



OPCON AB (PUBL), THE ENERGY AND ENVIRONMENTAL TECHNOLOGY GROUP
INTERIM REPORT JANUARY-JUNE 2015

Divestment of Compressor Technology and Waste Heat Recovery business

- Share purchase agreement signed concerning the sale of business activities within Compressor Technology and Waste Heat Recovery for SEK 400 million, expected closing by 30 September 2015
- Operating loss (EBITDA) before depreciation for Q2 was SEK 3.4 million (–6.4 m)
- Earnings for remaining business affected by costs attributable to divestment and over-dimensioned administration
- Strategic review of remaining business has started

Q2, April-June 2015, remaining business

- Net sales amounted to SEK 51.8 million (35.1 m)
- Operating loss (EBITDA) was SEK 3.4 million (–6.4m)
- Operating loss (EBIT) was SEK 4.2 million (–7.0 m)
- Loss after tax was SEK 5.9 million (–6.7 m)
- Earnings per share SEK –0.01 (–0.02)

Q1-Q2, January-June 2015, remaining business

- Net sales amounted to SEK 103.2 million (86.7 m)
- Operating loss (EBITDA) was SEK 11.0 million (–8.8 m)
- Operating loss (EBIT) was SEK 12.6 million (–10.0 m)
- Loss after tax was SEK 15 million (–9.4 m)
- Earnings per share SEK –0.04 (–0.02)

Events after the closing date

- Extra Shareholders' Meeting of Opcon AB approved the sale of business activities within Compressor Technology and Waste Heat Recovery to Shanghai XingXueKang Investment Partnership
- Shanghai XingXueKang Investment Partnership paid the first 15% of the purchase price in accordance with the agreement
- Saxlund International GmbH received an order worth around SEK 30 million from Babcock & Wilcox Vølund A/S of Denmark for delivery of a first class handling system for a bioenergy project in the UK

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GROUP, APRIL-JUNE 2015, REMAINING BUSINESS

During the period a share purchase agreement was signed concerning the sale of the main part of the Group's business in Compressor Technology and Waste Heat Recovery. The purchase price is SEK 400 million. After the end of the period, 15% of the purchase price was paid in accordance with the agreement. The remaining 85% of the purchase price shall be paid in cash at the closing of the deal, which is expected to be on 30 September 2015, when the buyer will gain control of the transferred shares.

All business relating to the sale will be reported as divested business and will not therefore be included in reported remaining business. As the agreement had not come into force by the end of the period through the approval of a meeting of Opcon's shareholders and of the investment committee in the investment company controlling the buyer, the purchase price of SEK 400 million has not affected the results reported for Q2.

Sales for remaining business for the April-June period grew strongly and amounted to SEK 51.8 million (35.1 m). The operating loss (EBITDA) was SEK 3.4 million (–6.4 m). Operating loss (EBIT) was SEK 4.2 million (–7.0 m). The loss after tax was SEK 5.9 million (–6.7 m). Earnings per share attributable to the parent company's shareholders were SEK –0.01 (–0.02).

Most of the increase in sales came from higher sales in the UK where the business has grown strongly in the first half of the year and is already higher than sales for the full year in 2014. Sales also increased in Sweden and Germany, although not at the same extent. However, margins in both the UK and Sweden deteriorated after adjusted final status forecasts and write-downs in several projects mainly in Q1 but also in Q2.

Meanwhile the intensified focus on the aftermarket has developed positively and above expectation. Cooperation with licensee Axis in Lithuania is showing continued success with cooperation developing in several areas and in several markets.

Orders received in the quarter were weak, with further delays for expected orders. Orders received were especially weak in Sweden, where the business has been affected by restricted liquidity and under-absorption with continued significant losses as a result. Overall, received orders at the end of the period were around 3-4% worse off than the same period last year. After the end of the period a slight improvement was noted, with a large order received from, among others, Babcock & Wilcox Vølund. This time it was for delivery of a first class handling system for a bioenergy project in the UK. This order is worth around SEK 30 million.

With the sale of the main part of the Group's business in Compressor Technology and Waste Heat Recovery, and this being reported as divested business, the operating bioenergy business will have to bear the full costs for the parent company, which is now largely over-dimensioned for the remaining business. This comes at the same time that the Group has had extra costs for the sale during the period.

GROUP, JANUARY-JUNE 2015, REMAINING BUSINESS

Sales for remaining business for the January-June period grew strongly and amounted to SEK 103.2 million (86.7 m). The operating loss (EBITDA) was SEK 11.0 million (–8.8 m). Operating loss (EBIT) was SEK 12.6 million (–10.0 m), of which non-recurring items within bioenergy amounted to SEK 5.2 million. The loss after tax was SEK 15.0 million (–9.4 m). Earnings per share attributable to the parent company's shareholders were SEK –0.04 (–0.02).

Events after the closing date

After the end of the reporting period an Extra Shareholders' Meeting of Opcon AB on 24 July approved the sale of business activities within Compressor Technology and Waste Heat Recovery to Shanghai XingXueKang Investment Partnership, a Chinese investment fund. The first 15% of the purchase price, SEK 60 million, was paid in August in accordance with the agreement.

In July Saxlund International GmbH received an order worth around SEK 30 million from Babcock & Wilcox Vølund A/S of Denmark for delivery of a first class handling system for a bioenergy project in the UK.

Sale of Compressor Technology and Waste Heat Recovery business

On 30 June a share purchase agreement was signed concerning the sale of the main part of the Group's business in Compressor Technology and Waste Heat Recovery. The deal includes the newly formed holding company, Opcon Compressor Technology AB and the subsidiaries, Svenska Rotor Maskiner AB, Opcon Energy Systems AB and the 48.9796% of the shares in the jointly-owned Chinese company, Fujian Opcon Energy Technology Co., Ltd. The acquisition also includes all the intangible rights relating to Compressor Technology and Opcon Powerbox as well as the Opcon trademark.

Following due diligence based on the financial accounts dated 31 March 2015, the purchase price is SEK 400 million. After the end of the period, 15% of the purchase price was paid in accordance with the agreement. The remaining 85% of the purchase price shall be paid in cash at the closing of the deal, which is expected to be on 30 September 2015, when the buyer will gain control of the transferred shares.

The share purchase agreement was signed with Shanghai XingXueKang Investment Partnership, a Chinese investment fund

which is controlled by the Chinese investment company, XingXueYuanYuan Capital Management Co., Ltd. A 29% ownership stake in the investment company is held by Fujian Snowman Co., Ltd., which started the company together with other Chinese investors. After the period the agreement was approved by an Extra Shareholders' Meeting of Opcon AB, and the investment committee in XingXueYuanYuan Capital Management Co., Ltd.

This deal will not be subject to Swedish tax, but may be subject to Chinese tax. The final costs of the sale, including possible Chinese tax, which is currently under investigation, is expected to be less than SEK 15 million.

When the deal is concluded, an internal profit reserve of SEK 37.5 million, which arose in connection with the formation of the joint venture in China, Fujian Opcon Energy Technology Co., Ltd., in 2014, will be dissolved and become part of calculations for capital gains.

Order stock

The order stock for remaining business fell by 3-4% on an annual basis, but has recovered after the end of the period. The Group has previously reported the value of the order stock. After the sale of the Compressor Technology and Waste Heat Recovery business, and with remaining business being almost exclusively the bioenergy business with the Saxlund and SRE trademarks, the Board has decided for competitive reasons to stop reporting this amount.

Financial position

The Group's liquid assets at the end of the period were SEK 23.1 million (15.0 m). In addition there was unutilised credit of SEK 17.1 million.

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

Interest bearing debt was SEK 38.7 million (6.9 m).

At the end of the period the Group had net receivables of SEK 4.5 million (28.1 m).

Net financial items in Q2 were SEK 0.3 million (1.4 m). The equity/assets ratio on 30 June was 71.0% (74.9%).

On 30 June a share purchase agreement was signed concerning the sale of the main part of the Group's business in Compressor Technology and Waste Heat Recovery. The purchase price is SEK 400 million. After the end of the period, 15% of the purchase price, SEK 60 million, was paid in accordance with the agreement. Opcon will repay around SEK 20 million that Snowman pledged as a guarantee and which is reported among current liabilities. The remaining 85% of the purchase price, SEK 340 million, shall be paid in cash at the closing of the deal, which is expected to be on 30 September 2015, when the buyer will gain control of the transferred shares. When the final sum is paid, a short-term loan of SEK 35 million will be settled.

This deal significantly improves Opcon's financial position. The Board has initiated a strategic review which will also include a future financial strategy for the company.

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 thousand SEK 1,127 relate to listed shares where fair value is equivalent to the market price on the balance sheet date.

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 acquisition value 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 for remaining business during January-June totalled SEK 0.6 million (0.3 m). Investments for the April-June period amounted to SEK 0.5 million (0.3 m).

In addition, SEK 0.1 million (0.1 m) in development costs for remaining business were capitalized.

Employees

At the end of the period the remaining business of the Group had 97 employees (101).

Parent company

The parent company had sales of SEK 6.1 million (8.3 m) in the January-June period and SEK 3.3 million (2.0 m) in the April-June period. Sales primarily relate to invoicing for rents and internal administration services but also include some assignments for customers.

For the January-June period the parent company's loss before tax was SEK 6.1 million (–5.0 m). For the April-June period loss before tax was SEK 3.5 million (–1.7 m).

At the end of the period, liquid assets in the parent company totalled SEK 0.4 million (1.4 m). Interest-bearing liabilities at the end of the period amounted to SEK 34.5 million (0.0 m).

Transactions with related parties, including divested business

Purchases of goods and services

Essarem AB received rent of SEK 2.0 million for the January-June 2015 period concerning the property at Nacka, which was unchanged in comparison with the previous period.

Mind Finance AB received net interest and fees for factoring for the January-June period amounting to SEK 1.2 million (0.5 m).

Gabrielsson Invest AB received interest and fees for loans amounting to SEK 1.6 million (0.0 m) in the January-March period.

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 21.8 million (6.1 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.

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. 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.

Of special significance for the Group is the share purchase agreement signed with Shanghai XingXueKang Investment Partnership concerning the sale of the business within Compressor Technology and Waste Heat Recovery, with a closing date expected to be 30 September 2015. This deal has great importance for the Group's financial position and future development.

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.

THE GROUP IN 2015 AND BEYOND

After major losses in recent years and an intensive and comprehensive phase of development, Opcon has been implementing a fundamental financial and operational turn-around in several stages.

An important component in this restructuring has been extensive changes in the bioenergy business, which in recent years has suffered large losses. In Sweden the entire market has been difficult, which has meant that competitors have been forced to close down or reconstruct.

In recent years Opcon has implemented measures including a significant reduction in personnel, cancellation of development projects, winding up of companies and a new, outsourced production structure. Meanwhile the company has licensed some of its technology to Eastern Europe with good results.

Work has also started to grow the business internationally based on the structure that Saxlund has with business in Sweden, Germany and the UK in bioenergy, and to expand the aftermarket business. Attempts are also being made to strengthen cooperation with licensee Axis in Lithuania in order to give customers in West Europe a more competitive offer.

During Q2 an agreement was signed concerning the sale of business activities within Compressor Technology and Waste Heat Recovery. This deal, worth SEK 400 million, significantly changes the Group's financial position.

The Board has initiated a review of the business that will address administration, future business strategy, organization and financial strategy. This review is expected to be completed in the autumn after the deal has been concluded.

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.

The Board and the CEO certify that the interim report gives a true and fair picture of the Group's operations, position and earnings and describes material risks and uncertainties that the company and the companies included in the Group face.

Stockholm, 26 August 2015

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

Bill Tunbrant
Chairman of the Board

Rolf Hasselström
President and CEO, board member

Kenneth Eriksson
Board member

Mats Gabrielsson
Board member

Bengt E Johnson
Board member

Wendy Lin
Board member

Shiva Farahmandrad
Employee representative, Engineer union

FUTURE REPORTS

- Q3 2015 report to be submitted on 11 November 2015

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CONSOLIDATED INCOME STATEMENT

(SEK '000)	Q2 2015	Q2 2014	Q1-2 2015	Q1-2 2014	Last 12 months	Full year 2014*
Net sales	51,780	35,088	103,164	86,742	211,323	194,901
Expenses for sold goods	-40,972	-24,336	-86,088	-66,146	-163,665	-143,723
Gross profit	10,808	10,752	17,076	20,596	47,658	51,178
Sales expenses	-4,337	-5,720	-8,616	-10,907	-21,697	-23,988
Administration expenses	-9,316	-10,522	-19,647	-17,071	-34,830	-32,254
Development expenses	-1,387	-1,560	-2,332	-2,257	-5,386	-5,311
Earnings from associated companies	-	-	-	-	-422	-422
Other income	-13	-	872	-	29,726	28,854
Other costs	-	38	-	-314	57	-257
Operating profit/loss	-4,245	-7,012	-12,647	-9,953	15,106	17,800
Financial income	13	602	13	613	-534	66
Financial expenses	-1,483	-279	-2,528	-98	-5,199	-2,769
Profit/loss before tax	-5,715	-6,689	-15,162	-9,438	9,373	15,097
Tax	-157	-	143	-	-1,180	-1,323
Profit/loss from remaining business	-5,872	-6,689	-15,019	-9,438	8,193	13,774
Profit/loss from discontinued business (note 1)	1,161	996	6,866	-6,049	-7,590	-20,505
Profit/loss for the period	-4,711	-5,693	-8,153	-15,487	603	-6,731
Profit/loss attributable to parent company shareholders	-4,711	-5,693	-8,153	-15,487	603	-6,731
Earnings per share before dilution (SEK)						
Profit/loss from remaining business	-0.01	-0.02	-0.04	-0.02	0.02	0.04
Profit/loss from divested business	0.00	0.00	0.02	-0.02	-0.02	-0.06
Profit/loss for the period	-0.01	-0.02	-0.02	-0.04	0.00	-0.02
Earnings per share after dilution (SEK)						
Profit/loss from remaining business	-0.01	-0.02	-0.04	-0.02	0.02	0.04
Profit/loss from divested business	0.00	0.00	0.02	-0.02	-0.02	-0.06
Profit/loss for the period	-0.01	-0.02	-0.02	-0.04	0.00	-0.02
Total no. of shares ('000)	378,800	378,800	378,800	378,800	378,800	378,800
Average no. of shares ('000)	378,800	378,800	378,800	353,679	378,800	370,872

Break-down of costs**incl. divested business**

Depreciation and write-downs	2,850	2,511	5,753	5,334	12,001	11,582
Remuneration to employees	27,488	26,500	54,980	53,046	113,875	111,941
Materials and other costs	14,444	30,520	55,950	74,409	134,323	152,782
Total costs	44,782	59,531	116,683	132,789	260,199	276,305

STATEMENT OF COMPREHENSIVE INCOME

(SEK '000)	Q2 2015	Q2 2014	Q1-2 2015	Q1-2 2014	Last 12 months	Full year 2014
Profit/loss for the period	-4,711	-5,693	-8,153	-15,487	603	-6,731
Other comprehensive income						
Translation differences, parent company shareholders	-1,757	713	-1,757	713	1,597	4,067
Other comprehensive income for the period	-1,757	713	-1,757	713	1,597	4,067
Total comprehensive income for the period	-6,468	-4,980	-9,910	-14,774	2,200	-2,664
Total comprehensive income for the period attributable to parent company shareholders	-6,468	-4,980	-9,910	-14,774	2,200	-2,664

*) Comparable figures have been altered to comply with IFRS5.

CONSOLIDATED BALANCE SHEET (SEK '000)	30 June 2015	31 Dec 2014
Fixed assets		
Tangible fixed assets	7,083	13,877
Goodwill	113,133	148,748
Other intangible fixed assets	47,999	157,296
Participations in associated companies	–	23,420
Other financial fixed assets	41,140	40,778
Deferred tax receivable	38,578	39,392
Total fixed assets	247,933	423,511
Current assets		
Stock	26,730	62,727
Securities holding	1,127	255
Current receivables	21,905	81,114
Work in progress, un-invoiced income, contracted	21,622	37,148
Liquid funds	23,140	22,967
Total current assets	94,524	204,211
Assets held for divestment	310,281	–
Total assets	652,738	627,722
Shareholders' equity	463,233	473,143
Long-term liabilities		
Interest-bearing provisions and liabilities	2,197	716
Non-interest-bearing provisions and liabilities	8,217	13,631
Total long-term liabilities	10,414	14,347
Current liabilities		
Interest-bearing liabilities	38,675	19,606
Non-interest-bearing liabilities	105,509	91,209
Work in progress, un-invoiced income, contracted	12,376	29,417
Total current liabilities	156,560	140,232
Liabilities held for divestment	22,531	–
Total shareholders' equity and liabilities	652,738	627,722
Pledged securities		
Chattel mortgages	19,089	19,707
Contingent liabilities	29,576	36,072

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 January 2014	430,518	379,216	-7,768	-345,759	456,207
Comprehensive income					
Profit/loss for the period	0	0	0	-15,487	-15,487
Currency differences when translating foreign business	-	-	713	-	713
Total comprehensive income	0	0	713	-15,487	-14,774
Transactions with shareholders					
New share issue ¹	42,982	-23,382	-	-	19,600
Closing balance, 30 June 2014	473,500	355,834	-7,055	-361,246	461,033
Comprehensive income					
Profit/loss for the period	0	0	0	8,756	8,756
Currency differences when translating foreign business	-	-	3,354	-	3,354
Total comprehensive income	0	0	3,354	8,756	12,110
Transactions with shareholders					
New share issue ¹	-	-	-	-	-
Closing balance, 31 December 2014	473,500	355,834	-3,701	-352,490	473,143
Comprehensive income					
Profit/loss for the period	0	0	0	-8,153	-8,153
Currency differences when translating foreign business	-	-	-1,757	-	-1,757
Total comprehensive income	0	0	-1,757	-8,153	-9,910
Transactions with shareholders					
New share issue ¹	-	-	-	-	-
Closing balance, 30 June 2015	473,500	355,834	-5,481	-360,643	463,233

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

STATEMENT OF CONSOLIDATED CASH FLOW

(SEK '000)	Q2 2015	Q2 2014	Q1-2 2015	Q1-2 2014	Last 12 months	Full year 2014
Operating profit/loss	-2,316	-5,404	-4,682	-14,906	9,294	-930
Financial items	-1,942	-289	-3,318	-581	-8,029	-5,292
Depreciation and write-down	2,850	2,561	5,753	5,384	11,951	11,582
Taxes paid	-414	-612	-3,271	-634	-9,750	-7,113
Other items not affecting liquidity	477	-3,880	-2,338	-1,276	-23,862	-22,800
Cash flow from current activities	-1,345	-7,624	-7,856	-12,013	-20,396	-24,553
Cash flow from change in working capital	-16,321	3,251	-15,673	-12,615	1,125	4,183
Total cash flow from the business	-17,666	-4,373	-23,529	-24,628	-19,271	-20,370
Cash flow from investing activities	-1,560	-629	-3,348	-929	-12,361	-9,942
Cash flow from financing activities	15,150	3,560	26,095	22,818	36,817	33,540
Total cash flow	-4,076	-1,442	-782	-2,739	5,185	3,228
Liquid assets, opening balance	27,130	16,658	22,967	17,853	14,967	17,853
Total cash flow	-4,076	-1,442	-782	-2,739	5,185	3,228
Exchange rate differences in liquid funds	86	-249	955	-147	2,988	1,886
Liquid assets, closing balance	23,140	14,967	23,140	14,967	23,140	22,967

CONSOLIDATED INCOME STATEMENT, PER QUARTER

(SEK '000)	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Net sales	51,780	53,551	57,728	50,431	35,088	51,654
Operating profit/loss	-4,245	-8,967	6,305	21,448	-24,336	-2,941
Financial items	-1,470	-1,045	-1,582	-1,636	323	192
Profit/loss after financial items	-5,715	-10,032	4,723	19,812	-6,689	-2,749
Tax	-157	300	-509	-	-	-
Profit/loss from remaining business	-5,872	-9,732	4,214	19,812	-6,689	-2,749
Profit/loss from divested business	1,161	6,290	-7,448	-7,822	996	-7,045
Profit/loss for the period	-4,711	-3,442	-3,234	11,990	-5,693	-9,794
Profit/loss for the period attributable to parent company shareholders	-4,711	-3,442	-3,234	11,990	-5,693	-9,794

KEY FIGURES

	Q2 2015	Q2 2014	Q1-2 2015	Q1-2 2014	Last 12 months	Full year 2014
Operating margin, %	-8.2	-20.0	-12.3	-11.5	7.1	9.1
Return on operating capital, %	-	-	-	-	3.2	4.0
Return on equity, %	-	-	-	-	1.8	2.8
Profit/loss per share before dilution, SEK	-0.01	-0.02	-0.04	-0.03	0.02	0.04
Profit/loss per share after dilution, SEK	-0.01	-0.02	-0.04	-0.04	0.02	0.04
Equity per share, SEK	1.22	1.26	1.22	1.32	1.22	1.28
Equity/assets ratio, %	71.0	74.9	71.0	71.9	71.0	75.4
No. of shares, thousands	378,800	378,800	378,800	378,800	378,800	378,800
Average no. of shares, thousands	378,800	378,800	378,800	353,679	378,800	370,872

NOTE 1 DIVESTED BUSINESS**Business under divestment**

On 30 June a share transfer agreement was signed concerning the sale of the main part of the Group's business in Compressor Technology and Waste Heat Recovery. The deal includes the newly formed holding company, Opcon Compressor Technology AB and the subsidiaries, Svenska Rotor Maskiner AB, Opcon Energy Systems AB and the 48.9796% of the shares in the jointly-owned Chinese company, Fujian Opcon Energy Technology Co., Ltd. The acquisition also includes all the intangible rights relating to Compressor Technology and Opcon Powerbox as well as the Opcon trademark.

Following due diligence based on the financial accounts dated 31 March 2015, the purchase amount is SEK 400 million. After the end of the period, 15% of the purchase amount was paid in accordance with the agreement. The remaining 85% of the purchase amount shall be paid in cash at the closing of the deal, which is expected to be on 30 September 2015, when the buyer will gain control of the transferred shares.

The following table shows the results of cash flow for the divested units as of 30 June 2015 and 30 June 2014.

Business in liquidation

In 2014, OBE Energi AB and Opti Energi Group AB including subsidiaries were placed in liquidation. These companies were not a part of the Group from 2015. The following table shows the results of the units as reported in the Q2 2014 interim report.

Results for business under divestment SEK '000	6 months up to 30 June	
	2015	2014
Income	33,592	35,538
Costs	-25,936	-36,094
Operating profit/loss	7,656	-556
Financial income	-	-
Financial costs	-3,112	-3,126
Earnings before tax	4,544	-3,682
Current tax	-	-
Earnings for the period	4,544	-3,682
Comprehensive income before tax		
Earnings for business under divestment	4,544	-3,682

Net cash flow for business under divestment SEK '000	6 months up to 30 June	
	2015	2014
Cash flow from operations	-15,440	-5,253
Cash flow from investments	-2,692	-1,860
Cash flow from financing	17,885	7,124
Net in/out flow	-247	11
Earnings per share		
Earnings per share before dilution	0.01	-0.01
Earnings per share after dilution	0.01	-0.01

Results for business in liquidation SEK '000	6 months up to 30 June	
	2015	2014
Income	-	180
Costs	-	-4,577
Operating profit/loss	-	-4,397
Financial income	-	-
Financial costs	-	-113
Earnings before tax	-	-4,510
Current tax	-	-
Earnings for the period	-	-4,510
Comprehensive income before tax		
Earnings for business under divestment	0	-4,510

PARENT COMPANY'S INCOME STATEMENT (SEK '000)

	Q2 2015	Q2 2014	Q1-2 2015	Q1-2 2014	Last 12 months	Full year 2014
Net sales	3,284	1,950	6,125	8,335	41,860	44,070
Cost of sold services	-2,386	-1,752	-2,995	-5,294	-19,509	-21,808
Gross profit	898	198	3,130	3,041	22,351	22,262
Administration expenses	-4,883	-3,680	-10,647	-11,701	-27,486	-28,540
Other income	-	-	-	-	56,554	56,554
Operating profit/loss	-3,985	-3,482	-7,517	-8,660	51,419	50,276
Impairment of shares in subsidiary	-	-	-	-	-6,326	-6,326
Received/paid Group contribution	-	-	-	-	-18,416	-18,416
Financial income	1,839	2,160	3,600	4,168	6,692	7,260
Financial expenses	-1,317	-336	-2,229	-492	-2,253	-516
Profit/loss from financial income and expenses	-3,463	-1,658	-6,146	-4,984	31,116	32,278
Deferred tax	-	-	-	-	-	-
Profit/loss for the period	-3,463	-1,658	-6,146	-4,984	31,116	32,278

PARENT COMPANY'S BALANCE SHEET (SEK '000)

	30 June 2015	31 Dec 2014
Fixed assets		
Tangible fixed assets	764	819
Participations in Group companies	245,674	245,624
Participations in associated companies	61,398	61,398
Deferred tax	35,969	35,969
Long-term receivables	40,320	40,320
Total fixed assets	384,125	384,130
Current assets		
Accounts receivables	3,298	300
Receivables from Group companies	251,202	235,398
Tax receivables	805	521
Other receivables	19,075	6,571
Liquid funds including current investments	389	5,772
Total current assets	274,769	248,562
Total assets	658,894	632,692
Shareholder's equity		
Share capital	473,500	473,500
Statutory reserve	12,374	12,374
Total tied-up capital	485,874	485,874
Non-restricted equity/profit/loss for the year	54,758	60,904
Total shareholders' equity	540,632	546,778
Long-term liabilities	-	-
Current liabilities		
Interest-bearing liabilities to credit institutions	34,535	12,917
Accounts payable	7,427	7,355
Liabilities to Group companies	45,694	56,708
Other non-interest-bearing liabilities	30,336	8,934
Total current liabilities	118,262	85,914
Total shareholders' equity and liabilities	658,894	632,692
Contingent liabilities	29,836	37,826
Equity/assets ratio (%)	82.1	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 100 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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