**0**	**48,593**	**121,874**	**121,874**	**121,874**
Net	**41,005**	**115,381**	**200,470**	**356,856**	**248,719**	**248,719**

* All cash flow are undiscounted and comprise all obligations under agreements concluded, including future interest payments on loans.
** In all material aspects the financial liabilitties are subject to a variable interest rate, Any interest rate hedges are separately accounted for at fair value, Thus the fair value of the financial liabilities is considered equal to the booked value.
*** The financial instruments are not traded in an active market based on quoted prices, but are individual agreements, The fair value of the financial instruments is determined according to valuation methods which apply market-based data such as interest rates (level 2).

The net cash outflow of EUR 41,005K can be fully covered by the current operating profit and through credit facilities and refinancing.

	2013	2012
Unutilised credit facilities	4038	4054
Unutilised overdraft facilities	804	804

Cash and Cash equivalent include cash available for the holdings EUR 18,0m (2012: EUR 12,9m) and the project companies EUR 13,4m (2012: 25,1m).

Liquidity risk (Parent Company)

The Parent company's financial resources consist of bank loans, including project financing, Loans raised for project financing have a maturity of up to 5 years.

Maturities 2013	0 - 1 years	1 - 4 years	5 years -	Total*	Fair value **	Carryng amount
Measured at amortised cos						
Credit institutions	234	428	0	662	603	603
Trade payables	215	0	0	215	215	215
Other non-current liabilities	0	0	425	425	425	425
Other payables	4,186	0	0	4,186	4,186	4,186
Total financial liabilities	**4,635**	**428**	**425**	**5,488**	**5,429**	**5,429**
Cash	13,685	0	0	13,685	13,685	13,685
Deposits on account held as collateral	0	0	141	141	141	141
Loans to subsidiaries	0	0	19,483	19,483	19,483	19,483
Loans to associates	0	0	10,153	10,153	10,153	10,153
Deposits	0	0	46	46	46	46
Other non current financial assets	0	0	29	29	29	29
Trade receivables	177	0	0	177	177	177
Total financial assets	**13,862**	**0**	**29,852**	**43,714**	**43,714**	**43,714**
Net	**-9,227**	**428**	**-29,427**	**-38,226**	**-38,285**	**-38,285**

* All cash flow are undiscounted and comprise all obligations under agreements concluded, including future interest payments on loans.
** In all material aspects the financial liabilitties are subject to a variable interest rate, Any interest rate hedges are separately accounted for at fair value, Thus the fair value of the financial liabilities is considered equal to the booked value,.

Maturities 2012	0 - 1 years	1 - 4 years	5 years -	Total*	Fair value **	Carryng amount
Measured at amortised cos						
Credit institutions	244	653	0	897	804	804
Trade payables	114	0	0	114	114	114
Other non-current liabilities	0	0	407	407	407	407
Other payables	4,319	0	0	4,319	4,319	4,319
Total financial liabilities	**4,677**	**653**	**407**	**5,737**	**5,644**	**5,644**
Cash	3,684	0	0	3,684	3,684	3,684
Deposits on account held as collateral	0	0	130	130	130	130
Loans to subsidiaries	0	0	54,370	54,370	54,370	54,370
Loans to associates	742	0	19,600	20,342	20,342	20,342
Deposits	0	0	45	45	45	45
Other non current financial assets	0	0	29	29	29	29
Trade receivables	732	0	0	732	732	732
Total financial assets	**5,158**	**0**	**74,174**	**79,332**	**79,332**	**79,332**
Net	**-481**	**653**	**-73,767**	**-73,595**	**-73,688**	**-73,688**

* All cash flow are undiscounted and comprise all obligations under agreements concluded, including future interest payments on loans.
** In all material aspects the financial liabilitties are subject to a variable interest rate, Any interest rate hedges are separately accounted for at fair value, Thus the fair value of the financial liabilities is considered equal to the booked value.

	2013	2012
Unutilised credit facilities	0	0
Unutilised overdraft facilities	804	804

Market risk

Currency risks

The Group's foreign entities are not affected by currency fluctuations, as loans are raised in the functional currency.

The consolidated income statement is affected by changes in exchange rates, because profits/losses of the Parent company and some of the foreign group enterprises are translated into euro using average exchange rates.

The Group's and the Parent company's currency risks are not hedged. Please see the risk management section in Note 3 for further information about currency risks.

Interest rate risks

In principle the interest-bearing financial liabilities of the Group carry floating interest rates, but the interest exposure is to a wide extent reduced through hedging instruments. See Note 25. An interest rate change of 1% would impact the financial results by an amount of approximately EUR 1,525K (2012: EUR 1,483K) and a corresponding impact on equity. The change in sensitivity relative to last year is due to a substantial change in the Company's cash resources following the investments made.

Most of the Parent company's interest-bearing financial liabilities carry floating interest rates. An interest rate change of 1 % would impact the financial results by an amount of EUR 7K (2012: EUR 6K) and a corresponding impact on equity. The change in sensitivity relative to last year is due to a substantial change in the Company's cash resources following the investments made.

The above-mentioned sensitivity analyses were made under the assumption that all other factors remain unchanged.

Please see the risk management section (Note 3) for further information about interest rate risks.

Capital management

The Group and the Parent company consider the combined equity as capital. The Group pursues a policy of re-investing earnings in the Company. The Company and the Group have defined a target that equity should at least represent 20% of total assets. For the 2013 financial year, equity represented a higher proportion than the 20%. The Group and the Parent company are not in general governed by any external requirements on the size of the capital. However, with respect to the project financing agreements concluded, a minimum equity of 25% is required in the project companies.

32. Operating and financial leases

Accounting policy

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

The capitalized residual lease liability is recognized in the Balance Sheet as a liability, and the interest element of the lease payment is charged to the Income Statement when incurred.

All other leases are considered operating leases. Payments in connection with operating leases are recognized in the Income Statement over the terms of the leases.

Operating lease commitments	Group		Parent Company	
EUR'000	2013	2012	2013	2012
Payments for non-terminable operating leases:				
0-1 years	606	780	136	148
1-5 years	2,025	3,195	483	476
> 5 years	375	766	0	78
	3,006	4,741	619	702

The Group has operating leases on offices, cars and copies. The lease term is typically between three and seven years with an option to extend on expiry on ordinary terms. No conditional lease payments are payable under the leases. This includes a non-terminable rent obligation for 68 months from the balance sheet date.

An amount of EUR 809K (2012: EUR 509K) relating to operating leases has been recognised in the consolidated income statement for 2013.

An amount of EUR 149K (2012: EUR 158K) relating to operating leases has been recognised in the Parent company's income statement for 2013.

Finance lease and hire purchase commitments

The Group has finance leases and hire purchase contracts for items of plants. These leases have terms of renewal, but no purchase options and escalation clauses. Renewals are at the option of the specific entity that holds the lease. Future minimum lease payments under finance leases and hire purchase contracts together with the present value of the net minimum lease payment are as follows:

EUR'000	2013		2012	
	Minimum payments	Present value of payments	Minimum payments	Present value of payments
0-1 years	3,011	1,621	2,913	1,543
1-5 years	12,074	7,275	11,024	6,221
> 5 years	27,958	22,678	27,996	22,056
Total minimum lease payments	43,043	31,574	41,933	29,820
Less amounts representing finance charges	-11,468	0	-12,113	0
	31,575	31,574	29,820	29,820

The parent company has not entered into finance leases nor hire purchase contracts.

33. Related parties

Apart from the major shareholder of Greentech Energy Systems A/S, GWM Renewable Energy II S.p.A., there are no other related parties with controlling influence on the Company.

Greentech's related parties comprise the Company's Board of Directors and Management as well as relatives of these persons. Related parties also comprise companies in which the individuals mentioned above have material interests. Other related parties are also The Pirelli Group and Banca Intesa Group, which are significant shareholders of GWM Renewable Energy II S.p.A.

Related parties furthermore comprise subsidiaries and associates in which Greentech has a controlling or significant influence, see Note 13 and Note 37.

Related party transactions

Information on trading with related parties is provided below:

	Group		Parent Company	
EUR'000	2013	2012	2013	2012
Sale of services to group companies	0	0	385	636
Sale of services to associates	62	105	0	0
Sale of services to controlling parties	65	60	0	0
Purchase of services from management member (GWM Renewable Energy) (management fee)	0	0	0	0

Transactions with subsidiaries have been eliminated in the consolidated financial statements in accordance with the accounting policies.

The Parent Company's balances with group enterprises and associates at 31 December 2013 are specified in the balance sheet. Interest income, dividends and interest expenses relating to group companies are shown in Notes 7, 8 and 9.

In 2013, the Parent company granted loans to subsidiaries and associates, which are shown in the cash flow statement. In addition, there have been capital increases in subsidiaries, which are described in Note 13, 14, 16 and 26. The transactions were made according to market conditions.

For information on remuneration to the Management and Board of Directors, see Note 5.

In December 2013 Greentech completed the acquisition of 3 solar plants from the Pirelli Group. For further information on the acquisition please see Note 35.

34. Exchange rates

	Average exchange rate		Year-end exchange rate	
	2013	2012	2013	2012
DKK/EUR	13,41	13,43	13,40	13,40
PLN/EUR	23,79	23,86	24,10	24,50

35. Business combination

Accounting Policy

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date, fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Goodwill is initially measured at cost being the excess of the consideration transferred over the Group net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in Income Statement. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Goodwill is tested for impairment at year end or more frequently when impairment indicators are identified.

Material accounting estimates and assessments

The application of the purchase method requires certain estimates and assumptions especially concerning the determination of the fair value of acquired intangible assets and property, plant and equipment as well as liabilities assumed at the date of the acquisition. Moreover, the useful life of the acquired intangible assets, property, plant and equipment have to be determined. The judgments made in the context of the purchase price allocation can materially impact future results. The valuations are based on information available at the acquisition date. Such information may be incomplete or inaccurate, and unexpected events or circumstances may occur. This may cause actual results to deviate from estimates.
For additional information on the assumptions and estimates applied for the accounting treatment of Business Combinations, reference is made to note 32.

Acquisition of business combination "Alessano" and "Ugento 2" Solar Plants and Epre S.r.l.

BUSINESS COMBINATION EUR'000	2013 Fair value (Post-PPA)	2012 Fair value (Post-PPA)
Property, Plant and Equipment	9,375	5,824
Non Current Assets	320	179
Current Assets	1,023	977
ASSETS	10,717	6.979
Financial liabilities	8,600	5.579
Other liablities	445	206
LIABILITIES	9,045	5,785
EQUITY	1,672	1,194
Non-Controlling Interest	-	-
Controlling Interest	1,672	1,194
Residual Goodwill / Badwill	82	272
Purchase Price	1,754	1,466

Pursuant to the agreement signed on 18 December 2013 by subsidiary GP Energia S.r.l. and Solar Utility S.p.A. – a company wholly-owned by Pirelli & C. Ambiente S.p.A., a member of the Pirelli Group – was completed the acquisition by Greentech Group of a business combination, started in the end of last year, represented by a solar plant, named "Ugento 2" and 100% of investment of a special purpose vehicle, named "Epre S.r.l., with the above mentioned last acquisition of a solar plant named Alessano located in the Italian countries Alessano (LE). The total amount of purchase price amount of Euro 1,754K (composed by the price pied last year of Euro 1,465.7K + 288.1K).
The above mentioned solar plants Ugento 2 and Alessano financed by finance leases; in accordance to the requirements of IFRS 17 the related carrying amount has been adjusted for Euro 6,979K, considering also the related financial liabilities – to be paid due to the financial leases – for Euro 6,092K and the related deferred tax assets of Euro 209K. In accordance to the requirements of IFRS 39, the derivative financial instruments, related to the interests on leasing, are recognized at fair value at the transaction date in the Balance Sheet items fair value of derivatives in liabilities for Euro 172K and cash flow reserve for Euro 47K in equity, as hedging account.
In addition, the book value of property, plant and equipments, in accordance to the requirements of IFRS 16, has been adjusted for Euro 140K in order to reflect the present value of the expected cost for the decommissioning of the asset after its use, considering also the related liabilities provision for restoring site of Euro 162K and the related deferred tax liabilities of Euro 28K.
The excess of the cost of this mentioned business combination over the corresponding underlying carrying amounts, acquired has been allocated as final allocation to goodwill for an amount of Euro 82.1K.
This business combination contributed Euro 1,015K from the date of the acquisition (20 December 2012) to 31 December 2013 to revenues and EBITDA of Euro 345K and net income of Euro 112K. In the business combination had taken place at the beginning of the year, additional revenue from continuing operations would have been for Euro 249K and addition EBITDA and net income from continuing operation for the group would have been respectively for Euro 85K and Euro 47K.

36. Change in perimeter of consolidation

Following a change in the governance of Greentech Monte Grighine S.r.l. just before year-end 2012, Greentech had the right to consolidate the project line by line (50%) starting from 31 December 2012. La Castilleja Energia S.L.U. has been consolidated line-by-line (50%) since 11 August 2011. From January 1st 2014, the implementation of IFRS 11 does not allow any more to account for such Joint Ventures with proportional method.
Therefore, both Greentech Monte Grighine S.r.l. and La Castilleja Energia S.L.U. will be consolidated with the equity method and included in Associates figures in 2014. Thus, the implementation of IFRS 11 will not affect the profit or the equity of Greentech.

The table below shows the effect of implementation of IFRS 11 on main figures.

EUR'000	Group	Greentech Monte Grighine	La Castilleja (Global Litator)	Adjustments	Group after implementation of IFRS 11
	2013				
Revenue	73,891	11,475	3,403	0	59,013
Gross Profit	28,208	5,306	1,169	0	21,733
EBITDA	44,393	9,002	2,794	0	32,597
EBIT	17,661	4,862	1,072	1,135	12,862
Net Financials	-15,135	-2,704	-1,588	0	-10,843
Profit/loss for the period	1,398	1,488	-353	1,135	1,398
Non-current Assets	479,913	74,780	30,559	30,964	405,538
Current Assets	79,679	10,260	1,777	0	67,642
Assets classified as held for sale	771	0	0	0	771
Total Assets	560,363	85,040	32,336	30,964	473,951
Equity	220,705	32,582	-1,618	30,964	220,705
Non-current liabilities	273,866	45,783	30,365	0	197,718
Current liabilities	65,792	6,675	3,589	0	55,528
Total Liabilities and equity	560,363	85,040	32,336	30,964	473,951

37. Companies in the Greentech Energy System Group

NAME	Reg. office	Ownership 2013	Ownership 2012
Subsidiaries			
Gehlenberg ApS	Denmark	100%	100%
VE 1 ApS *	Denmark	-	100%
VE 2 ApS *	Denmark	-	100%
VE 4 ApS *	Denmark	-	100%
VE 5 ApS	Denmark	100%	100%
VE 7 ApS	Denmark	100%	100%
VE 8 ApS *	Denmark	-	100%
VEI 1 A/S	Denmark	100%	100%
Windpark Gehlenberg ApS (Dänisches Recht) Co. KG	Germany	100%	100%
AB Energia Srl	Italy	100%	100%
Bosco Solar Srl	Italy	100%	100%
Cerveteri Energia S.r.l.	Italy	100%	100%
De Stern 12 Srl	Italy	100%	100%
Energia Alternativa Srl.	Italy	100%	100%
Energia Verde Srl.	Italy	100%	100%
Erpe S.r.l.	Italy	100%	100%
Greentech Energy Systems Italia Srl.	Italy	100%	100%
Greentech Monte Grighine S.r.l.	Italy	50%	50%
Giova Solar Srl	Italy	100%	100%
GP Energia S.r.l.	Italy	100%	100%
Gruppo Zilio S.p.A.	Italy	100%	100%
GWM Renewable Energy S.p.A.	Italy	100%	100%
GZ Ambiente S.r.l.	Italy	90%	90%
Lux Solar Srl	Italy	100%	100%
MG Energia S.r.l.	Italy	100%	100%
Minerva Messina Srl.	Italy	100%	100%
PMB Engineering Srl. *	Italy	-	100%
Solar Prometheus Srl	Italy	100%	100%
Solar Utility Salento Srl	Italy	100%	100%
South Wind 1 Srl.	Italy	100%	100%
South Wind 2 Srl.	Italy	100%	100%
Valle Solar Srl	Italy	100%	100%
Eolica Polczyno Sp. z o.o.	Poland	100%	100%
Greentech Energy Systems Polska Sp. z o.o.	Poland	100%	100%
Wiatropol Puck Sp. z o.o.	Poland	100%	100%
Wiatropol Smolecin Sp. z o.o.	Poland	100%	100%
Wiatropol Ustka Sp. z o.o.	Poland	100%	100%
Wiatropol Parnowo Sp. z o.o. **)	Poland	100%	100%
Fotocampillos SL 1	Spain	100%	100%
Fotocampillos SL 2	Spain	100%	100%
Fotocampillos SL 3	Spain	100%	100%
Fotocampillos SL 4	Spain	100%	100%
Fotocampillos SL 5	Spain	100%	100%
Fotocampillos SL 6	Spain	100%	100%
Fotocampillos SL 7	Spain	100%	100%
Fotocampillos SL 8	Spain	100%	100%
Fotocampillos SL 9	Spain	100%	100%
Fotocampillos SL 10	Spain	100%	100%
Fotocampillos SL 11	Spain	100%	100%
Fotocampillos SL 12	Spain	100%	100%
Fotocampillos SL 13	Spain	100%	100%
Fotocampillos SL 14	Spain	100%	100%
Fotocampillos SL 15	Spain	100%	100%
Fotocampillos SL 16	Spain	100%	100%
Fotocampillos SL 17	Spain	100%	100%
Fotocampillos SL 18	Spain	100%	100%
Global Hantu S.L.	Spain	100%	100%
Global Onega S.L.	Spain	100%	100%
Planeta Verde S.L.	Spain	100%	100%
Respeto Medioambiente S.L.	Spain	100%	100%
Sisteme Energetics Conesa S.L.	Spain	100%	100%
Global Litator S.L.	Spain	50,03%	50,03%
GWM RE Spain S.L.	Spain	100%	100%
La Castilleja Energia S.L.U.	Spain	50,03%	50,03%
Lux Sol de Malaga S.L.	Spain	100%	100%
Associates & joint ventures			
Tiefenthal Windenergieanlagen GmbH & Co. KG	Germany	50%	50%
Wormlage Windenergieanlagen GmbH & Co. KG	Germany	50%	50%
Parco Eolico Pugliese S.r.l.	Italy	50%	50%
Eolica Wojchiewo Sp. z o.o.	Poland	-	50%

* The Companies have been liquidated during 2013 or merged with a Group company
** Wiatropol Parnowo Sp. Z o.o. has been transferred to assets classified as held for sale.

BOARD OF DIRECTORS

Peter Høstgaard-Jensen, Chairman
Luca Rovati, Deputy Chairman
Valerio Andreoli Bonazzi
Giorgio Bruno
Giovanni Ferrari
Benjamin Guest
Jean-Marc Janailhac

MANAGEMENT

Sigieri Diaz della Vittoria Pallavicini, CEO
Alessandro Reitelli, CFO and COO ad interim

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ANNUAL GENERAL MEETING

The Annual General Meeting will be held on
15 April 2014 at 3.00 pm. at IDA Conference Centre (IDA Mødecenter),
Kalvebod Brygge 31-33, DK - 1780 Copenhagen V

Edited by:
Corporate Communication Division

Concept design, graphic and layout:
Gentil - Rome, Italy

This Annual Report can be downloaded from
www.greentech.dk under “Investor”/“Reports and presentations”
and has been prepared in English.

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