



OPCON AB (PUBL), THE ENERGY AND ENVIRONMENTAL TECHNOLOGY GROUP
INTERIM REPORT OCT-DEC 2014 & FINANCIAL STATEMENT JAN-DEC 2014

Continued positive effects of business in China

- Strong improvement in operating profit, SEK 8.9 million in Q4 (-26.2 m)
- Intensive work on transfer of Opcon Powerbox technology to the newly formed company in China
- Licence business in joint venture had a positive impact on operating profit after costs and internal eliminations of SEK 10.2 million in Q4
- Good level of orders received in the UK main reason by increased order stock, +24%

Q4, October–December 2014, remaining business

- Net sales amounted to SEK 82.5 million (68.8 m)
- Operating profit (EBIT) was SEK 8.9 million (-26.2 m)
- Profit after tax of SEK 6.2 million (-27.0 m)
- Earnings per share SEK 0.02 (-0.08)

Q1-4 2014, January–December, remaining business

- Net sales amounted to SEK 266.2 million (275.0 m)
- Operating profit (EBIT) was SEK 18.3 million (-52.1 m)
- Profit after tax of SEK 13.0 million (-61.8 m)
- Earnings per share SEK 0.04 (-0.19)

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GROUP, JANUARY–DECEMBER

Sales for remaining business for the January–December period were SEK 266.2 million (275.0 m). Operating earnings (EBIT) were SEK 18.3 million (–52.1 m). Profit after tax improved significantly to reach SEK 13.0 million (–61.8 m). Earnings per share attributable to parent company shareholders were SEK 0.04 (–0.19).

The key factor in the progress made during the year has been the formation of a joint venture, Fujian Opcon Energy Technology Co., Ltd., for Opcon Powerbox on the Chinese market and parts of South East Asia together with Fujian Snowman Technology Co., Ltd. of China.

In accordance with the agreement signed during the period, Opcon has received approximately 49% of the shares in the newly started company, with Snowman receiving approximately 51%. The joint venture company's registered share capital amounts to CNY 98 million (SEK 123.4 million).

Opcon's capital contribution for approximately 49% of the shares in the company, corresponding to CNY 48 million (approximately SEK 56.6 million at the time of acquisition), comprises part-payment for exclusive and non-exclusive rights under a system licence for production, marketing and sales of the Group's proprietary technology, Opcon Powerbox ORC and WST (Wet Steam Turbine) within the agreed territory. The joint venture thereby has a licence for exclusive manufacturing rights for Opcon Powerbox in China, Taiwan, Thailand, Vietnam, Indonesia, Malaysia and North Korea, exclusive sales rights in China, and non-exclusive sales rights in Taiwan, Thailand, Vietnam, Indonesia, Malaysia and North Korea.

The total value of production and sales rights, assessed by a third party, amounted to CNY 72 million. Of this sum, CNY 48 million (approximately SEK 56.6 million) constituted payment for Opcon's capital share of approximately 49% of the joint venture. Revenue recognition of this amount was made in Q3 and reported as other income together, while SEK 27.7 million of this amount was reserved for elimination of internal profit and reported as other costs. In the Financial Statement, these two items have been adjusted so as to be reported net as other income amounting to SEK 28.9 million in accordance with IFRS.

In Q4 the remaining part, CNY 24 million, of the total agreed value of CNY 72 million was invoiced as royalties. This amount, after costs and internal profit elimination, positively affected net sales by SEK 19.3 million and operating profit by SEK 10.2 million in Q4.

The joint venture was formed in September 2014 and intensive efforts are being made in China and Sweden to build this business for commercialisation and production of Opcon Powerbox at Snowman in China.

Within Waste Heat Recovery / Compressor Technology the comprehensive development assignment for Snowman, with delivery of new compressor models and prototypes within the existing programme, remains the primary activity. At the end of 2014 a new, smaller licensing customer was added in Russia. Opcon has also meanwhile received increased international orders for its proprietary technology for compressors for biogas applications, which have otherwise been a disappointing area in recent years.

The remaining bioenergy business has continued to make losses, with a couple of older projects burdening the business, and the ingoing order stock was not adequate. Losses were reduced thanks to a rationalisation programme that included the closure and winding up of companies. In accordance with the assessment made in the Q3 report concerning additional costs of SEK 5-10 million for the decommissioning and liquidation of OBE Energy AB and Opti Energy Group AB, a total of SEK 9.4 million has been taken by the business for decommissioning during the quarter. No additional significant costs are expected to arise.

On the positive side, the bioenergy order stock has increased significantly during the year. The best development was on the UK market, in line with the strategy set for Saxlund after reorganisation. The order stock in the UK has increased both within bioenergy plants, including a major order for Twinwoods, and within materials handling, with several orders signed for a number of water treatment works.

In Sweden a large order for Saxlund's fuel handling equipment and incineration technology was received from the privately owned sawmill Hilmer Andersson, HAL, Korterud, Sweden. The order is worth around SEK 28 million, with commissioning set for 2015. This plant will supply hot water to the timber driers based on incineration of waste products such as sawdust, wood chips and bark. The licence business with Axis has also been significant, with sales in 2014 amounting to around SEK 6.5 million. Development was weaker in Germany, which resulted in major efforts being made to boost sales and improve profit margins.

The extensive savings programme that has been completed, and which included reduced financing costs, the closure in Åmål and the cutbacks in bioenergy, with the decommissioning and liquidation of subsidiaries, has delivered results. When the savings programme was initiated, total annual savings of over SEK 30 million were expected, with an effect in 2014 of around SEK 20 million. Despite considerable reductions in overhead levels and staff costs, progress in 2014 was not quite as much as predicted.

This was partly due to the fact that the savings programme at Group level was countered mainly on the staffing front by recruitment within the Waste Heat Recovery and compressor technology sectors to strengthen the organization for its activities in China that are now intensifying following the formation of the joint venture with Snowman.

GROUP, OCTOBER–DECEMBER

Sales for remaining business for the October–December period were SEK 82.5 million (68.8 m). Operating earnings (EBIT) were SEK 8.9 million (–26.2 m). Profit after tax was SEK 6.2 million (–27.0 m). Earnings per share attributable to parent company shareholders were SEK 0.02 (–0.08).

The key factor in the progress made during Q4 were royalties invoiced to the joint venture, Fujian Opcon Energy Technology Co., Ltd., formed together with Fujian Snowman Technology Co., Ltd. of China relating to licensing of Opcon Powerbox technology. This amount, after costs and internal profit elimination, positively affected net sales by SEK 19.3 million and operating profit by SEK 10.2 million in Q4.

Order stock

- **On 31 December 2014 the order stock for the coming 12 months amounted to SEK 155 million (125 m)**

The order stock for the coming 12 months for remaining business amounted to SEK 155 million (125 m) on 31 December 2014. This corresponds to an increase of 24% on an annual basis. The main reason for the increased order stock was the good level of orders received in the UK during the year.

Financial position

The Group's liquid assets at the end of the period were SEK 23.0 million (17.9 m). In addition there was unutilised credit of SEK 15.3 million.

Interest-bearing assets in addition to liquid assets were SEK 20.1 million (20.4 m).

Interest bearing debt was SEK 20.3 million (3.7 m).

At the end of the period the Group had net receivables of SEK 22.7 million (34.6 m).

Net financial items in Q4 were SEK –2.2 million (–1.1 m). For January–December net financial items were SEK –4.6 million (–9.7 m). The equity / assets ratio on 31 December was 75.6% (75.3%).

During Q1, Opcon performed a directed placement of shares to Snowman that raised SEK 17.1 million for the company. In addition a directed placement of new shares was made with GEM Global Yield Fund Ltd, with SEK 2.5 million set-off against debt, which has reduced the amount of interest-bearing liabilities. The issue to GEM was within the framework of the equity line financing facility of up to SEK 250 million over 36 months signed with GEM in 2011. In connection with the new issue an agreement was signed with GEM to extend this framework by two years up to 2016, with the remaining volume of the facility now amounting to around SEK 227 million. During the autumn a short-term credit of SEK 15 million was raised with Erik Penser Bankaktiebolag, which was then replaced by a credit line from Gabrielsson Invest AB worth SEK 15 million. An extensive savings programme is meanwhile being implemented in parallel that includes decommissioning and closure of certain companies. These measures have strengthened the financial position. However the Board continues to consider that the liquidity level in combination with the credit and guarantee frameworks available today are inadequate to ensure full and smooth operation with growth and therefore the Board will continue its efforts to find more permanent and appropriate financing of the Group's operations, including a review of the company's long-term financing structure.

Fair value of financial instruments

The reported value, less any assessed credit, for accounts receivables and payables is assumed to approximate fair value. The same applies to the fair value of short-term financial liabilities.

The securities reported in the balance sheet at SEK 255,000 relate to listed shares where fair value is equivalent to the market price on the balance sheet date.

The participations in associated companies amounting to SEK 23.4 million refer to the approximately 49% shareholding in Fujian Opcon Technology Co., Ltd., which is reported at acquisition value less internal profit eliminations and a share of the company's accumulated earnings.

Among financial assets is an investment in Air Power Group Ltd. (APG) of SEK 20.3 million. APG is a privately held company incorporated in California, USA. As a quoted market value is not available and no reliable fair value can be established, the shareholding is valued at cost in accordance with IAS 39.46.

Opcon's shares

The total number of shares at the end of the period was 378,800,110 (344,414,145).

Investments

Investments in fixed assets during January–December totalled SEK 4.1 million (0.4 m).

In addition, SEK 4.7 million (12.1 m) in development costs were capitalized. For the October–December period, capitalized development costs amounted to SEK 1.0 million (1.6 m). This mainly relates to the development of Opcon Powerbox.

Employees

At the end of the period the Group had 139 employees (145).

Parent company

The parent company had sales of SEK 44.1 million (33.2 m) in the January-December period. Sales primarily relate to invoicing for rents and internal administration services but also include some assignments for customers and royalties for the China business. For the October-December period sales were SEK 30.5 million (7.1 m).

Revenue recognition in Q3 includes other income of SEK 56.6 million attributable to licensing of Opcon Powerbox technology and which refers to payment in the form of approximately 49% of shares in the newly formed joint venture, Fujian Opcon Energy Technology Co., Ltd., in Fuzhou, Fujian, China. The company's registered share capital amounts to CNY 98 million (approximately SEK 123.4 million).

Revenue recognition in Q4 includes invoiced royalties from Fujian Opcon Energy Technology Co., Ltd., amounting to SEK 29.1 million.

The parent company's earnings before tax for the January-December period were SEK 34.0 million (–18.5 m). For the October-December period earnings before tax were SEK –7.9 million (–2.4 m).

At the end of the period, liquid assets in the parent company totalled SEK 5.8 million (0.0 m). Interest-bearing liabilities at the end of the period amounted to SEK 12.9 million (3.1 m).

Transactions with related parties

Purchases of goods and services

Essarem AB received rent of SEK 4.0 million for the January-December 2014 period concerning the property at Nacka.

Mind Finance AB received net interest and fees for factoring for the January-December 2014 period amounting to SEK 2.1 million (0.2 m).

Receivables / Liabilities

At the end of the period, Mind Finance AB, Essarem AB and Gabrielsson Invest AB had total receivables from Opcon amounting to SEK 14.3 million (5.5 m). Mind Finance AB is owned by Salamino AB. Salamino AB and Essarem AB are owned by Gabrielsson Invest AB, which is owned by Mats Gabrielsson, a member of the Opcon Board and its largest shareholder.

Risks and uncertainties

The significant risk and uncertainty factors for the Group and parent company include business risks in the form of high exposure to a specific sector, customer or project. This applies especially for Fujian Snowman Technology Co., Ltd., in Fujian, China, which is a major customer of Opcon and a principal owner of the newly formed joint venture, Fujian Opcon Energy Technology Co., Ltd.

An economic downturn and disruptions on world financial markets can have a negative effect on demand for the Group's products and also affect the Group's customers and suppliers. Given the global financial instability the company's customers may experience financial problems that could cause losses or disruptions for Opcon. Similarly, Opcon is involved in a number of large bioenergy projects for which disruptions could affect profit margins, profitability and liquidity.

Changes in energy and electricity prices can also affect demand, with lower prices having a negative impact. In addition there are financial risks that are considered to have increased during the European debt crisis, principally involving liquidity, price, currency and interest risks. The Group's ability to receive long-term loans and short-term credit are also significantly affected by the current situation on capital markets, which can affect the company's liquidity and growth opportunities in future. The Group is exposed to a short-term liquidity risk in the form of customers paying invoices after the agreed date.

Opcon has previously had not insignificant sales of new technology with good prospects for the Russian oil and gas industry. The company perceives a risk that the relations between Russia and the West can affect Opcon's sales and growth opportunities. For a more detailed description of risk, see Opcon's annual report for 2013 that is available on the company's website, www.opcon.se.

THE GROUP IN 2015 AND BEYOND

After major losses in recent years and an intensive and comprehensive phase of development, Opcon is now implementing a fundamental financial and operational turn-around with the purpose of concentrating business on Waste Heat Recovery and the compressor technology at the heart of Opcon Powerbox, alongside a sharper focus within bioenergy. Major efforts are also being made to grow the business internationally on markets, and these efforts are starting to bear fruit.

Significant progress has been made in recent years in China as the strategic collaboration between Opcon and Snowman of China has grown much stronger. In the spring of 2014 Snowman has boosted its ownership in Opcon through a directed placement of shares.

In Fuzhou Snowman has built a completely new factory for production, among other products, of compressors developed by Opcon. It is estimated that Opcon's future licensing income from Snowman's production over the coming decade will increase successively and jointly exceed SEK 100 million in this period as a whole. In 2013 alone, sales of compressor development to Snowman almost tripled to exceed SEK 30 million. This level was maintained in 2014 with Snowman placing additional major development assignments with Opcon. For Opcon, Snowman's investment and the collaboration that has begun mean that Opcon looks forward to receiving further development assignments from Snowman over a long period within industrial refrigeration compressors, an area in which Opcon is strengthening its capabilities.

Of great strategic importance is also the expansion of the collaboration that began in the autumn 2014 with the formation in September 2014 of the joint venture for the commercialisation of Opcon's technology for waste heat recovery, Opcon Powerbox. Over the past decade, concerns about energy prices, energy supplies and emissions have emerged as key issues globally and locally. Meanwhile energy and electricity prices are affected by a series of factors and vary across markets. In 2014 oil prices fell significantly. Meanwhile, electricity prices in Sweden have been very low, which has not favoured sales of parts of Opcon's product portfolio. Electricity prices on other markets, including China, are considerably higher. In many Chinese provinces today electricity prices are twice as high as in Sweden.

There are good prospects that China will become the largest market in the world for Opcon Powerbox. Surveys show that there are over 500,000 industrial boilers in China. As China is at a very early stage regarding utilising waste heat it is considered that recovery of waste heat can make a significant contribution to improved energy efficiency and reduction of emissions which will have economic and environmental benefits in coming years.

Higher electricity prices in China, growth and investment in the economy, the political will to increase energy efficiency and significantly lower production costs make Opcon greatly optimistic about the strategic collaboration that has started. According to a study made by Fujian Snowman Co., Ltd., annual sales for the joint venture are expected to reach above CNY 220 million (around SEK 280 million) within 2-3 years. Against this background, Opcon is now dedicating significant resources to build up the company and transferring technology to China while there are considerable expectations for the joint venture with a belief that the first commercial order will be signed in the near future.

Another important part of the current restructuring of Opcon is the extensive changes being made within the bioenergy operation that in recent years has suffered significant losses. In Sweden the entire market has been difficult, which has meant that some competitors have closed down their business.

In recent years Opcon has implemented strong measures, including cutting the workforce, closing development projects and achieving a new, outsourced production structure. Some of the technology has been licensed with good results.

For some time now a large programme of measures has been implemented in Sweden and abroad with the main emphasis on the bioenergy sector. As a result, OBE Energi AB and Opti Energy Group AB and subsidiaries are being decommissioned and wound up in Sweden.

Bioenergy activities are being focused on Saxlund and an increased international focus. The parent company's operations in Åmål have now been closed down completely. The savings programme, which includes reduced personnel costs, reduced cost of external consultants, IT and administration and reduced financing costs, is expected after enlargement to yield annual savings in excess of SEK 30 million compared to 2013, with effects in 2014 that exceeded SEK 20 million. Despite a big cut in overhead costs and staff costs these measures have not achieved quite all that was expected in 2014.

The Board notes that although challenges remain in several places within the Group and to establish progress in the bioenergy sector, significant steps have already been taken to reduce costs, and these efforts have begun to show in financial results. Opcon is now reporting a profit following successful business in China.

With an expanding order book, increased licensing business, the existing savings programme in bioenergy and joint venture for Opcon Powerbox in China, the company's focus is now moving more to future activities, investment and the building of resources in order to best utilise the opportunities that the sales and production structure being built in China may mean for future growth and profitability. The Board expects sales to increase and operating earnings to remain positive for the full year 2015.

FORWARD-LOOKING INFORMATION

This report contains forward-looking information and statements about the future outlook of Opcon's business. This information is based on the management team's current expectations, estimates and forecasts. Actual future outcomes may vary significantly compared with information included in this report that looks to the future due to changed conditions in the economy, market and competition environment.

ACCOUNTING PRINCIPLES

Opcon AB applies International Financial Reporting Standards (IFRS) as adopted by the European Union. The key accounting and assessment principles are the same as those used for the annual report for the financial year ending 31 December 2013. This interim report has been drawn up in accordance with IAS 34 (Interim Financial Reporting) and the Swedish annual accounts act. The financial statement for the parent company has been drawn up in accordance with RFR 2 (Reporting for legal entities) of the Swedish Financial Accounting Standards Council and the Swedish annual accounts act. This report has not been reviewed by the company's auditors.

Stockholm, 20 February 2015

Opcon AB (publ) corp. organization. No. 556274-8623

Rolf Hasselström

President and CEO, Board member

FUTURE REPORTS

- Opcon's annual report for 2014 will be made available at the company and on the company's website, www.opcon.se, at the start of April 2015
- Q1 2015 report to be submitted on 7 May 2015
- Annual general Meeting to be held on 7 May 2015
- Q2 2015 report to be submitted on 26 August 2015
- Q3 2015 report to be submitted on 11 November 2015

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CONSOLIDATED INCOME STATEMENT (SEK '000)	Q4 2014	Q4 2013	Full year 2014	Full year 2013
Net sales	82,485	68,760	266,156	275,026
Expenses for sold goods	-50,798	-58,653	-191,656	-217,535
Gross profit	31,687	10,107	74,500	57,491
Sales expenses	-9,132	-7,891	-30,520	-30,385
Administration expenses	-9,555	-24,890	-40,857	-63,399
Development expenses	-3,556	-3,270	-13,015	-14,501
Earnings from associated companies	-422	-	-422	-
Other income	-	-254	28,854	-
Other costs	-138	-	-257	-1,273
Operating profit / loss	8,884	-26,198	18,283	-52,067
Financial income	35	273	66	850
Financial expenses	-2,231	-1,099	-4,823	-10,590
Profit / loss before tax	6,688	-27,024	13,526	-61,807
Tax	-509	0	-509	0
Profit / loss from remaining business	6,179	-27,024	13,017	-61,807
Profit / loss from discontinued business	-9,413	583	-19,748	-685
Profit / loss from sold business	0	-1,600	0	-1,600
Profit / loss for the period	-3,234	-28,041	-6,731	-64,092
Profit / loss attributable to parent company shareholders	-3,234	-28,041	-6,731	-64,092
Profit / loss attributable to minority holding	0	0	0	0
Earnings per share before dilution (SEK)				
Profit / loss from remaining business	0.02	-0.08	0.04	-0.19
Profit / loss from divested business	-0.02	0.00	-0.06	0.00
Profit / loss for the period	0.00	-0.08	-0.02	-0.19
Earnings per share after dilution (SEK)				
Profit / loss from remaining business	0.02	-0.08	0.03	-0.18
Profit / loss from divested business	-0.02	0.00	-0.05	0.00
Profit / loss for the period	0.00	-0.08	-0.02	-0.18
Total no. of shares ('000)	378,800	344,414	378,800	344,414
Average no. of shares ('000)	378,800	344,414	370,872	331,085
Break-down of costs				
Depreciation and write-downs	2,794	3,035	11,117	11,743
Remuneration to employees	24,858	28,898	100,560	109,906
Materials and other costs	45,527	57,480	164,628	205,444
Total costs	73,179	89,413	276,305	327,093

STATEMENT OF COMPREHENSIVE INCOME (SEK '000)	Q4 2014	Q4 2013	Full year 2014	Full year 2013
Profit / loss for the period	-3,234	-28,041	-6,731	-64,092
Other comprehensive income				
Translation differences, parent company shareholders	4,067	-964	4,067	1,306
Translation differences, minority holding	-	-	-	-
Other comprehensive income for the period	4,067	-964	4,067	1,306
Total comprehensive income for the period	833	-29,005	-2,664	-62,786
Total comprehensive income for the period attributable to parent company shareholders	833	-29,005	-2,664	-62,786
Total comprehensive income attributable to minority holding	0	0	0	0

CONSOLIDATED BALANCE SHEET (SEK '000)	31 Dec 2014	31 Dec 2013
Fixed assets		
Tangible fixed assets	13,877	13,308
Goodwill	148,748	144,156
Other intangible fixed assets	154,661	156,432
Participations in associated companies	23,420	–
Financial fixed assets	40,778	44,143
Deferred tax receivable	39,392	39,392
Total fixed assets	420,876	397,431
Current assets		
Stock	62,727	69,895
Securities holding	255	512
Current receivables	83,748	85,031
Work in progress, un-invoiced income, contracted	37,148	35,346
Liquid funds	22,967	17,853
Total current assets	206,845	208,637
Total assets	627,721	606,068
Shareholders' equity		
Total shareholders' equity	473,143	456,207
Long-term liabilities		
Interest-bearing provisions and liabilities	716	543
Non-interest-bearing provisions and liabilities	13,631	16,963
Total long-term liabilities	14,347	17,506
Current liabilities		
Interest-bearing liabilities	19,606	3,129
Non-interest-bearing liabilities	91,208	96,717
Work in progress, un-invoiced income, contracted	29,417	32,509
Total current liabilities	140,231	132,355
Total shareholders' equity and liabilities	627,721	606,068
Pledged securities		
Chattel mortgages	19,707	17,951
Contingent liabilities	36,072	52,810

KEY FIGURES, REMAINING BUSINESS	Q4 2014	Q4 2013	Full year 2014	Full year 2013
Operating margin, %	10.8	–38.1	6.9	–18.9
Return on operating capital, %	5.9	Neg	3.1	Neg
Return on equity, %	5.2	Neg	2.8	Neg
Profit / loss per share before dilution, SEK	0.02	–0.08	0.04	–0.19
Profit / loss per share after dilution, SEK	0.02	–0.08	0.03	–0.18
Equity per share, SEK	1.26	1.38	1.26	1.32
Equity / assets ratio, %	75.6	76.2	75.6	75.3
No. of shares, thousands	378,800	344,414	378,800	344,414
Average no. of shares, thousands	378,800	344,414	370,872	331,085

STATEMENT OF CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY (SEK '000)

	Share capital	Other capital contribution	Reserves	Profit/loss brought forward	Minority interests	Total shareholders equity
Opening balance, 1 January 2013	372,357	403,381	-9,053	-281,667	0	485,018
Comprehensive income						
Profit / loss for the period	0	0	0	-64,092	0	-64,092
Other comprehensive income						
Currency differences when translating foreign business	0	0	1,285	0	0	1,285
Total comprehensive income	0	0	1,285	-64,092	0	-62,807
Transactions with shareholders						
New share issue ¹	58,161	-24,165	-	-	-	33,996
Closing balance, 31 December 2013	430,518	379,216	-7,768	-345,759	0	456,207
Comprehensive income						
Profit / loss for the period	0	0	0	-6,731	0	-6,731
Other comprehensive income						
Currency differences when translating foreign business	0	0	4,067	0	0	4,067
Total comprehensive income	0	0	4,067	-6,731	0	-2,664
Transactions with shareholders						
New share issue ¹	42,982	-23,382	-	-	-	19,600
Closing balance, 31 December 2014	473,500	355,834	-3,701	-352,490	0	473,143

1) The premium on implemented new share issues is reported as other capital contributions.

STATEMENT OF CONSOLIDATED CASH FLOW (SEK '000)

	Q4 2014	Q4 2013	Full year 2014	Full year 2013
Operating profit / loss	-358	-25,682	-930	-54,326
Financial items	-2,362	-759	-5,287	-9,766
Depreciation and write-down	3,038	3,034	11,374	11,742
Taxes paid	-4 419	-821	-7 113	-1 556
Other items not affecting liquidity	7,557	-1,285	-25,187	1,398
Cash flow from current activities	3,456	-25,513	-27,143	-52,508
Cash flow from change in working capital	7,982	50,568	4 648	-15,302
Total cash flow from the business	11,438	25,055	-22,495	-67,810
Cash flow from investing activities	3,356	-744	-10,317	47,184
Cash flow from financing activities	-5,666	-14,054	36,040	21,396
Total cash flow	9,128	10,257	3,228	770
Liquid assets, opening balance	12,683	7,526	17,853	17,113
Total cash flow	9,128	10,257	3,228	770
Exchange rate differences in liquid funds	1,156	70	1,886	-30
Liquid assets, closing balance	22,967	17,853	22,967	17,853

Includes divested business.

CONSOLIDATED INCOME STATEMENT, PER QUARTER (SEK '000)

	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net sales	82,485	61,391	54,942	67,338	68,760	69,573	62,677	74,016
Operating profit / loss	8,884	19,908	-4,589	-5,920	-26,198	-4,118	-12,332	-9,419
Financial items	-2,196	-2,093	-247	-221	-826	-1,415	-2,784	-4,715
Profit / loss after financial items	6,688	17,815	-4,836	-6,141	-27,024	-5,533	-15,116	-14,134
Tax	-509	-	-	-	-	-	-	-
Profit / loss from remaining business	6,179	17,815	-4,836	-6,141	-27,024	-5,533	-15,116	-14,134
Profit / loss from sold business	0	0	0	0	583	-2,139	-778	49
Profit / loss from business under divestment	-9,413	-5,825	-857	-3,653	0	0	0	0
Profit / loss for the period	-3,234	11,990	-5,693	-9,794	-26,441	-7,672	-15,894	-14,085
Profit / loss for the period attributable to parent company shareholders	-3,234	11,990	-5,693	-9,794	-26,441	-7,672	-15,894	-14,085
Profit / loss for the period attributable to minority holding	0	0	0	0	0	0	0	0

PARENT COMPANY'S INCOME STATEMENT (SEK '000)	Q4 2014	Q4 2013	Full year 2014	Full year 2013
Net sales	30,544	7,113	44,070	33,174
Cost of sold services	-10,914	-6,865	-21,808	-33,036
Gross profit	19,630	248	22,262	138
Administration expenses	-12,330	-4,418	-28,540	-16,078
Other income	-	-	56,554	-
Operating profit / loss	7,300	-4,170	50,276	-15,940
Profit / loss from other securities and receivables that are fixed assets	0	0	0	-1,600
Impairment of shares in subsidiary	-	-	-6,326	-
Received / paid Group contribution	-16,730	-	-16,730	-2,894
Financial income	1,848	2,062	7,260	7,813
Financial expenses	-321	-323	-516	-5,864
Profit / loss from financial income and expenses	-7,903	-2,431	33,964	-18,485
Profit / loss for the period	-7,903	-2,431	33,964	-18,485

PARENT COMPANY'S BALANCE SHEET (SEK '000)	31 Dec 2014	31 Dec 2013
Fixed assets		
Tangible fixed assets	819	271
Participations in Group companies	245,624	245,624
Participations in associated companies	61,398	-
Deferred tax	35,969	35,969
Long-term receivables	40,320	40,674
Total fixed assets	384,130	322,538
Current assets		
Accounts receivables	300	815
Receivables from Group companies	235,398	225,778
Tax receivables	521	521
Other receivables	6,568	2,226
Liquid funds including current investments	5,772	4
Total current assets	248,559	229,344
Total assets	632,689	551,882
Shareholders' equity		
Share capital	473,500	430,518
Statutory reserve	20,349	35,756
Total tied-up capital	493,849	466,274
Non-restricted equity / profit / loss for the year	52,926	28,626
Total shareholders' equity	546,775	494,900
Current liabilities		
Interest-bearing liabilities to credit institutions	12,917	3,102
Accounts payable	7,355	5,463
Liabilities to Group companies	56,708	43,303
Other non-interest-bearing liabilities	8,934	5,114
Total current liabilities	85,914	56,982
Total shareholders' equity and liabilities	632,689	551,882
Contingent liabilities	37,826	53,745
Equity / assets ratio (%)	86.4	89.7
No. of shares at end of period ('000)	378,800	344,414

THE OPCON GROUP

Opcon is an energy and environmental technology Group that develops, produces and markets systems and products for eco-friendly, efficient and resource-effective use of energy.

Opcon has activities in Sweden, Germany and the UK. There are around 140 employees.

The company's shares are listed on Nasdaq OMX Stockholm.

The Group's business area Renewable Energy focuses on the following areas:
electricity generation based on waste heat, bioenergy-powered heating and CHP plants,
pellets plants, handling systems for biomass, sludge and natural gas, industrial cooling,
flue gas condensation, treatment of flue gases and air systems for fuel cells.



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