

We are pleased to welcome Mads Miltersen as the company's new CEO

Interim report, January-June 2017 Rabbalshede Kraft AB (publ)

Significant events during the second quarter, April 1, 2017-June 30, 2017

- Production for the second quarter totaled 108,381 MWh (87,664)
- Net sales amounted to KSEK 49,135 (39,643)
- EBITDA totaled KSEK 23,505 (9,194)
- EBIT amounted to KSEK 981 (loss: 13,221)
- Average income for wind-power production was SEK 453/MWh (452), of which electricity accounted for SEK 311/MWh (301) and electricity certificates and guarantees of origin for SEK 142/MWh (151)

Key figures	Q2 2017	Q2 2016	Q1-Q2 2017	Q1-Q2 2016	Full-year 2016
Electricity production, MWh	108,381	87,664	246,440	212,050	500,247
Net sales, KSEK	49,135	39,643	109,807	94,445	235,628
EBITDA, KSEK	23,505	9,194	48,885	40,296	143,299
Average income, electricity, SEK/MWh	311	301	313	294	309
Average income from electricity certificates and guarantees of origin, SEK/MWh	142	151	132	151	162

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Contents

Rabbalshede Kraft's financial calendar	2
First six months, January-June 2017	3
Significant events.....	3
Significant events after the end of the period	4
CEO's statement.....	5
Production.....	6
Market commentary	6
Planning operations	9
Project portfolio at June 30, 2017	10
Investments	11
Financing	11
Hedging instruments	11
Risks and uncertainties.....	11
Group key figures.....	12
Consolidated income statement.....	13
Consolidated balance sheet.....	14
Consolidated statement of comprehensive income.....	13
Condensed consolidated statement of changes in shareholders' equity.....	15
Consolidated cash-flow statement	15
Parent Company.....	16
Parent Company income statement.....	16
Parent Company statement of comprehensive income.....	16
Parent Company balance sheet.....	17
Notes to the condensed financial statements	18
Signature/issuer of the report.....	19

Rabbalshede Kraft's financial calendar

Interim report January-September 2017	November 23, 2017
Year-end report for 2017	February 28, 2018

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



First six months, January-June 2017

Production from the Group's wind farms during January-June amounted to 246,440 MWh (212,050).

Net sales totaled KSEK 109,807 (94,445).

EBITDA amounted to KSEK 48,885 (40,296).

EBIT totaled KSEK 3,833 (loss: 4,475).

Average income for wind-power production was SEK 445/MWh (445), of which electricity accounted for SEK 313/MWh (294) and electricity certificates and guarantees of origin for SEK 132/MWh (151).

Depreciation/amortization/impairment losses amounted to KSEK 45,052 (44,771).

The loss after tax was KSEK 27,577 (loss: 33,888).

Significant events

Mads Miltersen took over as the company's CEO on June 1. Mads joined the company from EnergiMidt in Denmark, where he held several positions, including CFO and CEO. Prior to EnergiMidt, Mads served as Finance Manager at Ericsson Dixax and as an Auditor at BDO.

Construction of Lyrestad wind farm, comprising 22 wind turbines (76 MW) in the municipalities of Mariestad and Töreboda, is progressing according to plan. The first wind turbines were assembled in June and will be commissioned in stages during the autumn 2017. The wind farm will be inaugurated on 1 October 2017.

The environmental permit for Åndberg wind farm in Härjedalen Municipality, which comprises 57 wind turbines, came into force in the spring.

The Annual General Meeting (AGM) for the 2016 fiscal year was held on April 27, 2017, in Gothenburg, Sweden. The AGM resolved, in line with the proposal of the Nomination Committee, that the company's Board of Directors is to comprise of six members elected by the AGM. The Meeting resolved on the reelection of Bertil Villard, Annika Ahl Åkesson, Jean Baptiste Oldenhove, Matthieu Baumgartner and Jeffrey Moulard as well as the new election of Stine Rolstad Brenna. Bertil Villard was re-elected as Chairman of the Board for the period until the end of the next AGM.

Rabbalshede Kraft held an extraordinary general meeting on January 31, 2017. At the meeting, resolutions were passed to reduce the share capital by SEK 126,843,931 for transfer to unrestricted shareholders' equity. In addition, the meeting resolved in favor of a private placement for Sweden Holdco RK AB ("Greystone"). The private placement amounted to SEK 283M and was implemented on February 1, 2017. Following the investment, Greystone is the company's second largest shareholder, with Manor Group remaining the company's largest shareholder.

Significant events after the end of the period

In August, the company entered into a management agreement with Vänern wind farm. Under the agreement, Rabbalshede is responsible for the management, monitoring, service and maintenance of seven of the wind turbines at Vänern wind farm. The agreement is for three years, with an option to extend the agreement for an additional two years.

CEO's statement

Hello! June 1 I took over as the new CEO of Rabbalshede Kraft. This is an exciting industry, and I feel proud and humbled to have been entrusted by the Board to lead and advance the company.

We are operating in an interesting market with a number of challenges as well as opportunities. Rabbalshede Kraft has worked hard to respond to falling electricity and electricity certificate prices while at the same time building new projects and developing our service operations. Along with all of our talented and competent employees and with the support of our owners, we aim to take advantage of the opportunities that present themselves in the market. With a sense of eager anticipation, I look forward to witnessing the journey upon which our industry and company are embarking.



Following a weak start to the year, we are now seeing signs of increased activity in the market. Rabbalshede Kraft aims to be a leading player in the industry, and I look forward to expanding our dialog with both new and existing business partners.

Production during the first half of the year was in line with our expectations, with a recovery noted after a dip in February thanks to a very strong production level in June. Our level of availability remains high, and we are continuously working to improve the productivity and efficiency of our own farms and those we manage on behalf of our customers.

When it comes to electricity price trends, both spot and futures prices are more positive than in the preceding year, while electricity certificate prices remain a challenge and are creating considerable uncertainty in the market. In June, the government decided to amend the Swedish Electricity Certificate Act effective January 1, 2018. This decision entails, among other things, a higher quota and more frequent reviews of the system. The aim is to stabilize the price trend and avoid the current situation of collapsing electricity certificate prices.

At Rabbalshede Kraft, we have hedged power and certificate prices and thus are not currently feeling the full impact of the uncertain market situation.

We are continuing to expand our service operations and entered into a three-year management agreement with Vänern wind farm in August. Under the agreement, Rabbalshede is responsible for the management, monitoring, service and maintenance of seven of the wind turbines at Vänern wind farm. The agreement is for three years, with an option to extend the agreement for an additional two years.

Construction of the wind farm in Lyrestad outside Mariestad is proceeding as planned. We are currently assembling the 22 turbines, which will be ready for commissioning in autumn 2017. On July 2, we hosted a tour of the building site for residents and land owners in the area, which attracted considerable interest and nearly 200 participants.

The farm will be inaugurated on Sunday, October 1. More information about the event will be published closer to the date, but I would like to take this opportunity to invite you all to attend!

Mads Miltersen
CEO

Production

Eight proprietary wind farms are operated with a capacity of 190 MW and annual production of just over 0.5 TWh. Electricity is sold on the open electricity market, Nord Pool. A portion of future electricity production is hedged continuously, which means that contracts are signed at a fixed price per MWh for the production that is achieved (fixed price and variable volume). Rabbalshede Kraft manages its trading on Nord Pool through a collaboration with Axpo Sverige AB. The company also has the capability to sign bilateral hedging contracts with creditworthy counterparties. One example of this is the electricity trading agreement signed with Google for Lyrestad wind farm, which is now being established just outside Mariestad.

In total, the company's proprietary wind farms produced 108 GWh of electricity in the second quarter. June ended with strong winds, which means that the company is slightly above the budgeted six-month production level.

Wind farms	Wind turbines		Production outcome, MWh							
	No. of turbines	Output (MW)	Q2 2017	Q2 2016	Q1-Q2 2017	Q1-Q2 2016	Full-year 2016	Full-year 2015	Full-year 2014	Full-year 2013
Hud	6	15	8,006	6,353	17,875	15,663	37,020	41,614	36,507	35,691
Kil	4	8	4,488	3,532	9,523	8,406	19,792	23,226	19,312	19,835
Brattön	6	15	7,895	6,026	18,196	14,141	34,424	40,212	34,925	33,788
Töftedalsfjället	10	23	14,625	11,731	33,194	28,177	67,897	75,909	65,453	63,839
Dingle-Skogen	12	28	15,566	11,572	35,500	28,074	68,128	81,280	66,376	36,278
Årjäng Nordväst	9	28	15,661	13,430	35,919	32,605	75,123	86,679	27,090	-
Årjäng Sydväst	11	33	22,829	18,788	52,813	46,399	109,155	126,232	30,908	-
Skaveröd/ Gurseröd	13	40	19,311	16,232	43,420	38,585	88,708	101,260	34,094	-
Total	71	190	108,381	87,664	246,440	212,050	500,247	576,412	314,665	189,431
Price-hedged electricity			90%	71%	90%	72%	70%	71%	71%	63%

Seasonal 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 during certain periods, thus impacting income and earnings during a single quarter or year.

Market commentary

Electricity price Over the past quarter, the price levels on the Nord Pool power market stabilized compared with the corresponding quarters in the past two years. The average spot price in bidding area three (where most of Rabbalshede Kraft's wind farms are located) was SEK 276/MWh. It is marginally higher than the same quarter 2016, SEK 246/MWh. However, this quarter's average is about 40 percent higher than in the bottom of 2015 when it amounted to SEK 197/MWh. This favorable trend continued in July, albeit with a minor dip toward the end of the month when the temperature in the Nordic region rose. The spot price in the bidding area in July was SEK 296/MWh, a full 348 percent higher than in the corresponding month two years earlier, when it collapsed to SEK 85/MWh. The spot price is an hourly price established by the Nord Pool power market based on supply and demand.

The trend in futures trading was also positive, albeit cautious. Forward contracts for future electricity sales can be described as the spot price anticipated by the market for a specific period of coming months or years. The fact that the market is facing increasing electricity prices for the autumn is normal for the season. This trend is underpinned by a number of contributing factors,

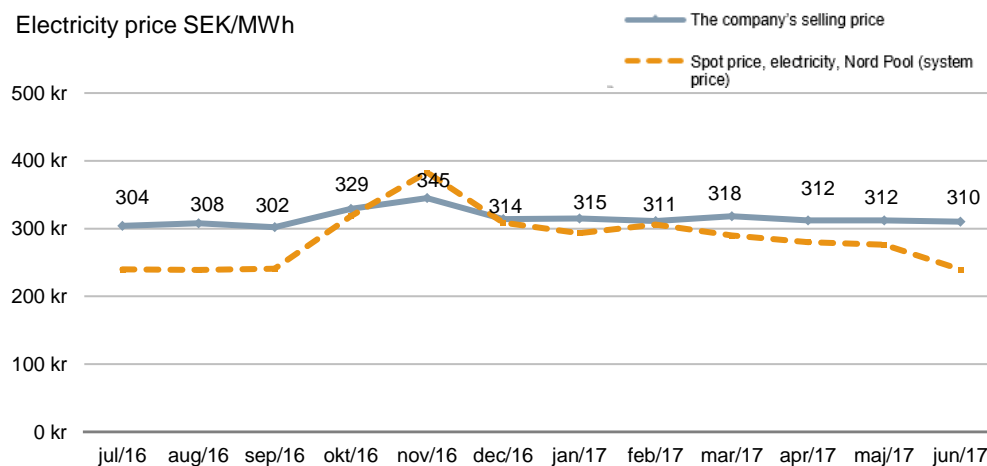
such as rising prices for coal and emission allowances. Price expectations are being hampered by the relatively favorable availability of Swedish nuclear power.

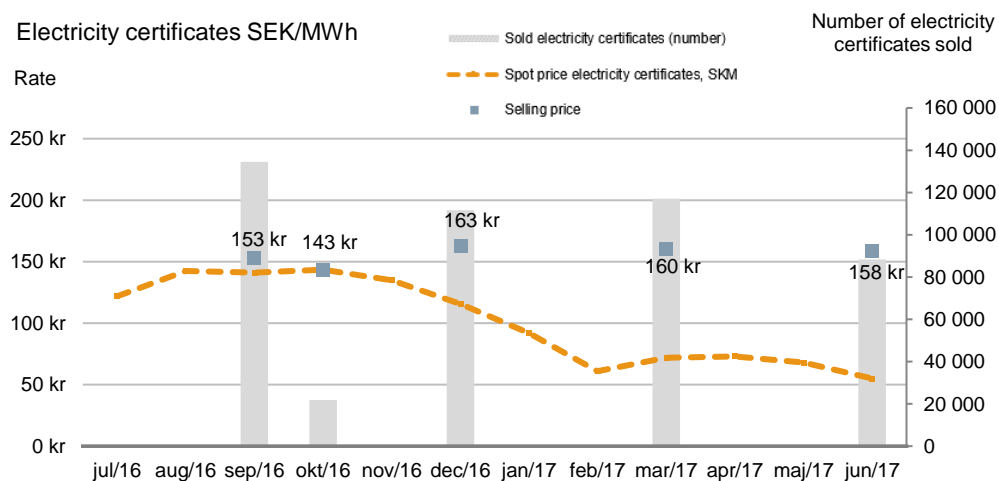
Electricity certificates. A surplus of electricity certificates has led to a sharp price fall since autumn 2016. At the end of July, trading closed in the SEK 43-61/MWh range (SEK 0.04-0.06/kWh) for spot and futures prices. Since 2005, the spot price for electricity certificates has varied from more than SEK 300 to well under SEK 100/MWh this year.

Energy policy. In April, the Swedish government presented a bill for the next step in the implementation of the energy agreement made with the three non-socialist parties last year. A central feature is that the electricity-certificate system has been extended from 2020 until 2045 and extended by 18 TWh until 2030, but only in Sweden. In June, the Riksdag ratified the government bill to amend the Swedish Electricity Certificate Act. The amended act will enter into force on January 1, 2018 and entails, among other things, the introduction of a higher quota, meaning an increased obligatory demand for certificates that is expected to reduce the surplus. The system will subsequently be reviewed every year or every two years and so-called technical adjustments will be made. The aim is to stabilize the price trend and thereby avoid the current situation of collapsed electricity certificate prices.

In the summer, the Riksdag also adopted a climate policy framework and a new climate act for Sweden, containing new climate targets for 2030, 2040 and 2045. The long-term target is for Sweden to achieve zero greenhouse gas emissions to the atmosphere by 2045. The government is required to present the Riksdag with a climate report as part of its budget report every year until 2018 and to draw up a climate policy action plan for each term in office. An independent scientific climate policy council will be established to review the policy on a continuous basis. The framework and climate act are now being put into practice in the form of tangible proposals. Energy issues are thus expected to be a high priority for the government and the Riksdag during the autumn as well as in the ministries and authorities concerned. It is too early to predict how this will impact the future price trend for electricity and electricity certificates. However, the ambitious target for 2045 will require long-term predictability in the political system. Only then can ongoing investments in renewable energy be stimulated and enable the target of zero net emissions to be achieved.

Electricity price SEK/MWh





At June 30, 2017, the company had an inventory of electricity certificates totaling 113,088 at a value of KSEK 8,583.

Planning operations

The planning operations focus on managing and developing the project portfolio to deliver profitable, turnkey wind-power projects for commissioning by the company itself or to be sold to its partners. Rabbalshede Kraft procures and manages the construction of individual wind turbines and wind farms on behalf of its customers.

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

Preplanning, planning

During preplanning, suitable locations for new wind farms are identified. This is based on the municipalities' wind-power plans. The prerequisites in terms of wind, grid connections, opposing interests and other factors are mapped out. Leasehold agreements are signed with land owners, at which point a consultation is initiated with the authorities, local residents and any interest groups. Biologists, archaeologists and other experts are commissioned to compile supporting documentation for an environmental impact assessment (EIA). The size of the wind farms and their boundaries are determined by such factors as wind conditions, sound, shadows, nature values and cultural values. The terms and conditions that apply to the establishment of wind farms are set out in the permit. Wind measurements are carried out to document the wind supply.

Application

A consultation report and EIA are submitted to the County Administrative Board along with a permit application for consideration in accordance with the Environmental Code. The municipality must first approve the project, otherwise the application is rejected. In the case of smaller wind farms with up to six turbines that have a total height of 150 meters and which cannot be deemed to have a significant impact on the environment, municipal approval in line with the Environmental Code and a building permit are sufficient.

Procurement

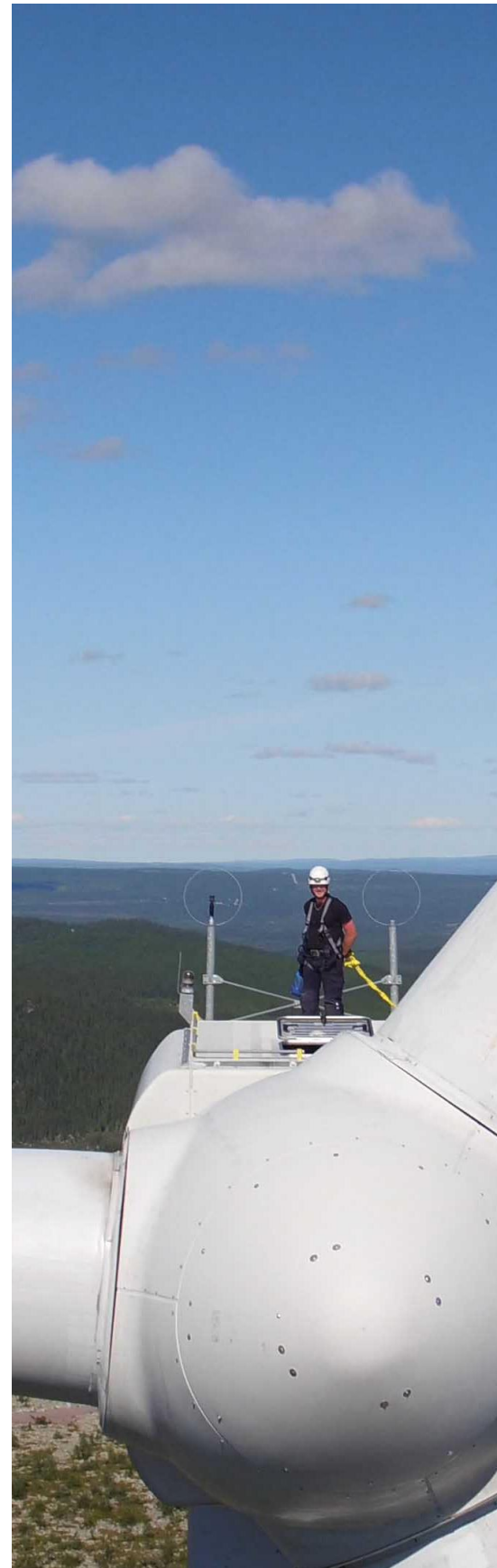
When permission or building permits have been granted and gained legal force, procurement of the wind turbines, electrical and contracting work, other engineering works and financing begins. The wind measurements provide a basis for calculations. Agreements are signed with electricity companies to enable connection to the grid. The procurement of wind turbines and infrastructure is a complex process and is led by a highly experienced team of construction and procurement experts.

Construction

The construction process starts by signing an agreement with the contractor for the construction of roads and infrastructure, including internal drawings of electric cable lines within the wind farm, also referred to as the non-concession-bound network (NCN). The turbine suppliers are responsible for the raising of the wind turbines and have total responsibility until trial operation has been completed. Electricity connections are made by the electricity companies that own the adjacent networks and are paid for by Rabbalshede Kraft.

Operations and services

Rabbalshede Kraft manages the company's operational wind farms and offers investors and wind power owners a comprehensive operational management solution. 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 company's professional operation and maintenance organization, which works in close cooperation with turbine suppliers, contributes to high operational reliability. As of June 30, 2017, Rabbalshede Kraft operated 141 wind turbines (340 MW), of which 71 (190 MW) were owned by the company. Production capacity for the 141 wind turbines corresponds to slightly more than 900 GWh of electrical energy per year.

Project portfolio at June 30, 2017

The company's project portfolio at the end of the period was as follows:

Phase	Project name	No. of turbines	Output, total (MW)	Municipality
Construction	Lyrestad1	22	76	Mariestad
Total construction		22	76	
Authorized	Brattön Sälelund	14	42	Munkedal
	Lillhärda Åndberg	57	205	Härjedalen
	Femstenaberg	14	42	Strömstad
	Lursäng	5	10	Tanum
	Årjäng Nordväst phase II	8	28	Årjäng
	Vetteberget	2	6	Strömstad
	Sköllunga	3	9	Stenungsund
Total authorized		103	342	
Total planning²		10	33	
Total		135	451	

- 1) At the Lyrestad project, which is currently under construction, Rabbalshede owns 25% of the wind turbines, corresponding to 5.5 turbines, while Ardian Infrastruktur owns 75%.
- 2) The projects that are planned or are under application are subject to evaluation and assessment by the municipality and/or the 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 being planned and the projects for which the company has submitted applications. Projects that have not been granted permits are moved down the planning phase for review or are terminated.

Investments

Investments, including paid advances, totaled KSEK 5,285 during the period from January to June 2017. The investments pertain to ongoing planning.

Financing

Bank loans totaled KSEK 666,814 (705,133) at June 30, 2017. During the period, the Group's average interest rate on bank loans raised was 6.46 percent. The equity/assets ratio was 57 percent (57) at June 30.

During the period, a private placement for Sweden Holdco RK AB (Greystone) was conducted at a value of KSEK 282,750. The cash and cash equivalents were largely used to repay the overdraft facility of SEK 20 M and also to partly repay the shareholder loan of KSEK 226,138 to Manor Group.

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 June 30, 2017, the company's outstanding interest-rate contracts had a negative value against the market amounting to KSEK 67,434. At June 30, 2017, 100 percent of the company's interest-rate hedges were effective and 100 percent of the outstanding loans were hedged.

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 2016 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. Should the company cancel the remaining 15 wind turbines, this could cost the company EUR 6.7 M, corresponding to SEK 64.8 M at the closing-date rate.

Group key figures

	Q2 2017	Q2 2016	Q1-Q2 2017	Q1-Q2 2016	Rolling 12 months	Full-year 2016
Installed output at the close of the period, MW	190	190	190	190	190	190
Electricity production during the period, MWh	108,381	87,664	246,440	212,050	534,637	500,247
Average income for electricity, SEK/MWh	311	294	313	294	317	309
Average income from electricity certificates, SEK/MWh	141	150	128	150	143	154
Average income from guarantees of origin, SEK/MWh	1	1	4	2	9	8
Number of employees at the close of the period	26	26	26	26	26	26
Net sales, KSEK	49,135	39,643	109,807	94,445	250,990	235,628
EBITDA, KSEK	23,505	9,194	48,885	40,296	152,658	144,069
EBITDA margin, %	47.8	23.2	44.5	42.7	60.8	61.1
EBIT, KSEK	981	-13,221	3,833	-4,475	52,571	44,263
Return on capital employed, percent (before tax)	-	-	-	-	2.5	2.0
Return on shareholders' equity, %	-	-	-	-	neg	neg
Earnings per share before dilution, SEK	-0.09	-0.21	-0.18	-0.27	-0.69	-0.77
Earnings per share after dilution, SEK	-0.09	-0.21	-0.18	-0.27	-0.69	-0.76
Average no. of shares before dilution, thousands	160,109	126,844	152,941	124,577	139,785	125,707
Average no. of shares after dilution, thousands	160,109	126,844	152,941	127,189	139,785	127,015
No. of shares at the end of the period, thousands	160,109	126,844	160,109	126,844	139,785	126,844
					Jun 30, 2017	Dec 31, 2016
Total assets, KSEK					2,340,703	2,355,778
Equity/assets ratio, %					57	46
Net debt, KSEK					705,688	1,023,662
Debt/equity ratio, multiple					0.6	1.0
Interest-bearing liabilities, KSEK					849,930	709,713
Capital employed, KSEK					2,189,574	2,202,278
Shareholders' equity, including non-controlling interests, KSEK					1,339,644	1,074,957
Shareholders' equity per share, KSEK					8.37	8.47

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 excluding 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 on 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
Shareholders' equity per share:	Equity divided by the number of shares

Consolidated income statement

KSEK	Note	Q2 2017	Q2 2016	Q1-2 2017	Q1-2 2016
Net sales		49,135	39,643	109,807	94,445
Other operating revenues		2,215	1,408	5,100	2,690
Total revenues		51,350	41,051	114,907	97,135
Personnel costs	2	-6,417	-4,870	-13,352	-9,187
Other external costs	2	-21,428	-26,655	-52,670	-47,320
Share of profit/loss of associated companies		-	-332	-	-332
Depreciation, amortization and impairment of tangible and intangible fixed assets		-22,524	-22,415	-45,052	-44,771
Operating profit/loss		981	-13,221	3,833	-4,475
Financial income		1,102	-79	2,226	46
Financial expenses		-15,862	-20,255	-33,636	-38,924
Loss before tax		-13,779	-33,555	-27,577	-43,353
Tax		-	7,309	-	9,465
Loss for the period		-13,779	-26,246	-27,577	-33,888
Earnings per share					
Average no. of shares before dilution, thousands		160,109	126,844	152,941	124,557
Average no. of shares after dilution, thousands		160,109	126,844	152,941	127,189
Earnings per share before dilution, SEK		-0.09	-0.21	-0.18	-0.27
Earnings per share after dilution, SEK		-0.09	-0.21	-0.18	-0.27

Consolidated statement of comprehensive income

KSEK	Q2 2017	Q2 2016	Q1-2 2017	Q1-2 2016
Loss for the period	-13,779	-26,246	-27,577	-33,888
Other comprehensive income:				
<i>Items that can be reclassified to profit or loss when specific conditions have been met:</i>				
Cash-flow hedges:				
Change in fair value	2,275	-17,618	-353	-54,489
Reversals against profit or loss	6,283	9,557	12,558	19,010
Transferred to cost of hedged item	-	-	-	-
Tax attributable to cash-flow hedges	-1,883	1,773	-2,685	7,805
Total cash-flow hedges	6,675	-6,228	9,520	-27,674
Total items that will not be reclassified to profit or loss			-	
Comprehensive loss for the period	-7,104	-32,534	-18,057	-61,562

Consolidated balance sheet KSEK	Jun 30, 2017	Jun 30, 2016	Dec 31, 2016
Assets			
Intangible fixed assets	31,372	33,843	31,888
Tangible fixed assets	1,949,420	2,028,594	1,988,607
Deferred tax assets	56,605	78,938	59,290
Receivable from associated companies	110,449	-	108,226
Other long-term receivables	15	-304	15
Total fixed assets	2,147,861	2,141,071	2,188,026
Intangible current assets	8,665	8,132	4,897
Accounts receivable	1,642	432	4,061
Receivables from joint ventures	2,241	-	2,273
Prepaid expenses and accrued income	25,835	23,729	44,608
Other receivables	10,217	112,596	8,254
Blocked bank funds	62,664	101,191	59,726
Cash and cash equivalents	81,578	147,123	43,933
Total current assets	192,842	393,203	167,752
Total assets	2,340,703	2,534,274	2,355,778
Shareholders' equity			
Share capital	800,543	761,063	761,063
Other capital contributions	515,948	399,527	399,527
Hedging reserve	-52,599	-122,958	-62,118
Retained earnings including profit/loss for the period	75,744	44,949	-23,523
Shareholders' equity attributable to Parent Company's shareholders	1,339,636	1,082,581	1,074,949
Non-controlling interests	8	8	8
Total shareholders' equity	1,339,644	1,082,589	1,074,957
Liabilities			
Provisions – rehabilitation costs for wind turbines	7,173	6,797	6,981
Interest-bearing liabilities	481,006	25,063	537,771
Derivative instruments	67,711	158,167	80,006
Other long-term liabilities	199,534	402,297	417,608
Total long-term liabilities	755,424	592,324	1,042,366
Accounts payable	34,291	4,495	15,525
Interest-bearing liabilities	169,390	817,404	171,942
Other liabilities	4,711	3,504	6,745
Accrued expenses and deferred income	37,243	33,958	44,243
Total current liabilities	245,635	859,361	238,455
Total liabilities	1,001,059	1,451,685	1,280,821
Total shareholders' equity and liabilities	2,340,703	2,534,274	2,355,778
Pledged assets	1,902,360	2,146,361	1,943,288
Contingent liabilities	344,569	613,387	214,855

Condensed consolidated statement of changes in shareholders' equity

Shareholders' equity attributable to Parent Company's shareholders, KSEK	Jun 30, 2017	Jun 30, 2016	Dec 31, 2016
Total shareholders' equity on the opening date	1,074,949	1,145,138	1,145,138
Loss for the period	-27,577	-33,888	-102,360
Other comprehensive income	9,519	-27,674	33,166
Comprehensive loss for the period	-18,058	-61,562	-69,194
New share issue	282,750	-	-
Expenses attributable to the new share issue	-6	-1,278	-1,278
Tax effect attributable to the new share issue	-	283	283
Total shareholders' equity on the closing date	1,339,636	1,082,581	1,074,949

Consolidated cash-flow statement

Condensed, KSEK	Q2 2017	Q2 2016	Q1-2 2017	Q1-2 2016
Cash flow from operating activities before changes in working capital	9,982	-12,524	19,936	1,317
Cash flow from changes in working capital	25,687	-103,259	22,940	-97,535
Cash flow from operating activities	35,669	-115,783	42,876	-96,218
Investing activities				
Acquisition of intangible fixed assets, including advances	-	-6,891	-	-14,720
Acquisition of tangible fixed assets, including advances	-2,806	30,097	-5,285	30,097
Cash flow from investing activities	-2,806	23,206	-5,285	15,377
Financing activities				
New share issue	-	-	282,750	-
Expenses attributable to the new share issue	-	-	-6	-1,278
Change in shareholder loans	3,412	402,297	-218,074	402,297
Loans raised	-	20,000	-	20,000
Amortization of loans	-38,319	-225,772	-61,678	-408,798
Changes in blocked funds	-938	-22,000	-2,938	-11,001
Cash flow from financing activities	-35,845	174,525	54	1,220
Cash flow for the period	-2,982	81,948	37,645	-79,621
Cash and cash equivalents on the opening date	84,560	65,175	43,933	226,744
Cash and cash equivalents on the closing date	81,578	147,123	81,578	147,123
Blocked funds	62,664	101,191	62,664	101,191
Total cash and cash equivalents and blocked funds	144,242	248,314	144,242	248,314

Parent Company

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

Parent Company income statement

KSEK	Q2 2017	Q2 2016	Q1-2 2017	Q1-2 2016
Net sales	5,445	4,351	11,414	8,675
Other operating revenues	1,940	10,206	3,798	10,964
Total revenues	7,385	14,557	15,212	19,639
Personnel costs	-6,294	-4,914	-11,064	-9,231
Other external costs	-6,846	-6,281	-13,837	-10,585
Depreciation, amortization and impairment of tangible and intangible fixed assets	-1,958	-1,936	-3,923	-3,835
Operating profit/loss	-7,713	1,426	-13,612	-4,012
Interest income and similar items	1,127	36	2,240	65
Interest expense and similar items	-3,901	-2,574	-8,173	-4,787
Loss before tax	-10,487	-1,112	-19,545	-8,734
Appropriations	-	-	-	-
Profit/loss before tax	-10,487	-1,112	-19,545	8,734
Tax	-	244	-	1,921
Loss for the period	-10,487	-868	-19,545	-6,813

Parent Company statement of comprehensive income

KSEK	Q2 2017	Q2 2016	Q1-2 2017	Q1-2 2016
Loss for the period	-10,487	-868	-19,545	-6,813
Total other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-10,487	-868	-19,545	-6,813

Parent Company balance sheet

Condensed, KSEK	Jun 30, 2017	Jun 30, 2016	Dec 31, 2016
Intangible fixed assets	16,140	17,407	16,140
Tangible fixed assets	214,628	223,748	214,771
Financial fixed assets	1,395,211	956,219	1,171,795
Intangible current assets	748	518	522
Current receivables	26,110	142,359	17,550
Cash and bank balances	21,202	132,720	10,100
Total assets	1,674,039	1,472,971	1,430,878
Restricted shareholders' equity	800,543	761,063	761,064
Unrestricted shareholders' equity	616,819	435,807	393,099
Untaxed reserves	500	500	500
Long-term liabilities	207,777	214,384	217,438
Current liabilities	48,400	61,217	58,777
Total shareholders' equity and liabilities	1,674,039	1,472,971	1,430,878

Notes to the condensed financial statements

Note 1 Accounting policies

The consolidated financial statements for 2017 were prepared, similar to the 2016 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.

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

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

Pursuant to IFRIC 21, property tax has been expensed for the entire fiscal year at the start of the year. In the past, property tax was accrued over the year.

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 KSEK	Q2 2017	Q2 2016	Q1-2 2017	Q1-2 2016
Personnel costs				
Personnel costs	-6,786	-6,049	-14,187	-12,094
Capitalized planning personnel	369	877	835	2,137
Capitalized personnel in management and administration	-	302	-	770
Total	-6,417	-4,870	-13,352	-9,187
Other external costs				
Other external costs	-21,603	-27,378	-52,848	-49,158
Reinvoiced costs	79	108	-46	290
Capitalized other external costs	96	615	224	1,548
Total	-21,428	-26,655	-52,670	-47,320

Signature/issuer of the report

Rabbalshede, August 17, 2017

Mads Miltersen

CEO

Review

This report is unaudited.

