



OPCON AB (PUBL), THE ENERGY AND ENVIRONMENTAL TECHNOLOGY GROUP
FINANCIAL STATEMENT JAN-DEC 2015 AND INTERIM REPORT OCT-DEC 2015

Sale concluded of business in Compressor Technology and Waste Heat Recovery – new strategy launched

- Sale concluded of business activities within Compressor Technology and Waste Heat Recovery for SEK 400 million, capital gains of SEK 167.2 million for Group
- Extensive review completed for remaining business – new strategy launched
- New strategy including reassessment of remaining business and assets leads to impairment of financial assets by SEK 23.6 million and other costs of SEK 86.9 million, of which SEK 60.6 million is goodwill
- Deferred tax asset impaired to 0, net effect on Group earnings of SEK 30.8 million. Tax loss carryforwards in Sweden amount to SEK 430 million
- Savings programme initiated for bioenergy and parent company, expected to produce annual savings of up to SEK 25 million from end of 2016
- Good level of received orders for bioenergy projects in the UK

Q1-4, JANUARY-DECEMBER 2015, REMAINING BUSINESS

- Net sales amounted to SEK 194.4 million (194.9 m)
- Operating result (EBIT) was SEK 20.9 million (16.8 m)
- Loss before tax was SEK 10.1 million (14.1 m)
- Loss after tax was SEK 41.7 million (12.8 m)
- Earnings per share SEK -0.11 (0.03)

Q4, OCTOBER-DECEMBER 2015, REMAINING BUSINESS

- Net sales amounted to SEK 44.7 million (57.7 m)
- Operating result (EBIT) was SEK 45.4 million (6.1 m)
- Profit before tax was SEK 19.6 million (4.5 m)
- Loss after tax was SEK 12.2 million (3.2 m)
- Earnings per share SEK -0.03 (0.01)

EVENTS AFTER THE CLOSING DATE

- Changes within bioenergy, notice of dismissal to staff in Sweden, reserve of SEK 10 million in Q1 2016 established to cover lay-offs
- Decision taken to close down and decommission Saxlav AB (formerly Saxlund Bioenergy AB)
- Hotab Biosystem AB acquired, purchase amount was SEK 1 million
- Board calls Extra General Meeting of shareholders on 23 March to decide change of company name, to proposed Trention AB, Board also proposes reduction in share capital, a reverse share split of 100:1 and seeks mandate for share buy-back programme
- Board adopts new finance policy

FOR FURTHER INFORMATION, PLEASE CONTACT:

- Rolf Hasselström, President and CEO: +46 8 466 45 00, +46 70 594 79 60
- Niklas Johansson, deputy CEO, Investor Relations: +46 8 466 45 11, +46 70 592 54 53
- Claes Palm, deputy CEO, Chief Financial Officer: +46 8 466 45 00, +46 70 545 04 95

GROUP, JANUARY–DECEMBER 2016, REMAINING BUSINESS

Sales for remaining business for the January–December period amounted to SEK 194.4 million (194.9 m). Other income primarily relating to capital gains from the sale of business activities within Compressor Technology and Waste Heat Recovery amounted to SEK 169.4 million. Other costs relating primarily to impairment in connection with the strategic Group review were SEK 86.9 million, of which SEK 60.6 million was impairment of goodwill.

The operating result (EBIT) was SEK 20.9 million (16.8 m). The result before tax was SEK –10.1 million (14.1 m). The result after tax, following impairment of the deferred tax asset (see separate comments), was SEK –41.7 million (12.8 m). Earnings per share attributable to the parent company's shareholders were SEK –0.11 (0.03).

The small decrease in sales during the year were due exclusively to considerably lower sales in Sweden, where the business suffered from low received orders. The low sales together with an adjusted final status forecast and impairment in several projects led to a large negative result. As a consequence of these continued poor results and of the concluded strategic review, extensive measures are now being implemented to turn round the business, especially in Sweden.

Sales in the UK grew strongly during the year, while results were changed from profit into loss mainly due to faulty work performed by a supplier in a major project that caused delays and extensive cost increases. Development in Germany improved gradually during the year after a weak start and margins improved slightly, which also contributed to turning the operating result into profit. Several large materials-handling orders from Babcock & Wilcox Vølund for various bioenergy projects in the UK helped to strengthen the order book for the year.

On 30 October Opcon completed the sale of the main part of the Group's business in Compressor Technology and Waste Heat Recovery to Shanghai XingXueKang Investment Partnership. The purchase amount was SEK 400 million. The deal included the subsidiaries, Svenska Rotor Maskiner AB, Opcon Energy System AB, the holding company, Opcon Compressor Technology AB and Opcon's share in the jointly-owned Chinese company, Fujian Opcon Energy Technology Co., Ltd. The acquisition also included intangible rights relating to compressor technology and Opcon Powerbox as well as the Opcon trademark. Costs for the sale were below SEK 10 million.

In total, the consolidated capital gain from the deal was SEK 167.2 million recognized as other income.

As a result of a completed strategic review, the Board has concluded that a number of assets no longer have either the right conditions or a strategic position to remain in the Group. This primarily refers to assets relating to Compressor Technology that were not part of the sale, including receivables and holdings Opcon has in the US company Air Power Group Inc., which operates in the Compressor Technology business area. The company intends to divest these assets in 2016. To reflect the estimated fair value of a divestment of these assets, the company has booked an impairment of SEK 23.6 million as a financial cost.

In connection with the sale of operations in compressor technology and Waste Heat Recovery a strategic review of remaining business has been conducted.

Cutbacks to the parent company's costs have been initiated as part of this review, in order to adapt the business to new conditions. In addition to costs already booked, a reserve of SEK 10.3 million has been established to cover employee lay-offs.

The Board has set a new strategy to make bioenergy activities into a profitable, stand-alone unit, both administratively and financially. Significant efforts are now being made to clarify among products, projects and markets in order to establish the remaining structure as an efficient, profitable North European business with good prospects and with a very different risk profile than before. The aim is to create a business that will be able to take advantage of decades of expertise and an installed base, while not being burdened by historical risk, overcapacity or failed projects, and with a completely different financial strength than before.

As part of this new strategy, Saxlav AB (formerly Saxlund Bioenergy AB) will be closed down and liquidated. The Swedish business is undergoing a comprehensive transformation whereby future operations in Sweden will be concentrated at Saxlund International AB. Personnel have been given notice of dismissal. As a consequence of this and the re-evaluations of the business that will result from the new strategy, intangible assets will be impaired by SEK 64.4 million, of which SEK 60.2 million is goodwill.

The measures taken mean the formation at the beginning of 2016 of a group of companies active in bioenergy that can participate from a position of strength in the restructuring that is considered necessary in the Swedish market.

GROUP, OCTOBER–DECEMBER 2015, REMAINING BUSINESS

Sales for remaining business for the October–December period amounted to SEK 44.7 million (57.7 m). Other income was SEK 167.5 million and other costs were SEK 86.9 million.

The operating result (EBIT) was SEK 45.4 million (6.1 m). The result before tax was SEK 19.6 million (4.5 m). The loss after tax was SEK 12.2 million (3.2 m). Earnings per share attributable to the parent company's shareholders were SEK –0.03 (0.01).

The fall in sales in Q4 was mainly due to reduced turnover in the Swedish bioenergy business, where companies are

now being closed down and staff are being given notice of dismissal. This also meant that results were affected during the period by the new strategy for bioenergy, including costs for the decommissioning of projects and impairment of intangible assets and other assets. In total other costs affected results in Q4 by SEK 86.9 million, of which SEK 60.2 million was an impairment of goodwill. The key to the development in earnings in Q4 was the sale of the business within Compressor Technology and Waste Heat Recovery which resulted in other income of SEK 167.2 million.

Events after the closing date

In January 2016, as a part of the company's new strategy that includes participating in the restructuring that is considered to be necessary on the Swedish market, Opcon's subsidiary Saxlund International Holding AB acquired Hotab Biosystem AB from its parent company Hotab Bio Energy AB, which then went into bankruptcy. The purchase amount was around SEK 1 million before costs. In connection with this, certain assets were also acquired from the parent company. Hotab Biosystem AB focuses on the aftermarket and employs 18 people at its business in Kristianstad, Sweden. Sales for 2014 amounted to around SEK 40 million and the operating profit was SEK 1.5 million. Both sales and earnings for 2015 are expected to be lower. Hotab has been one of the more prominent businesses in the Swedish bioenergy market over a period of time.

As part of the Group's new strategy, an extensive savings programme was also launched in the bioenergy business and in the parent company. The goal is to save around SEK 25 million on an annual basis by the end of 2016. In addition to measures taken at the parent company, 12 employees in the Swedish bioenergy business were given dismissal notices in January. In connection with this move, Opcon also announced that SEK 10 million would be reserved in the 2015 financial statements for redundancies as a result of the notified dismissals. After reviewing the accounting rules it has been decided that the cost will instead be charged to the accounts for 2016.

After the end of the period a decision has been made to close down Saxlav AB (formerly Saxlund Bioenergy AB), which meant further reassessment of assets and impairment in the 2015 year-end accounts.

Opcon is also calling an Extra General Meeting on 23 March in order to, among other things, change the name of the company due to the transfer of the Opcon trademark in connection with the sale of business activities within Compressor Technique and Waste Heat Recovery. The Board proposes that the company's new name will be Trention AB. In the notice of the Extra General Meeting the Board also proposes that the share capital shall be reduced and that a reverse stock split at a ratio of 100:1 be implemented. The Board has also sought a mandate to implement a share repurchase programme.

The Board has adopted a new finance policy. In brief this will mean that surplus liquidity will be invested in short-term instruments. Only 10% may be invested in high-risk instruments, and the remaining 90% shall be invested in low-risk instruments such as various forms of interest-bearing instruments without exchange rate risk.

Financial position

The Group's liquid assets at the end of the period were SEK 295.5 million (23.0 m). In addition there was unutilised credit of SEK 17.9 million. After the end of the period SEK 100 million was invested in low-risk short-term instruments with financial institutions.

Interest-bearing assets in addition to liquid assets were SEK 35.3 million (20.1 m).

Interest bearing debt was SEK 0.8 million (20.3 m).

At the end of the period the Group had net receivables (including liquid assets) of SEK 329.9 million (22.7 m).

Net financial items in Q4 were SEK -25.8 million (-1.6 m), of which SEK 23.6 million was impairment of receivables and holdings in Air Power Group Inc. Net financial items for the January–December period were SEK -31.0 million (-2.7 m). The equity/assets ratio on 31 December was 80.5% (74.5%).

During the year, in addition to the credit of SEK 20.3 million available at the start of the year, the company also established short-term credit with Erik Penser Bankaktiebolag and Gabrielsson Invest AB, which in total amounted to around SEK 35 million. Fujian Snowman also pledged a guarantee of around SEK 20 million prior to the sale of business activities within Compressor Technique and Waste Heat Recovery. During the second half of the year around SEK 58 million of the credit available on 30 June was settled.

Tax

The accounting rules in IAS 12 require convincing evidence of future taxable profits for a deferred tax asset to be stated as an asset on the balance sheet. After Opcon has divested activities in Compressor Technology and Waste Heat Recovery and implemented a transformation of the Swedish bioenergy business, which has historically incurred large losses, only a very limited presence remains today in Sweden that could give rise to taxable profit. In light of this, the Board has decided to impair deferred tax assets which affected earnings in the Group by SEK 30.8 million and in the parent company by SEK 36.0 million. The Board considers that the impairment is purely an effect of IAS accounting rules

and that the company continues to have significant tax loss carryforwards in Sweden, which are estimated to around SEK 430 million. The duration for these loss carryforwards in Sweden is unlimited, which will permit offsetting of future Swedish tax in the order of SEK 90-100 million.

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 receivables and liabilities. The securities reported in the balance sheet at SEK 1,029,000 relate to listed shares where fair value is equivalent to the market price on the balance sheet date.

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–December totalled SEK 1.1 million (4.1 m).

Investments for the October–December period amounted to SEK 0.2 million (0,4 m).

Employees

At the end of the period the remaining business of the Group had 98 employees (99).

Parent company

The parent company had sales of SEK 5.9 million (44.1 m) in the January–December period and SEK 0.4 million (30.5 m) in the October–December period. Other income for the full year amounted to SEK 136.6 million (56.6 m) and relates to capital gains for the sale of business activities within Compressor Technology and Waste Heat Recovery. Other costs relating to reserves for future lay-offs amounted to SEK 10,3 million (–). Financial costs were SEK 24.5 million (–0,5 m) and primarily relate to impairment of receivables and holdings Opcon has in the US company Air Power Group Inc. In addition, shares in subsidiaries were impaired by SEK 111.5 million due to reassessments resulting from the sale of business activities within Compressor Technology and Waste Heat Recovery and the new strategy adopted by the Board.

For the January–December period the parent company's operating profit was SEK 104.8 million (50.3 m). The operating profit for the October–December period was SEK 115.8 million (7.3 m).

The loss before allocations and tax was SEK 26.8 million (50.7 m). For the October–December period the loss before allocations and tax was SEK 15.8 million (–8.8 m).

Impairment of deferred tax affected earnings by SEK 36.0 million. The loss after tax for the January–December period was SEK 118.7 million (32.3 m). For the October–December period the loss after tax was SEK 106.4 million (–7.9 m).

At the end of the period, liquid assets in the parent company totalled SEK 283.8 million (5.8 m). Interest-bearing liabilities at the end of the period amounted to SEK 0.0 million (12.9 m).

Transactions with related parties, including business under divestment

Purchases of goods and services

Essarem AB received rent of SEK 3.3 million for the January–December 2015 period concerning the property at Nacka. Mind Finance AB received net interest and fees for factoring for the January–December period amounting to SEK 2.0 million (2.1 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. This applies specifically for Saxlund International GmbH's exposure to Babcock & Vølund A/S of Denmark, which is the Group's largest customer by some degree, and exposure to the former subsidiary, Opcon Energy System AB, from which the Group holds significant receivables.

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.

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 2016 AND BEYOND

Over a period, Opcon has been implementing a financial and operational turn-around in several stages. Following the conclusion of the sale of the Group's business within Compressor Technology and Waste Heat Recovery, which raised SEK 400 million, the Group's financial position has changed considerably. The remaining business is now primarily focused on bioenergy with operating companies in Sweden, the UK and Germany.

An important component in this restructuring has been extensive changes in the bioenergy business, which in recent years has suffered falling volumes and large losses. Primarily the Swedish market has suffered for several years from excessive supply and increased need for financial security that has squeezed margins and meant that competitors have been forced to close down or reconstruct.

In recent years Opcon has met this market situation by implementing measures that have included a significant reduction in personnel, cancellation of development projects, winding up of companies and a new, outsourced production structure. The company has also begun to license some technology in Eastern Europe and initiated activities to try to grow the business internationally on the basis of Saxlund's structure, with operations in Sweden, Germany and the UK as well as increased focus on the aftermarket.

Over the past year the company has seen an increase in received orders on the UK market. The company also has a brighter view of the Swedish market as extensive construction in the housing sector should lead to large new and additional investment in bioenergy-based district heating, which is an important segment for the Group.

At the end of 2015 a strategic review was carried out of remaining business, the organization of the Group and its financial strategy.

In brief, this new strategy includes the following:

- The existing international platform within bioenergy and material handling systems with the brands Saxlund, SRE and Hotab (acquired in January 2016), will be developed. This means a focus on northern Europe where the company already has established its own activities (Germany, UK and Sweden) and where it has a good knowledge of the market and market conditions.
- Furthermore the business will be geared towards the role of a supplier of products and subsystems rather than that of a comprehensive supplier, with the main focus on the aftermarket, supplying spare parts, service and maintenance of such products or subsystems. A review of the product range is being performed to exclude unprofitable products and systems. Activities will concentrate on the technical core competence of the business with increased focus on the installed base that Group companies have built up during more than half a century on the market.
- This change of course will include closures and reorganisation of activities among the parts of the business that have difficulty achieving success. The overall aim is to create a strong, refined group of companies that are not burdened by historical risk, redundancy or failed projects. The focus will solely be on the future and on new business. This also means moving away from the Group's role as a total supplier of large combustion plants to limit the project risks that have grown increasingly in recent years and led to recurring losses from operations.
- As part of this strategy, Saxlav AB (formerly Saxlund Bioenergy AB) will be closed down and liquidated. The Swedish business is undergoing comprehensive transformation. Staff are being given notice of dismissal.
- The goal is to create a more fast-paced and resistant group of companies that are better suited to meet the fluctuations that characterized the European market, and especially the Swedish market, in recent years. The Board also sees more opportunities for partnerships of various kinds on the market but believes that this can be managed with a very limited financial commitment.

Against this background, that the restructuring of bioenergy activities into an independent, profitable business group can be implemented without major financial commitment, the Board estimates that, after expenses for decommissioning and operation in 2016, the Group has substantial excess liquidity, which is expected to amount to at least SEK 250 million.

In order to best protect the interests of shareholders, the Board further intends the following:

- To cut the parent company's costs additionally in line with the transitional period for administration of the sold companies, which expires in the summer of 2016. The bioenergy business area will be made administratively independent from the parent company and thus take over certain personnel. The goal is that by the end of 2016 the parent company will reduce costs by SEK 15-20 million per year compared with recent years.
- The Board intends to propose a dividend of zero because it is not considered to be fiscally beneficial for the majority of the collective ownership.
- To start taking advantage of the parent company's tax losses, the Board intends to invest excess liquidity in short-term

instruments in accordance with the new finance policy that has been adopted.

- The Board has called an Extra General Meeting on 23 March 2016, where the Board will propose reducing the share capital and seek a mandate for repurchase of shares, which is intended to create flexibility for possible future distribution of funds to shareholders.
- The goal is to create a strong platform for the Board in the future with low fixed costs, where the long-term interests of shareholders are safeguarded.
- Meanwhile, the Board firmly believes that the group of companies now being created in bioenergy shall have a substantially changed risk level and the right conditions to show good growth and positive earnings after tax for the full year 2016 after restructuring costs.

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. All reports are presented as summaries. In some cases presentation and layout have been changed to aid understanding.

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, 22 February 2016

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

Rolf Hasselström

President and CEO, Board member

FUTURE REPORTS

- The Extra General Meeting of shareholders will be held on 23 March 2016
- Opcon's annual report for 2015 will be made available at the company and on the company's website, www.opcon.se, at the beginning of April 2016
- Q1 2016 report to be submitted on 9 May 2016
- Annual general Meeting to be held on 9 May 2016
- Q2 2016 report to be submitted on 24 August 2016
- Q3 2016 report to be submitted on 18 November 2016

The information in this report is such that Opcon AB (publ) is obliged to disclose in accordance with Swedish securities markets law and/or Swedish law on trading in financial instruments. This information was released for publication on Monday 22 February 2016, at 08.30 (CET).

ADDRESS

Opcon AB (publ), Box 15085, 104 65 Stockholm, SWEDEN

Tel. 0046 8 466 45 00

e-mail: info@opcon.se

www.opcon.se

CONSOLIDATED INCOME STATEMENT, REMAINING BUSINESS (SEK '000)	Q4 2015	Q4 2014¹	Full year 2015	Full year 2014¹
Net sales	44,747	57,728	194,390	194,901
Expenses for sold goods	-57,670	-33,869	-188,595	-143,723
Gross profit	-12,923	23,859	5,795	51,178
Sales expenses	-5,889	-7,806	-19,779	-24,988
Administration expenses	-13,721	-7,321	-41,322	-32,254
Development expenses	-2,704	-2,117	-6,297	-5,311
Earnings from associated companies	-	-422	-	-422
Other income	167,543	-	169,413	28,854
Other costs	-86,902	-138	-86,902	-257
Operating profit/loss	45,404	6,055	20,938	16,800
Financial income	1,555	35	1,581	66
Financial expenses	-27,374	-1,617	-32,587	-2,769
Profit/loss before tax	19,585	4,473	-10,068	14,097
Tax	-31,777	-1,323	-31,673	-1,323
Profit/loss from remaining business	-12,192	3,150	-41,741	12,774
Earnings from decommissioned business	0	-5,877	0	-19,748
Earnings from divested business	-2,518	-757	-1,393	-757
Profit/loss for the period	-14,710	-3,484	-43,134	-7,731
Profit/loss attributable to parent company shareholders	-14,710	-3,484	-43,134	-7,731
Earnings per share before dilution (SEK)				
Profit/loss from remaining business	-0.03	0.01	-0.11	0.03
Profit/loss from decommissioned/divested business	0.00	-0.02	0.00	-0.05
Profit/loss for the period	-0.03	-0.01	-0.11	-0.02
Earnings per share after dilution (SEK)				
Profit/loss from remaining business	-0.03	0.01	-0.11	0.03
Profit/loss from decommissioned/divested business	0.00	0.00	0.00	-0.05
Profit/loss for the period	-0.03	0.01	-0.11	-0.02
STATEMENT OF COMPREHENSIVE INCOME (SEK '000)	Q4 2015	Q4 2014	Full year 2015	Full year 2014
Profit/loss for the period	-14,710	-3,484	-43,134	-7,731
Other comprehensive income				
Translation differences, parent company shareholders	-1,413	1,091	-3,406	4,067
Other comprehensive income for the period	-1,413	1,091	-3,406	4,067
Total comprehensive income for the period	-16,124	-2,393	9,691	-3,664
Total comprehensive income for the period attributable to parent company shareholders	-16,124	-2,393	9,691	-3,664
Total no. of shares ('000)	378,800	378,800	378,800	378,800
Average no. of shares ('000)	378,800	378,800	378,800	370,872
Break-down of costs, remaining business				
Depreciation and write-downs	99,237	998	102,808	4,106
Remuneration to employees	19,503	15,765	73,013	79,498
Materials and other costs	48,146	34,488	167,044	122,929
Total costs	166,886	51,251	342,865	206,533

1) Comparable figures for previous years have been corrected due to an error in depreciation, which affected earnings by SEK 0.25 million in Q4 2014 and by SEK 1.0 million for the full year 2014.

CONSOLIDATED BALANCE SHEET (SEK '000)	31 Dec 2015	Restated 31 Dec 2014	31 Dec 2014
Fixed assets			
Tangible fixed assets	6,550	13,877	13,877
Goodwill	53,964	148,748	148,748
Other intangible fixed assets	32,101	149,296 ¹	157,296
Participations in associated companies	–	23,420	23,420
Financial fixed assets	17,494	40,778	40,778
Deferred tax receivable	–	39,392	39,392
Total fixed assets	110,109	415,511	423,511
Current assets			
Current financial receivables	24,821	–	–
Stock	6,643	49,709 ¹	62,727
Securities holding	1,029	255	255
Current receivables	49,997	81,114	81,114
Work in progress, un-invoiced income, contracted	15,584	37,148	37,148
Liquid funds	295,475	22,967	22,967
Total current assets	393,549	191,193	204,211
Total assets	503,658	606,704	627,722
Shareholders' equity	405,584	452,125¹	473,143
Long-term liabilities			
Interest-bearing provisions and liabilities	–	716	716
Non-interest-bearing provisions and liabilities	2,513	13,631	13,631
Total long-term liabilities	2,513	14,347	14,347
Current liabilities			
Interest-bearing liabilities	792	19,606	19,606
Non-interest-bearing liabilities	80,614	91,209	91,209
Work in progress, un-invoiced income, contracted	14,155	29,417	29,417
Total current liabilities	95,561	140,232	140,232
Total shareholders' equity and liabilities	503,658	606,704	627,722
Pledged securities			
Chattel mortgages	18,919	19,707	19,707
Contingent liabilities	64,835	36,072	36,072

1) See Statement of change in consolidated shareholder's equity.

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

	Share capital	Other capital contribution	Reserves	Profit/loss brought forward	Total share-holders equity
Opening balance, 1 January 2014	430,518	379,216	-7,768	-352,759 ¹	449,207
Comprehensive income					
Profit/loss for the period	0	0	0	-6,731	-6,731
Correction of error	-	-	-	-1 000 ¹	-1 000
Currency differences when translating foreign business	-	-	4,067	-	4,067
Total comprehensive income	0	0	-3,701	-7,731	-3,664
Transactions with shareholders					
New share issue ²	42,982	-23,382	-	-	19,600
Closing balance, 31 December 2014	473,500	355,834	-3,701	-360,490	465,143
Closing balance, 31 December 2014	473,500	355,834	-3,701	-360,490	465,143
Correction of error ³	-	-	-	-13,018	-13,018
Opening balance, 1 January 2015	473,500	355,834	-3,701	-373,508	452,125
Comprehensive income					
Profit/loss for the period	0	0	0	-43,134	-43,134
Currency differences when translating foreign business	-	-	-3,407	-	-3,407
Total comprehensive income	0	0	-3,407	-43,134	-46,541
Transactions with shareholders					
New share issue ²	-	-	-	-	-
Closing balance, 31 December 2015	473,500	355,834	-7,108	-330,374	405,584

1) During a review of assets in the remaining business the company discovered an error in the depreciation plan for certain intangible assets. In accordance with IAS 8, accumulated assets have been corrected since 2007, which lowers the opening balance for equity in 2014 by SEK 7.0 million. This correction means that depreciation for 2014 increased by SEK 1.0 million, which reduces earnings and the closing balance of equity by SEK 1.0 million.

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

3) During a review of the model and procedures used to convert the accounts of foreign subsidiaries to IFRS, an error was detected that overestimated products in work/inventories and thus shareholders' equity. This error was repeated over a number of years and the accumulated total is SEK 13.0 million. Establishing how much of the error is attributable to each financial year has been found to be impractical. In accordance with IAS 8, Opcon has restated balances for 2015.

STATEMENT OF CONSOLIDATED CASH FLOW (SEK '000)	Q4 2015	Q4 2014	Full year 2015	Full year 2014
Operating profit/loss	40,845	-608	19,545	-1 930
Financial items	531	-2,367	-7,389	-5,292
Depreciation and write-down	3 441	3,496	8,223	12,582
Taxes paid	1 689	-4,419	-1,903	-7,113
Other items not affecting liquidity	26,529	9,944	23,603	-22,800
Cash flow from current activities	73,035	6,046	42,079	-24,553
Cash flow from change in working capital	5,023	7,517	41,780	4,183
Total cash flow from the business	78,058	13,563	83,859	-20,370
Cash flow from investing activities	223,297	3,731	207,701	-9,942
Cash flow from financing activities	-34,269	-8,166	-19,606	33,540
Total cash flow	267,086	9,128	271,954	3,228
Liquid assets, opening balance	28,706	12,683	22,967	17,853
Total cash flow	267,086	9,128	271,954	3,228
Exchange rate differences in liquid funds	-317	1,156	554	1,886
Liquid assets, closing balance	295,475	22,967	295,475	22,967

CONSOLIDATED INCOME STATEMENT, PER QUARTER (SEK '000)

	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Net sales	44,747	46,479	51,780	53,551	57,728	50,431	35,088	51,654
Operating profit/loss	45,404	-12,712	-4,495	-9,237	6,055	21,198	-7,262	-3,191
Financial items	-25,819	-2,672	-1,470	-1,045	-1,582	-1,636	323	192
Profit/loss after financial items	19,585	-15,384	-5,965	-10,282	4,473	19,562	-6,939	-2,999
Tax	-31,777	-39	-157	300	-509	-	-	-
Profit/loss from remaining business	-12,192	-15,423	-6,122	-9,982	3,964	19,562	-6,939	-2,999
Earnings from divested business	-2,518	0	0	0	0	0	0	-7,045
Profit/loss from business under divestment	0	-5,741	1,161	-6,290	-11,378	-3,828	-2,710	-
Profit/loss for the period	-14,710	-21,164	-4,961	-3,692	-3,484	11,740	-5,943	-10,044
Profit/loss for the period attributable to parent company shareholders	-14,710	-21,164	-4,961	-3,692	-3,484	11,740	-5,943	-10,044

KEY FIGURES, REMAINING BUSINESS	Q4 2015	Q4 2014	Full year 2015	Full year 2014
Operating margin, %	101.5	10.5	10.8	8.6
Return on operating capital, %	40.6	-	4.7	4.0
Return on equity, remaining business, %	-	-	-	2.8
Return on equity, %	-	-	-	-1.4
Profit/loss per share before dilution, SEK	-0.03	-0.01	-0.11	0.03
Profit/loss per share after dilution, SEK	-0.03	0.01	-0.11	0.03
Equity per share, SEK	1.07	1.25	1.07	1.22
Equity/assets ratio, %	80.5	74.5	80.5	74.5
No. of shares, thousands	378,800	378,800	378,800	378,800
Average no. of shares, thousands	378,800	378,800	378,800	370,872

Some of the historical figures have been adjusted to reflect the correction, see Statement of changes in Group equity.

NOTE 1**RESULTS FROM DECOMMISSIONED / DIVESTED BUSINESS****Divested business**

On 30 June 2015 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 System AB and 48.9796 % of the shares in the jointly-owned Chinese company, Fujian Opcon Energy Technology Co., Ltd. The sale also includes all the intellectual property and intangible rights relating to Compressor Technology and Opcon Powerbox as well as the Opcon trademark.

The purchase amount was SEK 400 million. During Q3 15% of the purchase amount was paid in accordance with the agreement. The remaining 85% of the purchase amount was paid in cash on the closing date for the deal which was on 30 October 2015 when the buyer took over the transferred shares. The table below shows earnings and cash flow for the divested units as of 30 October 2015 and 31 December 2014 respectively.

Business in liquidation

In 2014 OBE Energi AB and Opti Energy Group AB including subsidiaries were placed in liquidation. These companies are not included in the Group from 2015. The table below shows the results of these units as reported in the interim report for Q4 2014.

Results for divested business (SEK '000)	Ten months 2015	Full year 2014
Income	50,513	71,255
Costs	-48,645	-72,117
Operating profit/loss	1,868	-862
Financial income	-	-
Financial costs	-3,261	-6,429
Earnings before tax	-1,393	-7,291
Current tax	-	-
Earnings for the period	-1,393	-7,291
Comprehensive income before tax		
Earnings for divested business	-1,393	-7,291
Net cash flow for divested business (SEK '000)	Ten months 2015	Full year 2014
Cash flow from operations	-5,261	-8,026
Cash flow from investments	-12,325	-6,965
Cash flow from financing	28,421	15,255
Net in/out flow	10,475	264
Earnings per share		
Earnings per share before dilution	0,00	-0.02
Earnings per share after dilution	0,00	-0.02
Results for business in liquidation (SEK '000)	Full year 2015	Full year 2014
Income	-	180
Costs	-	-19,393
Operating profit/loss	-	-19,213
Financial income	-	-
Financial costs	-	-535
Earnings before tax	-	-19,748
Current tax	-	-
Earnings for the period	-	-19,748
Comprehensive income before tax		
Results for business in liquidation	0	-19,748

PARENT COMPANY'S INCOME STATEMENT (SEK '000)	Q4 2015	Q4 2014	Full year 2015	Full year 2014
Net sales	376	30,544	5,947	44,070
Cost of sold services	-2,581	-10,914	-4,862	-21,808
Gross profit	-2,205	19,630	1,085	22,262
Administration expenses	-8,257	-12,330	-22,553	-28,540
Other income	136,603	-	136,603	56,554
Other costs	-10,300	-	-10,300	-
Operating profit/loss	115,841	7,300	104,835	50,276
Financial income	1,263	1,848	4,421	7,260
Impairment of shares in subsidiary	-111,495	-	-111,495	-6,326
Financial expenses	-20,136	-321	-24,538	-516
Earnings before allocations and tax	-15,790	8,827	-26,777	50,694
Received/paid Group contribution	-55,913	-16,730	-55,913	-18,416
Profit/loss before tax	-70,440	-7,903	-82,690	32,278
Tax on earnings for the period	-35,969	-	-35,969	-
Profit/loss for the period	-106,409	-7,903	-118,659	32,278

PARENT COMPANY'S BALANCE SHEET (SEK '000)	31 Dec 2015	31 Dec 2014
Fixed assets		
Tangible fixed assets	443	819
Participations in Group companies	91,100	245,624
Participations in associated companies	–	61,398
Deferred tax	–	35,969
Financial assets	16,705	40,320
Total fixed assets	108,248	384,130
Current assets		
Current financial receivables	24,821	–
Accounts receivable	1,644	300
Receivables from Group companies	44,140	235,398
Tax receivables	3 432	3 432
Other receivables	4,644	3,657
Liquid funds including current investments	283,828	5,772
Total current assets	362,509	248,559
Total assets	470,757	632,689
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	–57,753	60,904
Total shareholder's equity	428,121	546,778
Long-term liabilities	–	–
Current liabilities		
Interest-bearing liabilities to credit institutions	–	12,917
Accounts payable	5,769	7,355
Liabilities to Group companies	16,396	56,708
Other non-interest-bearing liabilities	20,471	8,934
Total current liabilities	42,636	85,914
Total shareholders' equity and liabilities	470,757	632,691
Contingent liabilities	64,835	37,826
Equity/assets ratio (%)	90.9	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 with focus on bioenergy. Opcon has activities in Sweden, Germany and the UK. There are around 100 employees. The company's shares are listed on Nasdaq OMX Stockholm.



Opcon AB (publ), P.O. Box 15085, SE-104 65 Stockholm, Sweden
+46 8 466 45 00, info@opcon.se
opcon.se