



**OPCON AB (PUBL), THE ENERGY AND ENVIRONMENTAL TECHNOLOGY GROUP  
INTERIM REPORT JANUARY–MARCH 2015**

## **China in focus**

- Extensive resources channelled into activity in China with technology transfer and further development of Opcon Powerbox product range
- Earnings (EBITDA) positive at SEK 0.5 million (–3.1 m)
- Non-recurring costs of SEK 4.3 million in bioenergy have impact on earnings
- New licence agreement with Snowman in China to generate licence revenue beyond 2024
- Saxlund International GmbH receives order for delivery of material handling equipment to Skaerbaeksvaerket in Fredericia, Denmark

### **Q1, January–March 2015**

- Net sales amounted to SEK 69.2 million (67.3 m)
- Operating earnings (EBITDA) were SEK 0.5 million (–3.1 m)
- Operating earnings (EBIT) were SEK –2.4 million (–5.9 m)
- Earnings after tax were SEK –3.4 million (–6.1 m)
- Earnings per share were SEK –0.01 (–0.02)

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## GROUP, JANUARY-MARCH

Sales for remaining business for the January-March period were SEK 69.2 million (67.3 m). Operating earnings (EBITDA) turned positive at SEK 0.5 million (–3.1 m). EBIT was SEK –2.4 million (–5.9 m). Post-tax earnings were SEK –3.9 million (–6.1 m). Earnings per share attributable to parent company shareholders were SEK –0.01 (–0.02).

Sales rose during the quarter mainly due to increased activity within Compressor technology/Waste Heat Recovery. Meanwhile weak incoming orders during the quarter and delays in expected orders have meant that sales in the bioenergy segment have not yet gained full momentum. The Group's order book for deliveries within 12 months is around 18% higher than the corresponding period last year.

Operating earnings progressed positively within Compressor technology/Waste Heat Recovery where a shortage of resources is now holding back the business that is now almost fully focused on exports.

Of greatest importance is the work currently taking place to build up the Chinese business for sales, commercialisation and manufacturing of Opcon Powerbox. During the quarter initial orders have been signed with the joint venture in China, Fujian Opcon Energy Technology Co., Ltd, concerning the continued development of the Opcon Powerbox product range that is now involving large parts of the development department. Sales of compressors for various international customers have progressed well, with an increase in sales for biogas applications among others. Production of components has started for the new Russian licence holder that was contracted in 2014. Meanwhile, work continues on the development of new refrigeration compressors for Snowman. At the start of 2015 new licence agreements were signed that will mean additional licence revenues for many years ahead including beyond 2024.

In the bioenergy segment results were negative and non-recurring costs of SEK 4.3 million were recognised. This included an unrealised downward adjustment of a final status forecast of SEK 2.3 million and an impairment in a large project in the UK of around SEK 2 million where the end-user, Tullis Russel Papermakers, has entered administration. On the Swedish market incoming orders were weak while the business was affected by weak liquidity and under-absorption. There was positive news in Germany where an agreement was signed with Babcock & Wilcox Vølund worth around SEK 15 million for delivery of material handling equipment to Dong Energys Skaerbaeksværket in Fredericia, Denmark.

Licence holder Axis in Lithuania has had success in using Saxlund's and SRE's technology in major projects which is expected to result in continued good licence revenues in future.

At the time of the publication of the Financial Statement for 2013 Opcon announced an extensive savings programme that included reduced financing costs, the closure in Åmål and the cutbacks in bioenergy, with the decommissioning and liquidation of subsidiaries. When the savings programme was initiated, total annual savings of over SEK 30 million were expected, with full effect in 2015. Looking at the joint overheads including net interest for the past 12 months compared with the 2013 full year, which was the starting point, the cost savings in Q1 were around SEK 26 million. When full effect is achieved later this year the savings are expected to exceed SEK 30 million.

### Order stock

• **On 31 March 2015 the order stock for the coming 12 months amounted to SEK 129 million (109 m).**

The order stock for the coming 12 months for remaining business amounted to SEK 129 million (109 m) on 31 March 2015. This corresponds to an increase of 18% on an annual basis. The main reason for the increased order stock was the good level of orders received in the UK during 2014.

### Financial position

The Group's liquid assets at the end of the period were SEK 27.1 million (16.7 m). In addition there was unutilised credit of SEK 21.9 million.

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

Interest bearing debt was SEK 31.3 million (3.3 m).

At the end of the period the Group had net receivables of SEK 16.0 million (33.3 m).

Net financial items in Q1 were SEK –1.4 million (–0.2 m). The equity/assets ratio on 31 March was 72.0% (76.2%).

In 2014 Opcon implemented a major savings programme that included the winding up and divestment of subsidiaries. Opcon also 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. The company also signed a credit line from Gabrielsson Invest AB worth SEK 15 million in 2014, which was increased to SEK 20 million in 2015.

In Q1 2015 a current loan of SEK 10 million was raised at a bank and an additional loan promise worth SEK 5 million was signed.

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 1,140 thousand 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 22.8 million refer to the 48.9796% 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 (378,800,110).

### **Investments**

Investments in fixed assets during January-March totalled SEK 0.8 million (0.0 m).

In addition, SEK 0.9 million (0.8 m) in development costs were capitalized for the January-March period. This mainly relates to the development of Opcon Powerbox.

### **Employees**

At the end of the period the Group had 141 employees (148).

### **Parent company**

The parent company had sales of SEK 2.8 million (6.4 m) in the January-March period. Sales primarily relate to invoicing for rents and internal administration services but also include some assignments for customers.

The parent company's earnings before tax for the January-March period were SEK -2.7 million (-3.3 m).

At the end of the period, liquid assets in the parent company totalled SEK 0.0 million (1.9 m). Interest-bearing liabilities at the end of the period amounted to SEK 24.7 million (0.0 m).

### **Transactions with related parties**

#### **Purchases of goods and services**

Essarem AB received rent of SEK 1.0 million for the January-March 2015 period concerning the property at Nacka, which was unchanged on the corresponding period last year.

Mind Finance AB received net interest and fees for factoring for the January-March 2015 period amounting to SEK 0.9 million (0.2 m).

Gabrielsson Invest AB received net interest and fees for loan for the January-March 2015 period amounting to SEK 0.7 million (0.0 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 20.4 million (5.8 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 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 sees a risk that relations with Russia can influence Opcon's sales and growth opportunities.

For a more detailed description of risk, see Opcon's annual report for 2014 that is available on the company's website, [www.opcon.se](http://www.opcon.se).

## THE GROUP IN 2015 AND BEYOND

After major losses and an intensive and comprehensive phase of development, Opcon has been 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 on international 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 reinforced its ownership in Opcon through a directed share issue.

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. At the start of 2015 Opcon has signed new licence agreements that will secure additional licence revenues for several years beyond 2024. 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.

The purpose is to develop the Chinese market and several other Asian markets while an industrialised manufacturing base is created for an entire series of Opcon Powerbox. Over the past decade questions about energy prices, energy supplies and emissions have emerged as major issues both locally and globally. Meanwhile, energy and electricity prices are influenced by a series of factors that vary across markets.

In 2014 oil prices fell significantly. However, in Sweden electricity prices 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.

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 lower production costs make Opcon greatly optimistic about the strategic collaboration that has started. The JV is expected to sign its first order in the near future. 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. As exclusive development partner, Opcon has now received initial orders from the joint venture for the further development of the Opcon Powerbox product range.

Work on building up the joint venture, transferring technology to China and further developing the product range is now the major focus for large parts of the development department. With the plans for expansion and further development of the product range, together with expectations regarding continued development assignments not least for the joint venture and for Snowman, Opcon has strong hopes for the future of the business. Meanwhile the large focus on China and Snowman creates a risk that other parts of the business and other customers will not develop to the same extent. Opcon has also begun a recruitment programme in this area and is reviewing its strategy as well as the long-term risks and opportunities.

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 companies, and achieving a new, outsourced production structure. Some of the technology has been licensed with good results.

In the bioenergy business efforts are also being made to achieve international growth based on the structure Saxlund has established with activities in Sweden, Germany and the UK. Collaboration is being strengthened with the licence holder, Axis Technologies in Lithuania, in order to offer customers in Western Europe a more competitive offer.

For some time now an important programme of measures is being implemented both in Sweden and overseas with the major focus in bioenergy. Most of these measures were completed in 2014 but some additional work remains.

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.

With an expanding order book, increased licensing business, the existing savings programme in bioenergy and the new 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 be 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 2014. 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, 7 May 2015

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

Rolf Hasselström

*President and CEO, Board member*

## FUTURE REPORTS

- Q2 2015 report to be submitted on 26 August 2015
- Q3 2015 report to be submitted on 11 November 2015

## ADDRESS

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<b>CONSOLIDATED INCOME STATEMENT (SEK '000)</b>	<b>Q1 2015</b>	<b>Q1 2014</b>	<b>Latest 12 months</b>	<b>Full year 2014</b>
Net sales	69,235	67,338	268,053	266,156
Expenses for sold goods	-52,658	-52,909	-191,405	-191,656
<b>Gross profit</b>	<b>16,577</b>	<b>14,429</b>	<b>76,648</b>	<b>74,500</b>
Sales expenses	-5,232	-7,387	-28,365	-30,520
Administration expenses	-12,158	-9,378	-43,637	-40,857
Development expenses	-1,853	-3,232	-11,636	-13,015
Earnings from associated companies	-585	-	-1,007	-422
Other income	885	-	29,739	28,854
Other costs	-	-352	95	-257
<b>Operating profit / loss</b>	<b>-2,366</b>	<b>-5,920</b>	<b>21,837</b>	<b>18,283</b>
Financial income	-	11	55	66
Financial expenses	-1,376	-232	-5,967	-4,823
<b>Profit / loss before tax</b>	<b>-3,742</b>	<b>-6,141</b>	<b>15,925</b>	<b>13,526</b>
Tax	300	-	-209	-509
<b>Profit / loss from remaining business</b>	<b>-3,442</b>	<b>-6,141</b>	<b>15,716</b>	<b>-13,017</b>
Profit / loss from discontinued business	-	-3,653	-16,095	-19,748
<b>Profit / loss for the period</b>	<b>-3,442</b>	<b>-9,794</b>	<b>-379</b>	<b>-6,731</b>
Profit / loss attributable to parent company shareholders	-3,442	-9,794	-379	-6,731
<b>Earnings per share before dilution (SEK)</b>				
Profit / loss from remaining business	-0.01	-0.02	0.05	0.03
Profit / loss from divested business	0.00	-0.01	-0.05	-0.05
<b>Profit / loss for the period</b>	<b>-0.01</b>	<b>-0.03</b>	<b>0.00</b>	<b>-0.02</b>
<b>Earnings per share after dilution (SEK)</b>				
Profit / loss from remaining business	-0.01	-0.02	0.05	0.03
Profit / loss from divested business	0.00	-0.01	-0.05	-0.05
<b>Profit / loss for the period</b>	<b>-0.01</b>	<b>-0.03</b>	<b>0.00</b>	<b>-0.02</b>
Total no. of shares ('000)	378,800	378,800	378,800	378,800
Average no. of shares ('000)	378,800	347,089	378,800	370,872
<b>Break-down of costs</b>				
Depreciation and write-downs	2,903	2,823	11,662	11,582
Remuneration to employees	27,492	26,546	112,887	111,941
Materials and other costs	41,506	43,889	150,399	152,782
<b>Total costs</b>	<b>71,901</b>	<b>73,258</b>	<b>274,948</b>	<b>276,305</b>

<b>STATEMENT OF COMPREHENSIVE INCOME (SEK '000)</b>	<b>Q1 2015</b>	<b>Q1 2014</b>	<b>Latest 12 months</b>	<b>Helår 2014</b>
<b>Profit / loss for the period</b>	<b>-3,442</b>	<b>-9,794</b>	<b>-379</b>	<b>-6,731</b>
<b>Other comprehensive income</b>				
Translation differences, parent company shareholders	-1,302	114	3,364	4,067
<b>Other comprehensive income for the period</b>	<b>-1,302</b>	<b>114</b>	<b>3,364</b>	<b>4,067</b>
<b>Total comprehensive income for the period</b>	<b>-4,744</b>	<b>-9,680</b>	<b>2,985</b>	<b>-2,664</b>
<b>Total comprehensive income for the period attributable to parent company shareholders</b>	<b>-4,744</b>	<b>-9,680</b>	<b>2,985</b>	<b>-2,664</b>

<b>CONSOLIDATED BALANCE SHEET (SEK '000)</b>	<b>31 Mar 2015</b>	<b>31 Dec 2014</b>
<b>Fixed assets</b>		
Tangible fixed assets	13,701	13,877
Goodwill	146,497	148,748
Other intangible fixed assets	156,230	157,296
Participations in associated companies	22,810	23,420
Other financial fixed assets	41,122	40,778
Deferred tax receivable	39,392	39,392
<b>Total fixed assets</b>	<b>419,757</b>	<b>423,511</b>
<b>Current assets</b>		
Stock	70,646	62,727
Securities holding	1,140	255
Current receivables	99,216	81,114
Work in progress, un-invoiced income, contracted	33,165	37,148
Liquid funds	27,130	22,967
<b>Total current assets</b>	<b>231,297</b>	<b>204,211</b>
<b>Total assets</b>	<b>651,054</b>	<b>627,722</b>
<b>Shareholders' equity</b>	<b>468,399</b>	<b>473,143</b>
<b>Long-term liabilities</b>		
Interest-bearing provisions and liabilities	306	716
Non-interest-bearing provisions and liabilities	11,083	13,631
<b>Total long-term liabilities</b>	<b>11,389</b>	<b>14,347</b>
<b>Current liabilities</b>		
Interest-bearing liabilities	30,961	19,606
Non-interest-bearing liabilities	105,377	91,209
Work in progress, un-invoiced income, contracted	39,462	29,417
<b>Total current liabilities</b>	<b>171,266</b>	<b>140,232</b>
<b>Total shareholders' equity and liabilities</b>	<b>651,054</b>	<b>627,722</b>
<b>Pledged securities</b>		
Chattel mortgages	19,233	19,707
Contingent liabilities	33,466	36,072

KEY FIGURES	Q1 2015	Q1 2014	Latest 12 months	Full year 2014
Operating margin, %	-5.1	-8.8	8.1	6.9
Return on operating capital, %	Neg	Neg	4.7	4.0
Return on equity, %	Neg	Neg	3.4	2.8
Profit / loss per share before dilution, SEK	-0.01	-0.03	0.05	0.03
Profit / loss per share after dilution, SEK	-0.01	-0.03	0.05	0.03
Equity per share, SEK	1.24	1.23	1.24	1.28
Equity / assets ratio, %	71.9	76.5	71.9	75.4
No. of shares, thousands	378,800	378,800	378,800	378,800
Average no. of shares, thousands	378,800	347,089	378,800	370,872

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

	Share Capital	Other capital contribution	Reserves	Profit/loss brought forward	Total shareholders equity
Opening balance, 1 Januari 2014	430,518	379,216	-7,768	-345,759	456,207
<b>Comprehensive income</b>					
Profit / loss for the period	0	0	0	-9,794	-9,794
Currency differences when translating foreign business	-	-	114	-	114
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>114</b>	<b>-9,794</b>	<b>-9,680</b>
<b>Transactions with shareholders</b>					
New share issue <sup>1</sup>	42,982	-23,382	-	-	19,600
<b>Closing balance, 31 March 2014</b>	<b>473,500</b>	<b>355,834</b>	<b>-7,654</b>	<b>-355,553</b>	<b>466,127</b>
<b>Comprehensive income</b>					
Profit / loss for the period	0	0	0	3,063	3,063
Currency differences when translating foreign business	-	-	3,953	-	3,953
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>3,953</b>	<b>3,063</b>	<b>7,016</b>
<b>Transactions with shareholders</b>					
New share issue <sup>1</sup>	-	-	-	-	-
<b>Closing balance, 31 December 2014</b>	<b>473,500</b>	<b>379,216</b>	<b>-3,701</b>	<b>-352,490</b>	<b>473,143</b>
<b>Comprehensive income</b>					
Profit / loss for the period	0	0	0	-3,442	-3,442
Currency differences when translating foreign business	-	-	-1,302	-	-1,302
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-1,302</b>	<b>-3,442</b>	<b>-4,744</b>
<b>Transactions with shareholders</b>					
New share issue <sup>1</sup>	-	-	-	-	-
<b>Closing balance, 31 March 2015</b>	<b>473,500</b>	<b>355,834</b>	<b>-5,003</b>	<b>-355,932</b>	<b>468,399</b>

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



<b>STATEMENT OF CONSOLIDATED CASH FLOW (SEK '000)</b>	<b>Q1 2015</b>	<b>Q1 2014</b>	<b>Latest 12 months</b>	<b>Full year 2014</b>
Operating profit / loss	-2,366	-9,502	6,206	-930
Financial items	-1,376	-292	-6,376	-5,292
Depreciation and write-down	2,903	2,823	11,662	11,582
Taxes paid	-2,857	-22	-9,948	-7,113
Other items not affecting liquidity	-2,815	2,604	-28,219	-22,800
<b>Cash flow from current activities</b>	<b>-6,511</b>	<b>-4,389</b>	<b>-26,675</b>	<b>-24,553</b>
Cash flow from change in working capital	648	-15,866	20,967	4,183
<b>Total cash flow from the business</b>	<b>-5,863</b>	<b>-20,255</b>	<b>-5,978</b>	<b>-20,370</b>
Cash flow from investing activities	-1,788	-300	-11,430	-9,942
Cash flow from financing activities	10,945	19,258	25,227	33,540
<b>Total cash flow</b>	<b>3,294</b>	<b>-1,297</b>	<b>7,819</b>	<b>3,228</b>
Liquid assets, opening balance	22,967	17,853	16,658	17,853
Total cash flow	3,294	-1,297	7,819	3,228
Exchange rate differences in liquid funds	869	102	2,653	1,886
<b>Liquid assets, closing balance</b>	<b>27,130</b>	<b>16,658</b>	<b>27,130</b>	<b>22,967</b>

<b>CONSOLIDATED INCOME STATEMENT, PER QUARTER (SEK '000)</b>	<b>Q1 2015</b>	<b>Q4 2014</b>	<b>Q3 2014</b>	<b>Q2 2014</b>	<b>Q1 2014</b>
Net sales	69,235	82,485	61,391	54,942	67,338
<b>Operating profit / loss</b>	<b>-2,366</b>	<b>8,884</b>	<b>19,908</b>	<b>-4,589</b>	<b>-5,920</b>
Financial items	-1,376	-2,196	-2,093	-247	-221
Profit / loss after financial items	-3,742	6,688	17,815	-4,836	-6,141
Tax	300	-509	-	-	-
Profit / loss from remaining business	-3,442	6,179	17,815	-4,836	-6,141
Profit / loss from divested business	-	-9,413	-5,825	-857	-3,653
<b>Profit / loss for the period</b>	<b>-3,442</b>	<b>-3,234</b>	<b>11,990</b>	<b>-5,693</b>	<b>-9,794</b>
<b>Profit / loss for the period attributable to parent company shareholders</b>	<b>-3,442</b>	<b>-3,234</b>	<b>11,990</b>	<b>-5,693</b>	<b>-9,794</b>

<b>PARENT COMPANY'S INCOME STATEMENT (SEK '000)</b>	<b>Q1 2015</b>	<b>Q1 2014</b>	<b>Latest 12 months</b>	<b>Full year 2014</b>
Net sales	2,841	6,385	40,526	44,070
Cost of sold services	-609	-3,542	-18,875	-21,808
Gross profit	2,232	2,843	21,651	22,262
Administration expenses	-5,764	-8,021	-26,283	-28,540
Other income	-	-	56,554	56,554
Operating profit / loss	-3,532	-5,178	51,922	50,276
Impairment of shares in subsidiary	-	-	-6,326	-6,326
Received / paid Group contribution	-	-	-18,416	18,416
Financial income	1,761	2,008	7,013	7,260
Financial expenses	-912	-156	-1,272	-516
<b>Profit / loss from financial income and expenses</b>	<b>-2,683</b>	<b>-3,326</b>	<b>32,921</b>	<b>32,278</b>
Deferred tax	-	-	-	-
<b>Profit / loss for the period</b>	<b>-2,683</b>	<b>-3,326</b>	<b>32,921</b>	<b>32,278</b>

<b>PARENT COMPANY'S BALANCE SHEET (SEK '000)</b>	<b>31 Mar 2015</b>	<b>31 Dec 2014</b>
<b>Fixed assets</b>		
Tangible fixed assets	774	819
Tangible fixed assets	245,624	245,624
Participations in associated companies	61,398	61,398
Deferred tax	35,969	35,969
Long-term receivables	40,320	40,320
<b>Total fixed assets</b>	<b>384,085</b>	<b>384,130</b>
<b>Current assets</b>		
Accounts receivables	-	300
Receivables from Group companies	239,050	235,398
Tax receivables	663	521
Tax receivables	6,645	6,571
Liquid funds including current investments	31	5,772
<b>Total current assets</b>	<b>246,389</b>	<b>248,562</b>
<b>Total assets</b>	<b>630,474</b>	<b>632,692</b>
<b>Shareholders' equity</b>		
Share capital	473,500	473,500
Statutory reserve	12,374	12,374
<b>Total tied-up capital</b>	<b>485,874</b>	<b>485,874</b>
<b>Non-restricted equity / profit / loss for the year</b>	<b>58,221</b>	<b>60,904</b>
<b>Total shareholders' equity</b>	<b>544,095</b>	<b>546,778</b>
<b>Långfristiga skulder</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>		
Interest-bearing liabilities to credit institutions	24,692	12,917
Accounts payable	7,332	7,355
Liabilities to Group companies	46,197	56,708
Other non-interest-bearing liabilities	8,158	8,934
<b>Total current liabilities</b>	<b>86,379</b>	<b>85,914</b>
<b>Total shareholders' equity and liabilities</b>	<b>630,474</b>	<b>632,692</b>
Contingent liabilities	33,758	37,826
Equity / assets ratio (%)	86.3	86.4
No. of shares at end of period ('000)	378,800	378,800

## **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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