

Production capacity of a half terawatt hour per year from 2015

Year-end report, 2014 Rabbalshede Kraft AB (publ)

Significant events during the fourth quarter, October 1, 2014 – December 31, 2014

- Production for the fourth quarter totaled 158,110 MWh (86,898 MWh)
- Net sales totaled KSEK 68,047 (47,452)
- EBITDA amounted to KSEK 34,154 (44,239)
- EBIT was KSEK 19,152 (33,520)
- The average sales price for wind power production amounted to SEK 478/MWh (548), of which electricity was SEK 303/MWh (345), electricity certificates and guarantees of origin were SEK 175/MWh (204).
- The Årjäng NV, Årjäng SV and Skaveröd/Gurseröd wind farms totaling 101 MW and a production capacity of 289 GWh entered commercial operation from December 2014.

Key figures	Q4 2014	Q4 2013	Q1-4 2014	Q1-4 2013
Electricity production, MWh	158,110	86,898	314,665	189,431
Net sales, KSEK	68,047	47,452	146,161	104,694
EBITDA, KSEK	34,154	44,239	81,270	77,821
EBIT, KSEK	19,152	33,520	14,325	38,027
Earnings per share, SEK	0.06	0.24	-0.34	0.00
Average sales price of electricity, SEK/MWh	303	345	315	351
Average sales price of electricity certificates and guarantees of origin, SEK/MWh*	175	204	182	211

* Recognition of average income from electricity certificates can be found on page 11

For further information, please contact

Thomas Linnard, CEO
Tel. +46 (0) 525 197 11, +46 (0) 706 100 120
thomas.linnard@rabbalshedekraft.se

Fredrik Samuelsson, CFO
Tel. +46 (0) 525 197 13, +46 (0) 703 01 20 49
fredrik.samuelsson@rabbalshedekraft.se

Rabbalshede Kraft AB (publ)
Marknadsvägen 1
SE-457 55 Rabbalshede

Tel. +46 (0) 525 197 00,
www.rabbalshedekraft.se
E-mail: info@rabbalshedekraft.se
Corp. Reg. No.: 556681-4652

This is Rabbalshede Kraft

Rabbalshede Kraft AB (publ) plans and establishes proprietary land-based wind farms, in collaboration with other players or for divestment whereby the Company is able to offer operating services. Since its inception in 2005, Rabbalshede Kraft has commissioned 95 wind turbines, of which 71 turbines in eight wind farms are proprietarily managed. The electricity produced from the Company's wind farms in operation is sold in the open electricity market, Nord Pool. An extensive project portfolio comprises the basis for growth. The Company has about 250 turbines under procurement, application and planning phases. Follow the Company's progress at www.rabbalshedekraft.se

Contents

Rabbalshede Kraft's financial calendar	2
Annual General Meeting	2
Nomination Committee.....	2
CEO's statement.....	4
Prices for electricity and electricity certificates	5
Project portfolio	7
Project portfolio at December 31, 2014.....	8
Investments.....	9
Financing.....	9
Risks and uncertainties	10
Consolidated income statement	12
Consolidated balance sheet.....	13
Consolidated cash-flow statement	14
Parent Company income statement.....	15
Parent Company balance sheet	15
Notes to the condensed financial statements.....	16
Signatures/issuers of the report.....	17

Rabbalshede Kraft's financial calendar

Annual General Meeting for the 2014 fiscal year	April 23, 2015
Interim report January-March 2015	April 23, 2015
Interim report January-June 2015	August 20, 2015
Interim report January-September 2015	November 5, 2015
Year-end report for 2015	February 25, 2016

Press releases and financial reports can be subscribed to and downloaded on Rabbalshede Kraft's website www.rabbalshedekraft.se.

Annual General Meeting

The Annual General Meeting for the 2014 fiscal year will be held at 4:00 p.m. on April 23, 2015, in Gothenburg, Sweden. The official notification of the Annual General Meeting (AGM) will be published in *Post- och Inrikes Tidningar* and on Rabbalshede Kraft's website not later than March 26, 2015. An announcement that notification has been issued will be made in *Dagens Industri* and *Göteborgs-Posten*.

The 2014 Annual Report will be published on Rabbalshede Kraft's website on April 2, 2015. The Annual Report will be available at the Company's office in Rabbalshede as of April 2, 2015, and be distributed by traditional mail to shareholders on request about one week in advance of the AGM.

Nomination Committee

Shareholders who would like to submit proposals to the Nomination Committee ahead of Rabbalshede Kraft's AGM on April 23, 2015, may do so by e-mail to valberedningen@rabbalshedekraft.se or by traditional mail to Nomination Committee, Rabbalshede Kraft, Marknadsvägen 1, SE-457 55 Rabbalshede, Sweden, not later than March 5, 2015.

2014 fiscal year

Production from the Group's wind farms during January-December amounted to 314,665 MWh (189,431).

Net sales totaled KSEK 146,161 (104,694).

EBITDA amounted to KSEK 81,270 (77,821).

EBIT was KSEK 14,325 (38,027).

The average sales price for wind power production amounted to SEK 497/MWh (560), of which electricity was SEK 315/MWh (351), electricity certificates and guarantees of origin were SEK 182/MWh (211).

Depreciation/amortization totaled KSEK 66,945 (39,794). Impairment losses on projects totaled KSEK 12,317. Impairment losses were incurred on the Årjäng NO and Ljungskile Hoven projects that had not received permits, and by other projects that were discontinued or pending due to unfavorable conditions.

The Company posted a loss after tax of KSEK 25,083 (profit: 117).

All 33 wind turbines in the Skaveröd/Gurseröd, Årjäng NV and Årjäng SV wind farms are in production. The wind farms were put into commercial operation from December 2014. The wind farms are expected to produce 289,400 MWh/year, which will increase Rabbalshede Kraft's production capacity by 130 percent.

Rabbalshede Kraft was granted an environmental permit for the Årjäng NV II wind farm comprising up to eight wind turbines (28 MW). The wind farm gained legal effect in July 2014.

Rabbalshede Kraft was granted an environmental permit for the Lyrestad wind farm comprising up to eight wind turbines (25 MW). The wind farm gained legal effect in January 2014.

The Board of Rabbalshede Kraft decided to start trading in the Company's share on the Alternativa equities market on the Alternativa Lista.

The Annual General Meeting for the 2013 fiscal year was held on April 25, 2014, in Gothenburg, Sweden.

The Company employed Lars Jacobsson as its new Operational and Maintenance Manager. Lars assumed his position in April 2014 and is now part of the Company's management.

Significant events after the end of the period

After the end of the period, the Värva Berg wind farm received information from the Land and Environmental Court that the review dispensation had not been granted, which means that the project did not receive the permit. The project will be moved down the planning phase for review.

CEO's statement

In December 2014, our largest project to date was put into commercial operation – the three wind farms, Årjäng NV, Årjäng SV and Skaveröd/Gurseröd. Construction and commissioning were implemented according to schedule and budget. Strong winds at the end of last year and the beginning of this year have put the 33 wind turbines to the test and we are very satisfied with the results. The three farms will increase Rabbalshede Kraft's production capacity by a full 130 percent from 2015. Combined with other wind farms, we will thus be able to produce more than a half terawatt hour during a normal wind year.



The Company's earnings are worthy of comment since a minus sign in the last line, meaning the loss after tax, contains significant impairment losses, primarily during the third quarter. In the first instance, this includes the Årjäng NO and Ljungskile Hoven wind farms, for which planning had been completed but without receipt of the necessary permits. The impairment losses also include projects that have been discontinued or are pending due to less than optimal conditions. This is due to the low prices of electricity and electricity certificates causing us to focus on the best projects in the continued development of the Company's portfolio.

Depreciation and impairment amounted to KSEK 66 945 (39 794), generating a loss after tax of KSEK 25,083 (profit: 117). EBITDA is a measure of how we operate our farms and cope with offsetting weak market conditions, which amounted to KSEK 81 270 (77 821). This operating profit was earned in a year when electricity prices fell to the lowest level since 2007 and the price of electricity certificates continued to drop pending an agreement between Sweden and Norway.

The depreciation of farms that cannot be built is not specific to Rabbalshede Kraft. As a rule, the balance sheets of wind power companies usually include major worked-up amounts in the form of completed planning of wind farm projects that are waiting for decisions. The permit process is time-consuming and can be perceived as difficult to understand and should permits be declined, it is to win an appeal. The wind farm projects for which planning is complete are then converted to heavy negative items in the Company's income statement. The Swedish Energy Agency recently presented instructions that will lead to more rapid and uniform assessments of wind power issues by the municipalities. This is welcomed by the entire wind power industry. However, to create a transparent application process that is perceived as completely legal, the rules and regulations will also have to be reviewed.

Production during the year totaled 314,665 MWh (189,431). In terms of wind, 2014 was just above a normal year. The increase was partly attributable to the Dingle-Skogen wind farm, which was commissioned during the fourth quarter of 2013, and partly due to the three farms mentioned above that were successively commissioned during the autumn.

In 2015, we will focus on the farms that have already received permits and can therefore be constructed when we feel that market conditions are adequate. Last year, two more environmental permits gained legal force. On page 8, there is a presentation of all seven wind farms with approved permits comprising 65 wind turbines with a total output of 194 MWh. The aim is to proprietarily operate the wind farms or offer investors turnkey wind farms in which we also offer operation and maintenance. This will allow us to capitalize on the underlying value of the project portfolio while potential partners will gain access to their own production of renewable electricity without having to build an operation organization.

At the same time, we continue to work on optimizing operations in our existing wind farms. This could generate significant margin gains, which we mentioned earlier. A change in the organization is that planning and sales of wind power have been merged under one roof and the aim is to more distinctly connect the development of new farms to the demands placed by future buyers and also forthcoming partners.

Thomas Linnard, CEO

Production

During the second half of 2014, the Årjäng NV, Årjäng SV and Skaveröd/Gurseröd wind farms, which comprise a total of 33 wind turbines, were assembled and commissioned. After completing trial operation, the wind farms were put into commercial operation from December 2014. Rabbalshede Kraft will increase its production capacity by a full 130 percent from 2015, which will generate an annual production capacity of 0.5 TWh.

The high level of wind energy in the production area of the Company's wind farm from the first quarter continued into the start of the second quarter. Energy production was far above the normal during the first four months of the year. In May, the wind abated and a period of high pressure dominance and mostly light winds took over for the remainder of the second quarter. The third quarter was also mainly dominated by high-pressure weather systems, except for brief periods in July and August with more unstable and windy days. The fourth quarter was dominated by winds with high energy content. The wind energy in the production area for the Company's wind farms is just above a normal year for 2014.

Production outcome, MWh	Q4 2014	Q4 2013	Full-year 2014	Full-year 2013	Full-year 2012	Full-year 2011	Full-year 2010
Hud	11,861	13,770	36,507	35,691	37,361	38,124	32,790
Kil	5,559	8,111	19,312	19,835	19,943	20,127	15,281
Brattön	11,618	13,588	34,925	33,788	35,167	36,477	17,852
Töftedalsfjället	21,635	25,682	65,453	63,839	65,437	54,475	-
Dingle-Skogen ¹⁾	21,682	25,746	66,376	36,278	1,877	-	-
Wind farms under trial operation ²⁾	85,755	-	92,092	-	-	-	-
Total	158,110	86,898	314,665	189,431	159,785	149,203	65,653
Price-hedged electricity	74%	59%	71%	63%	61%	44%	70%

1) The wind farm was gradually commissioned in 2013 and moved into commercial operation in November 2013. Accordingly, complete comparative figures for 2013 are not available.

2) The Årjäng NV, Årjäng SV and Skaveröd/Gurseröd wind farms were successively put in operation during the third quarter of 2014, and accordingly, complete comparative figures for 2013 are not available.

Seasonal variations and annual variations

Wind-power production varies during the year, normally entailing higher electricity production during the winter season. An average wind year, known as a normal year, is based on wind measurements over at least a ten-year period. Deviations from a normal year can be substantial, thus impacting revenues and earnings during a single quarter or year.

Prices for electricity and electricity certificates

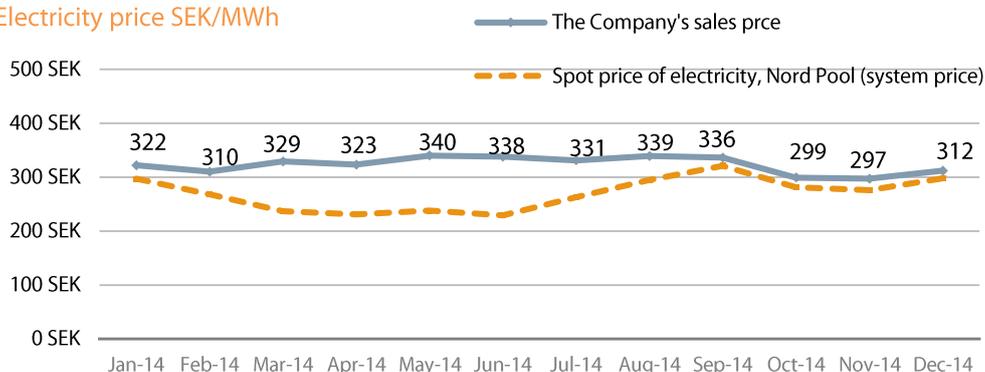
The average price per presold MWh during the fourth quarter was SEK 303/MWh (345); 74 percent of the production was hedged during the quarter. Hedging takes place through contractual sales of electricity for delivery at a later date, which evens out the Company's earnings over time. From the second quarter of 2012, the Company has been price-hedging a predetermined percentage of its production volume, thus eliminating the volume and profile risk.

2014 will go down in history as the warmest year since global temperature measuring commenced in 1880. This contributed to declining electricity consumption in Sweden, which together with other influencing factors reduced the electricity price to the lowest level since 2007. The system price (a weighted spot price on Nord Pool Spot), was SEK 269/MWh for the full-year 2014. This is a reduction of SEK 60 from 2013 and nearly half compared with SEK 506/MWh in 2010, which was a very cold year, while nuclear power was struggling with problems and levels in the water magazines were low.

During the fourth quarter of 2014, the system price rose to SEK 285/MWh. A warm start of 2015 contributed to a system price that was the same level in January. Up to 2020, a number of forecasts point to small price increases unless the global economy improves.

In the EU, comprehensive work is in progress to strengthen the internal energy market for electricity and gas. In the preceding report, mention was made of how the EU's energy and climate objective for 2030 was steering policies toward a higher proportion of renewable energy. A proposal was recently published by the EU commission about how an "energy union" comprising the 28 member countries is to be realized. The objective is to promote development so that both electricity producers and electricity consumers will benefit, while emissions of climate gases will decrease and dependency on such imported energy raw materials as natural gas will decline.

Electricity price SEK/MWh



The electricity certificate system was introduced in Sweden in 2003 to promote the development of renewable electricity. The system has been shared with Norway since 2012. During 2015, the countries will sign a renewed agreement for the years 2016-2020. The Swedish government has announced higher objectives for the expansion of renewable energy, but it is still unclear how the Norwegian government will respond.

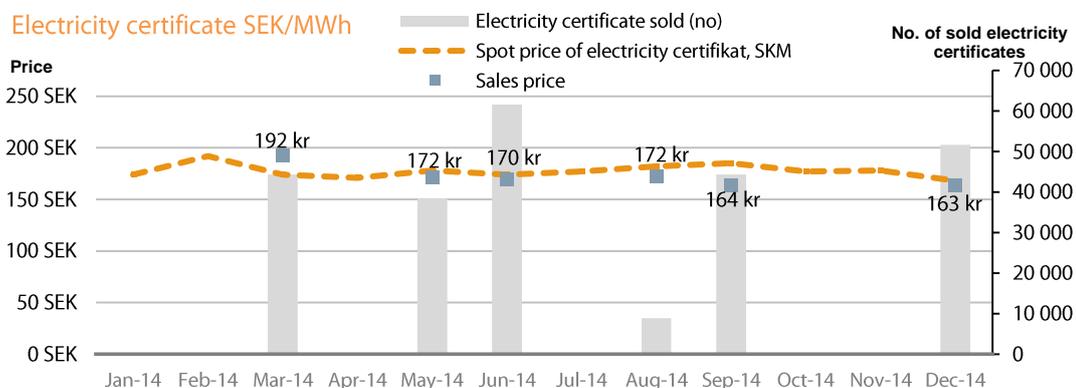
The expansion of wind power has progressed rapidly, creating a wide range of electricity certificates. At the same time, electricity consumption has declined, resulting in a fall in demand for electricity certificates. Accordingly, a surplus of certificates has thus gradually accumulated, which has caused the spot price to fall from over SEK 300/MWh for a number of months in 2008, 2009 and in January 2010, down to SEK 170/MWh at the end of 2014.

A low certificate price combined with a relatively low electricity price means that the profitability of renewable electricity production has been eroded. This is expected to lead to a decline in the expansion of renewable energy, which was also confirmed by the industry association Swedish Wind Energy's forecast for 2015. This is the reason why the Swedish government wants to strengthen the electricity certificate system.

The spot price for the week commencing February 16, 2015, was SEK 144/MWh and futures prices varied between SEK 145 and SEK 152/MWh for various periods. Until Sweden and Norway agree on reforms to the electricity certificate system, prices are expected to remain low with occasional peaks.

At December 31, 2014, the Company had an inventory of electricity certificates totaling 52,728 at a value of KSEK 8,858.

Electricity certificate SEK/MWh



Project portfolio

Planning operations

The first step in a successful establishment is to conduct a thorough analysis of the wind power conditions. Experience gained from operational wind farms, ongoing construction and applications provides a strong foundation for future projects. The following sections describe the various phases involved, from preplanning to commissioning.

Preplanning, planning.

In the preplanning phase, basic prerequisites are analyzed, such as wind conditions based on wind maps, opposing interests, ground conditions, the feasibility of grid connections and so forth. Most of Sweden's municipalities have established wind-power plans, which indicate areas that may be appropriate for establishing wind-power production. Leaseholds are signed with land owners, which are subject to the condition that wind measurements and other analyses in the next phase remain positive.

In the planning phase, wind measurements begin and the consultation process is initiated with the authorities, organizations and individuals affected by the establishment. This is when an Environmental Impact Assessment (EIA) is prepared, which is submitted to the relevant authority together with the application. An EIA describes the direct and indirect impact of wind power on natural and cultural environments, recreational amenities and public health.

Application

Wind farm applications that are to be assessed under the Environmental Code are submitted to the County Administrative Board where the Environmental Protection Department formulates a decision-making proposal for the operation. The County Administrative Board's environmental testing delegation subsequently reaches a decision. In order for the County Administrative Board to assess an application and decide whether or not to issue a permit, the project must be approved by the municipality. If the municipality rejects the application, the County Administrative Board must also reject the application. This is usually referred to as a municipal veto. Wind farms that are assessed under the Swedish Planning and Building Act are submitted to the relevant municipality for assessment.

Authorization

When all permits have been granted and gained legal force, the focus is on the procurement of turbines, other engineering, electrical and contracting work, as well as financing. Electricity connection agreements are also reached with various grid companies. The wind measurements are thoroughly analyzed, which provides the basis for investment and profitability calculations.

Construction

This phase begins with preparatory work on land and the construction of roads. Contractors are appointed for earthworks, while turbine suppliers are responsible for the assembly and commissioning of wind turbines. Electricity connections are made by the electricity companies that own the adjacent networks and are paid for by Rabbalshede Kraft.

Operation

A service and maintenance plan is established for each turbine and operational monitoring is performed remotely by both the supplier and Rabbalshede Kraft. The Company's internal operational and maintenance organization is considered a core strategic competency and establishes processes certified in accordance with ISO 9001 and ISO 14001. The aim is to achieve higher operational reliability and availability than the turbine manufacturers are able to offer in their service agreements. Along with the Company's suppliers, the operational organization is also responsible for the facilities from which Rabbalshede Kraft and its partners jointly manage the wind farms. Töftedalsfjället is the first example of this type of facility.

Project portfolio at December 31, 2014

Phase	Project name	Municipality	No. of turbines	Output (MW)	Estimated normal annual production, MWh
Operation	Hud	Tanum	6	15	36,000
	Kil	Tanum	4	8	20,000
	Brattön	Munkedal	6	15	34,000
	Töftedalsfjället	Dals-Ed	10	23	61,400
	Dingle-Skogen	Munkedal	12	28	74,000
	Årjäng NV	Årjäng	9	28	78,700
	Årjäng SV	Årjäng	13	40	116,500
	Skaveröd/Gurseröd	Tanum	11	33	94,200
Total in operation			71	190	514,800
Authorization	Brattön-Sälelund	Munkedal	14	42	-
	Femstenaberg	Strömstad	15	45	-
	Sögårdsfjället	Tanum	14	42	-
	Lursäng	Tanum	5	10	-
	Hällevadsholm Väster	Tanum	1	3	-
	Lyrestad	Mariestad	8	24	-
	Årjäng NV phase II	Årjäng	8	28	-
	Vävra Berg ¹⁾	Kungälv	5	15	-
Total authorization			70	209	
Total application²⁾			143	422	
Total planning, preplanning			47	141	
Total²⁾			331	962	

1) Vävra Berg is a project where the County Board has decided that the project shall be authorized. The decision has been appealed and the appeal has been upheld in the Land and Environment Court before the decision gain legal force. After the end of the period, the Vävra Berg wind farm received information from the Land and Environmental Court that the review dispensation had not been granted, which means that the project did not receive the permit. The project will be moved down the planning phase for review.

2) The projects that are under planning and application are subject to evaluation and assessment by the municipality and/or county administrative board. Accordingly, there may be some uncertainty as to whether or not the Company will receive the permits for the projects that are under planning and the projects for which the Company has applied. Projects that have not been granted permits will be moved down the planning phase for review or will be terminated.

Investments

Investments, including paid advances, totaled KSEK 840,230 during the period from January to December 2014. In all material respects, the investments pertain to the Årjäng NV, Årjäng SV and Skaveröd/Gurseröd wind farms, and to ongoing planning work.

In 2013, the Company began construction on the Årjäng NV, Årjäng SV and Skaveröd/Gurseröd wind farms comprising a total of 33 wind turbines. Thus far, the project is the largest investment in Rabbalshede Kraft's history and amounts to a total of KSEK 1,200,000, of which about one third will be financed by shareholders' equity. All 33 wind turbines were assembled during the third quarter of 2014. After the concluded trial operation, the wind farms were put into commercial operation from December 2014. The wind turbines are of the Vestas V112-3 MW model. Svevia has been responsible for the construction of roads and infrastructure, including the NCN network. The estimated annual production for the three wind farms is 289,400 MWh.

Financing

Bank loans totaled KSEK 1,305,020 (681,555) at December 31, 2014. During the year, the Company's average interest rate on bank loans raised amounted to 4.69 percent. The fixed-interest period for the bank loan at December 31, 2014, was an average of 5.08 years and the capital maturity term was 5.35 years. The Group is also financed through a shareholder loan from Manor Investment S.A. amounting to KSEK 109,811 at December 31, 2014, with a fixed interest rate of 7.5 percent. The shareholder loan falls due for payment in about nine years. The equity/assets ratio was 37 percent (58) at December 31, 2014. The Company's cash and cash equivalents amounted to KSEK 121,006 (135,140) at the close of the period. The Group's maturity structure pertaining to loans and interest rates is detailed in the table below.

KSEK	Maturity structure for loan agreements		Interest-rate maturity	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Year(s)				
0-1	62,792	36,371	337,059	114,369
2-5	710,926	370,121	351,249	167,411
6-10	531,302	275,063	539,065	267,028
11-15	-	-	77,647	132,747
Total	1,305,020	681,555	1,305,020	681,555
Shareholder loans	109,811			
Bank fees	-29,016			
Interest-bearing liabilities	1,385,815			

Hedging instruments

Rabbalshede Kraft applies hedge accounting of financial instruments in accordance with IAS 39. As a result, value changes in various derivatives acquired to hedge cash flows have to be recognized against shareholders' equity through comprehensive income. At December 31, 2014, the market value of the Company's outstanding interest-rate and currency contracts represented a liability of KSEK 150,067 and a receivable of KSEK 12, respectively. The decline in the market interest rate and the derivative that have expired are the reasons for the negative change of KSEK 131 410 in the market value of the fixed-income derivatives during the reporting period, which in turn reduced the shareholders' equity after taking into account the tax effect.

Risks and uncertainties

Through its operations, Rabbalshede Kraft is exposed to risks. The Company is dependent on both the general economic and political climate in its business environment. For a detailed description of risks, refer to the administration report in the Annual Report for the 2013 fiscal year.

In 2008, Rabbalshede Kraft entered into an agreement with a supplier relating to the acquisition of a total of 29 wind turbines. Of these, the Company instructed the delivery of 14 wind turbines to the Dingle-Skogen wind farm in February 2012. The advance payment in EUR that had previously been made for the 29 turbines, corresponding to KSEK 39,921 (rate 9.23), was used as an installment payment for 14 turbines. While the remaining agreements for 15 wind turbines stipulate specific delivery dates, the parties intend to sign supplementary agreements specifying new delivery dates for wind farms that are scheduled further down the line. If the Company cancels the remaining 15 wind turbines, this could cost the Company MEUR 6.7, corresponding to MSEK 63.8 at the closing-date rate.

Group key figures	Q4 2014	Q4 2013	Q1-4 2014	Q1-4 2013
Installed output at the close of the period, MW	190	89	190	89
Electricity production during the period, MWh	158,110	86,898	314,665	189,431
Average sales price of electricity, SEK/MWh	303	345	315	351
Average sales price for electricity certificates, SEK/MWh	163	201	172	206
Average sales price for guarantees of origin, SEK/MWh	12	3	10	4
Average income from electricity certificates, SEK/MWh ¹⁾	115	179	140	190
Average income from guarantees of origin, SEK/MWh ²⁾	12	22	9	12
Number of employees at the close of the period	23	23	23	23
Net sales, KSEK	68,047	47,452	146,161	104,694
EBITDA, KSEK	34,154 ³⁾	44,239	81,270 ³⁾	77,821
EBITDA margin, percent	50.2	93.2	55.6	74.3
EBITDA ² margin, percent	76.6	93.2	69.3	74.3
EBIT, KSEK	19,152	33,520	14,325	38,027
Return on capital employed, percent (before tax)	-	-	0.7	2.6
Return on shareholders' equity, percent	-	-	neg	0.0
Earnings per share before dilution, SEK	0.06	0.24	-0.34	0.00
Earnings per share after dilution, SEK	0.06	0.24	-0.34	0.00
Average no. of shares before dilution, thousands	74,825	74,825	74,825	52,460
Average no. of shares after dilution, thousands	74,825	74,825	74,825	54,666
No. of shares at the end of the period, thousands	74,825	74,825	74,825	74,825
			Dec 31, 2014	Dec 31, 2013
Total assets, KSEK			2,647,556	1,938,658
Equity/assets ratio, percent			37	58
Net debt, KSEK			1,210,382	471,261
Debt/equity ratio, multiple			1.4	0.7
Interest-bearing liabilities, KSEK			1,385,815	751,933
Capital employed, KSEK			2,376,184	1,869,885
Shareholders' equity, including non-controlling interests, KSEK			990,369	1,117,952
Shareholders' equity per share, KSEK			13.24	14.94

1) The total production volume for fiscal year 2014 includes trial operation of the three wind farms that have not been certified eligible, which reduce the average revenue. Average Revenue for the certificate where production has been certified eligible amounted to 169 SEK / certificates. 2) The average income for guarantees of origin comprises total revenue for guarantees of origin as a percentage of the total produced volume. A revaluation of inventory in 2013 had a negative impact of KSEK 1,656 on recognized income for 2014. 3) Under the agreement with the supplier Vestas approx. 20 MSEK of the revenue from the production during trial operation from the wind farms Årjang Southwest, Årjang Northwest and Skvareröd/Gurseröd is to fall Vestas. This is the main reason that other external costs have increased compared with previous year and is an one-off.

Definitions

EBITDA:	Operating profit before depreciation, amortization and impairments.
EBITDA margin:	EBITDA as a percentage of net sales.
EBITDA ² margin:	EBITDA as a percentage of net sales excl. non-recurring costs from Vestas
EBIT:	Operating profit before financial items and taxes.
Earnings per share:	Earnings for the period divided by the number of shares.
Total assets:	Total value of assets held by the Company.
Capital employed:	Total assets less non-interest-bearing liabilities.
Net debt:	Interest-bearing liabilities less cash and cash equivalents.
Return on equity:	Earnings for the period/average shareholders' equity.
Return of capital employed:	Profit before tax plus financial expenses/average capital employed.
Equity/assets ratio:	Shareholders' equity as a percentage of total assets.
Debt/equity ratio:	Interest-bearing liabilities/shareholders' equity.
Equity per share:	Equity divided by the number of shares.

Consolidated income statement

KSEK	Note	Q4 2014	Q4 2013	Q1-4 2014	Q1-4 2013
Net sales		68,047	47,452	146,161	104,694
Other operating revenues		1,126	5,349	4,031	8,684
Total revenues		69,173	52,801	150,192	113,378
Personnel costs	2	-2,801	-2,296	-10,019	-7,360
Other external costs	2	-32,218	-6,266	-58,903	-28,197
Depreciation, amortization and impairment of tangible and intangible fixed assets		-15,002	-10,719	-66,945	-39,794
Operating profit		19,152	33,520	14,325	38,027
Financial income		137	541	511	1,445
Financial expenses		-13,545	-10,687	-46,968	-39,262
Profit/loss before tax		5,744	23,374	-32,132	210
Tax		-1,284	-5,189	7,049	-93
Profit/loss for the period		4,460	18,185	-25,083	117
Earnings per share					
Average no. of shares before dilution, thousands		74,825	74,825	74,825	52,460
Average no. of shares after dilution, thousands		74,825	74,825	74,825	54,666
Earnings per share before dilution, SEK		0.06	0.24	-0.34	0.00
Earnings per share after dilution, SEK		0.06	0.24	-0.34	0.00

Consolidated statement of comprehensive income

KSEK	Q4 2014	Q4 2013	Q1-4 2014	Q1-4 2013
Profit/loss for the period	4,460	18,185	-25,083	117
Other comprehensive income:				
<i>Items that can be reclassified to profit or loss</i>				
Cash-flow hedges:				
Change in fair value	-35,366	13,507	-116,120	26,081
Reversals against profit or loss	4,112	2,082	14,541	7,981
Transferred to cost of hedged item	-1,565	138	-29,830	7,358
Tax attributable to cash-flow hedges	7,219	-3,458	28,909	-9,111
Total cash-flow hedges	-25,600	12,269	-102,500	32,309
Total	-21,140	30,454	-127,583	32,426
<i>Items that will not be reclassified to profit or loss:</i>				
Total items that will not be reclassified to profit or loss	-	-	-	-
Comprehensive profit/loss for the period	-21,140	30,454	-127,583	32,426

Consolidated balance sheet

KSEK	Dec 31, 2014	Dec 31, 2013
Assets		
Intangible fixed assets	34,247	36,345
Tangible fixed assets	2,348,080	1,570,102
Deferred tax assets	40,340	4,379
Long-term receivables	15	716
Total fixed assets	2,422,682	1,611,542
Intangible current assets	10,450	4,061
Accounts receivable	1,130	2,490
Prepaid costs and accrued income	33,752	24,694
Other receivables	4,109	15,199
Blocked bank funds	54,427	145,532
Cash and cash equivalents	121,006	135,140
Total current assets	224,874	327,116
Total assets	2,647,556	1,938,658
Shareholders' equity		
Share capital	748,249	748,249
Other capital contributions	399,527	399,527
Reserves	-117,043	-14,543
Retained earnings including profit/loss for the period	-40,372	-15,289
Shareholders' equity attributable to Parent Company's shareholders	990,361	1,117,944
Non-controlling interests	8	8
Total shareholders' equity	990,369	1,117,952
Liabilities		
Provisions – rehabilitation costs for wind turbines	5,252	2,517
Interest-bearing liabilities	1,196,619	603,853
Other long-term liabilities	261,040	132,184
Total long-term liabilities	1,462,911	738,554
Accounts payable	13,221	3,522
Interest-bearing liabilities	79,385	46,237
Other liabilities	9,303	10,414
Accrued expenses and deferred income	92,367	21,979
Total current liabilities	194,276	85,152
Total liabilities	1,657,187	820,706
Total shareholders' equity and liabilities	2,647,556	1,938,658
Pledged assets	2,282,900	1,604,447
Contingent liabilities	350,105	161,761

Condensed consolidated statement of changes in shareholders' equity

Shareholders' equity attributable to the Parent Company's shareholders, KSEK	Dec 31, 2014	Dec 31, 2013
Total shareholders' equity on the opening date	1,117,944	573,050
Profit/loss for the year	-25,083	117
Other comprehensive income/loss	-102,500	32,309
Comprehensive income/loss for the period	-127,583	32,426
New share issue	-	525,362
Expenses attributable to the new share issue	-	-16,530
Tax effect attributable to the new share issue	-	3,636
Total shareholders' equity on the closing date	990,361	1,117,944

Consolidated cash-flow statement

Condensed, KSEK	Q4 2014	Q4 2013	Q1-4 2014	Q1-4 2013
Cash flow from operating activities before changes in working capital	20,695	25,940	34,626	36,163
Cash flow from changes in working capital	-98,670	-42,803	66,484	-44,790
Cash flow from operating activities	-77,975	-16,863	101,110	-8,627
Investing activities				
Acquisition of tangible fixed assets, including advances	-147,616	-118,899	-840,230	-623,223
Divestment of tangible fixed assets	-	68,374	-	68,472
Cash flow from investing activities	-147,616	-50,525	-840,230	-554,751
Financing activities				
New share issue	-	-	-	525,362
Issuance costs	-	-	-	-16,530
Loans raised	233,336	-376	687,416	271,883
Amortization of loans	-16,557	-52,394	-53,535	-82,919
Changes in blocked funds	-857	20,115	91,105	-88,200
Cash flow from financing activities	215,922	-32,655	724,986	609,596
Cash flow for the period	-9,669	-100,043	-14,134	46,218
Opening cash and cash equivalents	130,675	235,183	135,140	88,922
Closing cash and cash equivalents	121,006	135,140	121,006	135,140
Blocked cash funds	54,427	145,532	54,427	145,532
Total cash and cash equivalents	175,433	280,672	175,433	280,672

Parent Company

The Parent Company, Rabbalshede Kraft AB (publ.), primarily focuses on the management, coordination and operation of the Hud wind farm and the development of the Group. The Parent Company is responsible for issues concerning the equities market, such as consolidated financial statements and equity market information, as well as the credit market with matters regarding borrowing and financial risk management.

Parent Company income statement

KSEK	Q4 2014	Q4 2013	Q1-4 2014	Q1-4 2013
Net sales	9,010	8,025	29,777	38,156
Other operating revenues	222	6,455	354	1,761
Total revenues	9,232	14,480	30,131	39,917
Personnel costs	-3,460	-3,813	-12,267	-13,128
Other external costs	-3,244	-2,422	-11,841	-10,658
Depreciation and amortization of tangible and intangible fixed assets	-388	-1,313	-19,812	-7,464
Operating profit/loss	2,140	6,932	-13,789	8,667
Interest income and similar items	36	72	363	1,142
Interest expense and similar items	-1,403	-1,649	-5,875	-6,372
Profit/loss before tax	773	5,355	-19,301	3,437
Appropriations	-	358	-	358
Profit/loss before tax	773	5,713	-19,301	3,795
Tax	-187	-1,307	4,229	-885
Profit/loss for the period	586	4,406	-15,072	2,910

Parent Company's statement of comprehensive income

KSEK	Q4 2014	Q4 2013	Q1-4 2014	Q1-4 2013
Profit/loss for the period	586	4,406	-15,072	2,910
Total other comprehensive income	-	-	-	-
Total comprehensive income for the period	586	4,406	-15,072	2,910

Parent Company balance sheet

Condensed, KSEK	Dec 31, 2014	Dec 31, 2013
Intangible fixed assets	17,880	19,433
Tangible fixed assets	235,374	235,824
Financial fixed assets	893,099	889,478
Intangible current assets	1,676	666
Current receivables	13,335	24,418
Cash and bank balances	53,671	75,410
Total assets	1,215,035	1,245,229
Restricted shareholders' equity	748,249	748,249
Unrestricted shareholders' equity	356,035	371,106
Untaxed reserves	500	500
Long-term liabilities	86,972	96,446
Current liabilities	23,279	28,928
Total shareholders' equity and liabilities	1,215,035	1,245,229

Notes to the condensed financial statements

Note 1 Accounting policies

The consolidated financial accounts for 2014 were prepared, similar to the 2013 year-end report, in accordance with the International Financial Reporting Standards (IFRS), as approved by the European Commission for adoption within the EU, and the Swedish Annual Accounts Act.

This interim report for the Group was prepared in accordance with IAS 34 Interim Reporting. Pertinent provisions of the Annual Accounts Act were also applied. The same accounting policies and calculation principles were applied as in the most recent Annual Report.

The interim report for the Parent Company was prepared in accordance with the Annual Accounts Act and the regulations in RFR 2 Accounting for Legal Entities.

Note 2 Personnel costs and other external costs

The Company capitalizes all expenses for project-planning personnel. Overhead costs are capitalized at an appropriate percentage for projects in the construction phase and the remaining costs impact earnings. The expenses encompass both personnel expenses and other external expenses.

Group	Q4 2014	Q4 2013	Q1-4 2014	Q1-4 2013
KSEK				
Personnel costs				
Personnel costs	-5,221	-5,249	-19,547	-19,790
Capitalized planning personnel	1,947	1,003	6,502	5,759
Capitalized personnel in management and administration	473	1,950	3,026	6,671
Total	-2,801	-2,296	-10,019	-7,360

Group	Q4 2014	Q4 2013	Q1-4 2014	Q1-4 2013
KSEK				
Other external costs				
Other external costs	-32,810 ¹⁾	-8,684	-61,117 ¹⁾	-33,016
Reinvoiced costs	-286	686	-2,122	-1,675
Capitalized other external costs	878	1,732	4,336	6,494
Total	-32,218	-6,266	-58,903	-28,197

1) Under the agreement with the supplier Vestas approx. 20 MSEK of the revenue from the production during trial operation from the wind farms Årjang Southwest, Årjäng Northwest and Skvareröd Gurseröd is to fall Vestas. This is the main reason that other external costs have increased compared with previous year.

Signatures/issuers of the report

Rabbalshede, February 26, 2015

Thomas Linnard,
CEO

Review

This report has not been reviewed by the Company's auditors.



Wind farms in Årjäng
Photo www.tocksfors.se