

## The future is spelled renewable

### Interim report January-September 2015 Rabbalshede Kraft AB (publ)

#### Significant events during the third quarter, July 1, 2015 – September 30, 2015

- Production for the third quarter totaled 113,395 MWh (43,870)
- Net sales totaled KSEK 51,899 (20,094)
- EBITDA amounted to KSEK 26,903 (7,683)
- The Company posted an operating loss (EBIT) of KSEK 492 (loss: 18,675)
- The average sales price for wind power production amounted to SEK 483/MWh (510), of which electricity accounted for SEK 299/MWh (335) and electricity certificates and guarantees of origin for SEK 184/MWh (175).
- During the third quarter, the company ceased to develop a project which has resulted in an impairment that affected the profit and loss with -2 776 KSEK.
- The Swedish Tax Agency has announced during the third quarter, that it is their opinion that the property tax rate for large-scale wind power business, shall be 0.5 % instead of 0.2%. The Company has made a provision, which has affected the profit and loss with -4 691 KSEK.

Key figures	Q3 2015	Q3 2014	Q1-3 2015	Q1-3 2014	Full-year 2014
Electricity production, MWh	113,395	43,870	406,437	156,555	314,665
Net sales, KSEK	51,899	20,094	185,393	78,114	146,161
EBITDA, KSEK	26,903	7,683	119,212	47,116	81,270
EBIT, KSEK	-492	-18,675	43,042	-4,827	-14,325
Earnings per share, SEK	-0.22	-0.31	-0.19	-0.39	-0.34
Average sales price of electricity, SEK/MWh	299	335	289	327	315
Average sales price of electricity certificates and guarantees of origin, SEK/MWh*	184	175	172	184	182

\* Average revenue from electricity certificates is reported in the table for the Group's key figures.

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## Contents

Rabbalshede Kraft's financial calendar.....	2
The first nine months, January-September 2015 .....	3
CEO's statement.....	4
Production.....	5
Market commentary .....	5
Project portfolio .....	7
Project portfolio at September 30, 2015 .....	8
Investments.....	8
Financing .....	8
Hedging instruments .....	9
Risks and uncertainties .....	9
Group key figures.....	10
Consolidated income statement .....	11
Consolidated statement of comprehensive income.....	11
Consolidated balance sheet .....	12
Condensed consolidated statement of changes in shareholders' equity .....	13
Consolidated cash-flow statement.....	13
Parent Company .....	13
Parent Company income statement .....	14
Statement of Parent Company's comprehensive income.....	14
Parent Company balance sheet .....	14
Notes to the condensed financial statements .....	15
Signatures/issuers of the report.....	16

## Rabbalshede Kraft's financial calendar

Year-end report for 2015	February 25, 2016
Annual General Meeting for the 2015 fiscal year	April 21, 2016
Interim report January-March 2016	April 21, 2016
Interim report January-June 2016	August 18, 2016
Interim report January-September 2016	November 17, 2016
Year-end report for 2016	February 23, 2017
Press releases and financial reports can be subscribed to and downloaded on Rabbalshede Kraft's website <a href="http://www.rabbalshedekraft.se">www.rabbalshedekraft.se</a> .	

## Annual General Meeting

The Annual General Meeting for the 2015 fiscal year will be held on April 21, 2016, 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 24, 2016. An announcement that notification has been published will be made in *Dagens Industri* and *Göteborgs-Posten*.

The 2015 Annual Report will be published on Rabbalshede Kraft's website on March 31, 2016. The Annual Report will be available at the Company's office in Rabbalshede as of March 31, 2016, 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 21, 2016, may do so by e-mail to [valberedningen@rabbalshedekraft.se](mailto:valberedningen@rabbalshedekraft.se) or by traditional mail to Nomination Committee, Rabbalshede Kraft, Marknadsvägen 1, SE-457 55 Rabbalshede, Sweden, not later than March 3, 2016.



## The first nine months, January-September 2015

Production from the Group's wind farms during January-September amounted to 406,437 MWh (156,555).

Net sales totaled KSEK 185,393 (78,114).

Operating profit before depreciation/amortization (EBITDA) amounted to KSEK 119,212 (47,116).

Operating profit (EBIT) was KSEK 43,042 (loss: 4,827).

The average sales price for wind power production was SEK 461/MWh (511), of which electricity accounted for SEK 289/MWh (327) and electricity certificates and guarantees of origin for SEK 172/MWh (184).

Depreciation/amortization amounted to KSEK 76,170 (51,943).

The Company posted a loss after tax of KSEK 14,442 (loss: 29,543).

Rabbalshede Kraft has recruited Britta Ersman as IR and Financial Manager, as well as Lars Larsson as Operation Manager. Britta Ersman and Lars Larsson took up office at Rabbalshede Kraft in July and June 2015, respectively, and both are members of the Company's management group.

The Annual General Meeting (AGM) for the 2014 fiscal year was held on April 23, 2015, in Gothenburg, Sweden.

During the third quarter, the company ceased to develop a project which has resulted in an impairment that affected the profit and loss with -2 776 KSEK.

The Swedish Tax Agency has announced during the third quarter, that it is their opinion that the property tax rate for large-scale wind power business, shall be 0.5 % instead of 0.2%. The Company has made a provision, which has affected the profit and loss with -4 691 KSEK.

## Significant events after the end of the period

On October 19, the Company convened an Extraordinary General Meeting to be held on November 16 in Gothenburg. The Board of Directors proposes that authorization be granted to make decisions about new share issues. The purpose of the new share issue is to generate a better financial structure that will provide greater flexibility in the continued development of the Company.

Rabbalshede Kraft has received planning permission for two turbines at Vetteberget in Strömstad. The building permit allows two wind turbines with 150 meter in total height.

The company has entered into a discussion with the current banks to refinance the loans in the wind farms.

## CEO's statement

The European energy market has put pressure on low electricity prices, which generated a great deal of interest in the media during the year. At the same time, there are a number of positive signals about the future energy market that did not receive the same amount of attention. These involve a growing number of players in the energy and finance market who claim that renewable is the catchword of the future.

One reason is the rapid pace of technology development in the past decade. This has exerted enormous pressure on the price per produced MWh in all renewable types of energy. With respect to wind power, analyses show that it has become the least expensive type of power. In Sweden, wind power is the cheapest alternative according to the most recent cost report by the Swedish company Elforsk.

We believe that the electricity price has reached the lowest average level and will not continue to decline other than in the short-term. Production costs are expected to continue to fall, albeit at a slower rate than to date. Declining costs will generate scope to continue to develop the Company's project portfolio and achieve the broader strategy that was decided last year and which entails that we will offer other players turnkey wind farms and operation of the farms.

As part of the development of the Company, we will also continue with the preparations for the listing of Rabbalshede Kraft but will implement a new share issue before that, which will be resolved at an Extraordinary Meeting. The purpose of the new share issue is to generate a better financial structure that will provide greater flexibility and lower costs and to strengthen the company for a future stock exchange listing.

During Rabbalshede Kraft's third quarter, strong winds continued to generate electricity production above normal production. The first nine months of the year generated EBITDA of KSEK 119,212. A minus on the last line is due primarily to seasonal variations, whereby the summer months are always weaker than autumn and winter, but was also impacted by minor impairments and a provision for property tax.

An important positive signal that will facilitate the continued development of the Company came on October 21, when the Swedish Parliament announced its intention to increase the electricity-certificate system. Admittedly, the decision must be approved in an agreement with Norway, and the Swedish budget must be adopted but the market's reaction is clearly positive. The decision has generated increased stability in the market and higher revenue from electricity certificates, which will partly offset the low price of electricity.



Thomas Linnard, CEO

## Production

From 2015, the production capacity of Rabbalshede Kraft's wind farms totals slightly more than 0.5 TWh of electricity per year.

The favorable wind conditions and the strong production in the first half of 2015 were also sustained during the third quarter.

The first half of the year was dominated by unpredictable, rainy and windy weather due to the high amount of low pressure activity across Scandinavia. The beginning of the third quarter continued in a similar manner when sustained strong winds in July and August gave additional months of good wind power production. In September, the wind subsided in southern Sweden and the month became the first in 2015 in which wind energy was lower than normal.

Production at the Company's wind farms in the first nine months of the year was characterized as very strong.

Production outcome, MWh	Q3 2015	Q3 2014	Q1-3 2015	Q1-3 2014	Full-year 2014	Full-year 2013	Full-year 2012	Full-year 2011
Hud	8,515	6,238	28,783	24,646	36,507	35,691	37,361	38,124
Kil	4,667	3,561	16,096	13,753	19,312	19,835	19,943	20,127
Brattön	7,933	5,793	28,578	23,307	34,925	33,788	35,167	36,477
Töftedalsfjället	14,550	10,727	53,933	43,818	65,453	63,839	65,437	54,475
Dingle-Skogen	15,424	11,214	56,770	44,694	66,376	36,278	1,877	-
Årjäng Nordväst <sup>1)</sup>	17,131	498	61,420	498	27,090	-	-	-
Årjäng Sydväst <sup>1)</sup>	24,892	44	89,655	44	30,908	-	-	-
Skaveröd/Gurseröd <sup>1)</sup>	20,283	5,795	71,202	5,795	34,094	-	-	-
<b>Total</b>	<b>113,395</b>	<b>43,870</b>	<b>406,437</b>	<b>156,555</b>	<b>314,665</b>	<b>189,431</b>	<b>159,785</b>	<b>149,203</b>
Price-hedged electricity	77%	67%	71%	64%	71%	63%	61%	44 %

1) The Årjäng NV, Årjäng SV and Skaveröd/Gurseröd wind farms were gradually put in operation during the third quarter of 2014 and, accordingly, complete comparative figures for 2014 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 during certain periods, thus impacting revenues and earnings during a single quarter or year.

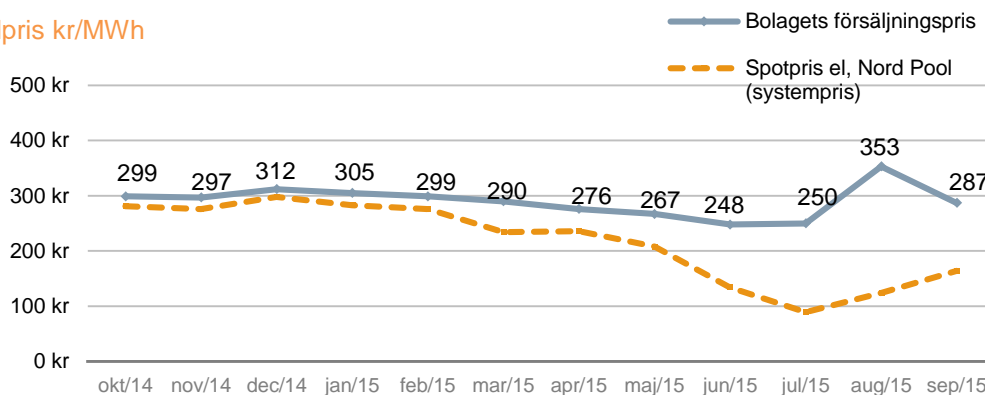
## Market commentary

The third quarter of 2015 was characterized by sustained strong winds and high volumes of precipitation mainly over Norway and the Swedish mountainous regions. This has resulted in a high capacity level in hydropower storage reservoir and also high wind production. Together with a mild start to the autumn and other price factors, such as continued falling coal prices in the global market, this contributed to very low spot prices in the Nord Pool power market, as well as declining futures prices. The average system price amounted to SEK 126/MWh (311) in the third quarter and to SEK 194/MWh (333) in the first nine months of the year.

The trend shows how the price of electricity at Nord Pool is weather-dependent, which could also lead to price increases. For example, US meteorologists predict that the El Niño weather phenomenon could result in severe cold weather in the Nordic region in the coming winter, which will thus drive up the price of electricity. However, this cannot be charged in advance. On the other hand, a number of appraisers are

waiting for the long-term increase in the price of electricity resulting from the decision in October to close the four oldest nuclear power plants in Sweden. The closure of Oskarshamn and Ringhals is something that is now being carefully analyzed by the energy sector. It will open the door to investments in new electricity production in southern Sweden, where Rabbalshede Kraft has wind farms and several projects.

### Elpris kr/MWh



The electricity-certificate system was introduced in Sweden in 2003 to promote the expansion of renewable electricity. The system has been shared with Norway since 2012. The original aim was to jointly increase annual production of renewable electricity by 26.4 TWh by 2020, compared with 2012. In March, the Swedish and Norwegian governments entered into an agreement, which means that annual production of renewable electricity in Sweden can be increased by a further 2 TWh by 2020. On October 21, the Swedish Parliament adopted the government's proposition to reform the electricity certificate system, which will however have to be confirmed in an agreement with Norway before the end of the year, and the Swedish budget also has to be adopted.

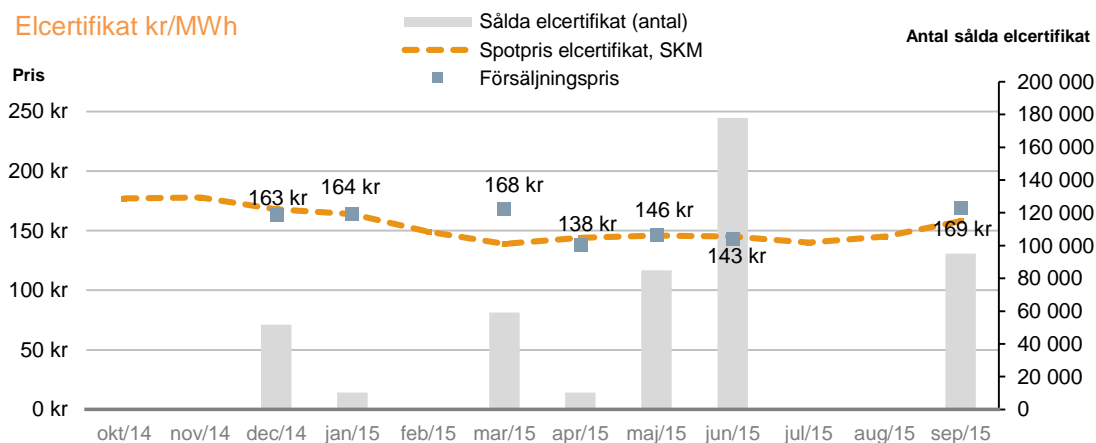
Reaction in the market was positive. The spot price of electricity certificates rose from about SEK 140/MWh over extended periods in 2015 to more than SEK 160/MWh just weeks before the decision and closed at SEK 169/MWh on October 26.

The expansion of wind power has progressed rapidly, creating a wide range of electricity certificates, although electricity consumption has not kept up with increased green electricity production. As a result, a surplus of certificates has successively been accumulated, which has increased in pace with the windy weather this year. The spot price has thus fallen from a peak of more than SEK 300/MWh during a number of months in 2008-2010.

A low electricity-certificate price combined with a low electricity price will 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 background to the Swedish government strengthening the electricity-certificate system and also pursuing the energy and climate effort in the EU.

At September 30, 2015, the Company had an inventory of electricity certificates totaling 10,540 at a value of KSEK 1,572.

### Elcertifikat kr/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 turbines at wind farms jointly managed by Rabbalshede Kraft and its partners. Töftedalsfjället is the first example of this type of facility.

## Project portfolio at September 30, 2015

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 Nordväst	Årjäng	9	28	78,700
	Årjäng Sydväst	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	-
Total authorization			65	194	
Total application <sup>1)</sup>			119	350	
Total planning, preplanning <sup>1)</sup>			53	159	
Total			308	941	

1) 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 submitted applications. 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 16,356 during the period from January to September 2015. Investments pertain to ongoing planning.

## Financing

Bank loans totaled KSEK 1,290,150 (1,091,557) at September 30, 2015. During the year, the Company's average interest rate on bank loans raised amounted to 5.29 percent. The fixed-interest period for the bank loan at September 30, 2015, was an average of 4.99 years and the capital maturity term was 4.87 years. The Group is also financed through a shareholder loan from Manor Investment S.A. amounting to KSEK 115,438 at September 30, 2015, 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 38 percent (40) at September 30, 2015.



The Company's cash and cash equivalents amounted to SEK 70,849 (121,006) at the end of the period. The Group's maturity structure pertaining to loans and interest rates is detailed in the table below.

Loan Year(s)	Capital maturity		Interest-rate maturity	
	KSEK	Percentage	KSEK	Percentage
1	78,533	6%	320,667	25%
2	84,973	7%	76,775	6%
3	274,310	21%	111,930	9%
4	309,453	24%	108,913	8%
5	38,598	3%	78,098	6%
6-10	504,283	39%	525,083	41%
11-15	0	0%	68,684	5%
<b>Total bank loans</b>	<b>1,290,150</b>	<b>100%</b>	<b>1,290,150</b>	<b>100%</b>
Shareholder loans	115,438			
Bank fees	-27,465			
<b>Interest-bearing liabilities</b>	<b>1,378,123</b>			

## 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 September 30, 2015, the market value of the Company's outstanding interest-rate contracts represented a liability of SEK 142,486. Concluded interest-rate contracts and the decline in the market interest rate were the underlying reasons for the positive change of SEK 7,759 in the market value of derivatives during the reporting period, which in turn, increased 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 2014 fiscal year.

The loan agreements for the Group wind farms includes conditions called covenants. The covenants are linked to key figures such as the cash flow before debt service. If the cash flow falls below these covenants then a breach of covenant occurs. Low electricity- and certificate prices are the main reasons for the breach of covenant for Rabbalshede Kraft AB, Kil Vind AB, Brattön Vind AB and Dingle Skogen Vind AB. The Group (the companies) has paid the contractual interest and principals. Any breach of covenant does not exist at the end of the reporting period. Electricity and certificate prices are, however volatile why there might be a risk for future breach of covenant due to that the price of electricity and certificates is low.

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 SEK 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 62.6 at the closing-date rate.

The information was published on November 5, 2015.

Group key figures	Q3 2015	Q3 2014	Q1-3 2015	Q1-3 2014	Rolling 12 months	Full-year 2014
Installed output at the close of the period, MW	190	89	190	89	190	190
Electricity production during the period, MWh	113,395	43,870	406,437	156,555	564,547	314,665
Average sales price of electricity, SEK/MWh	299	335	289	327	293	315
Average sales price for electricity certificates, SEK/MWh	169	165	153	174	154	172
Average sales price for guarantees of origin, SEK/MWh	15	10	19	10	17	10
Average income from electricity certificates, SEK/MWh	176	145	156	165	145	140
Average income from guarantees of origin, SEK/MWh	-17	-22	11	6	11	9
Number of employees at the close of the period	24	24	24	24	24	23
Net sales, KSEK	51,899	20,094	185,393	78,114	253,440	146,161
EBITDA, KSEK	26,903	7,683	119,212	47,116	153,365 <sup>1)</sup>	81,270 <sup>1)</sup>
EBITDA margin, percent	51.8	38.2	64.3	60.3	60.5	55.6
EBITDA <sup>2)</sup> margin, percent	51.8	48.3	64.3	62.9	67.6	69.3
EBIT, KSEK	-492	-18,675	43,042	-4,827	62,194	14,325
Return on capital employed, percent (before tax)					2.8	0.7
Return on shareholders' equity, percent					neg	neg
Earnings per share before dilution, SEK	-0.22	-0.31	-0.19	-0.39	-0.13	-0.34
Earnings per share after dilution, SEK	-0.22	-0.31	-0.19	-0.39	-0.13	-0.34
Average no. of shares before dilution, thousands	74,825	74,825	74,825	74,825	74,825	74,825
Average no. of shares after dilution, thousands	74,825	74,825	74,825	74,825	74,825	74,825
No. of shares at the end of the period, thousands	74,825	74,825	74,825	74,825	74,825	74,825
					Sep 30, 2015	Dec 31, 2014
Total assets, KSEK					2,560,911	2,647,556
Equity/assets ratio, percent					38	37
Net debt, KSEK					1,217,653	1,210,382
Debt/equity ratio, multiple					1.4	1.4
Interest-bearing liabilities, KSEK					1,378,123	1,385,815
Capital employed, KSEK					2,359,954	2,376,184
Shareholders' equity, including non-controlling interests, KSEK					981,831	990,369
Shareholders' equity per share, KSEK					13.12	13.24

- 1) Under the agreement with the wind power supplier Vestas, approximately MSEK 20 of the revenue from the trial production at the Årjäng Sydväst, Årjäng Nordväst and Skavreröd/Gurseröd wind farms accrues to Vestas. This is the main reason for the year-on-year increase in other external costs and is non-recurring.
- 2) The negative average revenue of guarantees of origin has arisen through revenues from electricity certificates that have incorrectly been included in the amount in the prior periods. This has now been corrected.

## Definitions

EBITDA:	Operating profit before depreciation, amortization and impairments
EBITDA margin:	EBITDA as a percentage of net sales
EBITDA <sup>2)</sup> 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
Equity per share:	Shareholders' equity divided by the number of shares

## Consolidated income statement

KSEK	Note	Q3 2015	Q3 2014	Q1-3 2015	Q1-3 2014
Net sales		51,899	20,094	185,393	78,114
Other operating revenues		2,228	296	4,665	2,905
<b>Total revenues</b>		<b>54,127</b>	<b>20,390</b>	<b>190,058</b>	<b>81,019</b>
Personnel costs	2	-3,975	-2,743	-11,052	-7,218
Other external costs	2	-23,249	-9,964	-59,794	-26,685
Depreciation, amortization and impairment of tangible and intangible fixed assets		-27,395	-26,358	-76,170	-51,943
<b>Operating profit/loss</b>		<b>-492</b>	<b>-18,675</b>	<b>43,042</b>	<b>-4,827</b>
Financial income		10	11	146	374
Financial expenses		-20,863	-11,085	-61,704	-33,423
<b>Loss before tax</b>		<b>-21,345</b>	<b>-29,749</b>	<b>-18,516</b>	<b>-37,876</b>
Tax		4,696	6,545	4,074	8,333
<b>Loss for the period</b>		<b>-16,649</b>	<b>-23,204</b>	<b>-14,442</b>	<b>-29,543</b>
<b>Earnings per share</b>					
Average no. of shares before dilution, thousands		74,825	74,825	74,825	74,825
Average no. of shares after dilution, thousands		74,825	74,825	74,825	74,825
Earnings per share before dilution, (SEK)		-0.22	-0.31	-0.19	-0.39
Earnings per share after dilution, (SEK)		-0.22	-0.31	-0.19	-0.39

## Consolidated statement of comprehensive income

KSEK	Q3 2015	Q3 2014	Q1-3 2015	Q1-3 2014
<b>Loss for the period</b>	<b>-16,649</b>	<b>-23,204</b>	<b>-14,442</b>	<b>-29,543</b>
<b>Other comprehensive income:</b>				
Cash-flow hedges:				
Change in fair value	-22,105	-27,128	-16,232	-80,754
Reversals against profit or loss	9,508	3,534	26,067	10,429
Transferred to cost of hedged item	-2,266	-28,265	-2,266	-28,265
Tax attributable to cash-flow hedges	3,270	11,409	-1,665	21,690
<b>Total cash-flow hedges</b>	<b>-11,593</b>	<b>-40,450</b>	<b>5,904</b>	<b>-76,900</b>
<b>Total</b>	<b>-28,242</b>	<b>-63,654</b>	<b>-8,538</b>	<b>-106,443</b>
<b>Total items that will not be reclassified to profit or loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Comprehensive loss for the period</b>	<b>-28,242</b>	<b>-63,654</b>	<b>-8,538</b>	<b>-106,443</b>

## Consolidated balance sheet

KSEK	Sep 30, 2015	Sep 30, 2014	Dec 31, 2014
<b>Assets</b>			
Intangible fixed assets	33,808	34,438	34,247
Tangible fixed assets	2,288,705	2,212,679	2,348,080
Deferred tax assets	43,162	34,401	40,340
Long-term receivables	15	702	15
<b>Total fixed assets</b>	<b>2,365,690</b>	<b>2,282,220</b>	<b>2,422,682</b>
Intangible current assets	3,415	5,420	10,450
Accounts receivable	459	164	1,130
Prepaid costs and accrued income	27,995	13,822	33,752
Other receivables	2,882	44,335	4,109
Blocked bank funds	89,621	53,570	54,427
Cash and cash equivalents	70,849	130,675	121,006
<b>Total current assets</b>	<b>195,221</b>	<b>247,986</b>	<b>224,874</b>
<b>Total assets</b>	<b>2,560,911</b>	<b>2,530,206</b>	<b>2,647,556</b>
<b>Shareholders' equity</b>			
Share capital	748,249	748,249	748,249
Other capital contributions	399,527	399,527	399,527
Reserves	-111,139	-91,444	-117,043
Retained earnings including profit/loss for the period	-54,814	-44,828	-40,372
<b>Shareholders' equity attributable to Parent Company's shareholders</b>	<b>981,823</b>	<b>1,011,504</b>	<b>990,361</b>
Non-controlling interests	8	8	8
<b>Total shareholders' equity</b>	<b>981,831</b>	<b>1,011,512</b>	<b>990,369</b>
<b>Liabilities</b>			
Provisions – rehabilitation costs for wind turbines	5,419	2,624	5,252
Interest-bearing liabilities	1,180,607	1,016,014	1,196,619
Other long-term liabilities	259,465	226,444	261,040
<b>Total long-term liabilities</b>	<b>1,445,491</b>	<b>1,245,082</b>	<b>1,462,911</b>
Accounts payable	4,669	196,481	13,221
Interest-bearing liabilities	82,078	45,653	79,385
Other liabilities	5,225	11,930	9,303
Accrued expenses and deferred income	41,617	19,548	92,367
<b>Total current liabilities</b>	<b>133,589</b>	<b>273,612</b>	<b>194,276</b>
<b>Total liabilities</b>	<b>1,579,080</b>	<b>1,518,694</b>	<b>1,657,187</b>
<b>Total shareholders' equity and liabilities</b>	<b>2,560,911</b>	<b>2,530,206</b>	<b>2,647,556</b>
Pledged assets	2,251,034	2,156,845	2,282,900
Contingent liabilities	342,627	168,884	350,105

## Condensed consolidated statement of changes in shareholders' equity

Shareholders' equity attributable to Parent Company's shareholders, KSEK	Sep 30, 2015	Sep 30, 2014	Dec 31, 2014
<b>Total shareholders' equity on the opening date</b>	<b>990,361</b>	<b>1,117,944</b>	<b>1,117,944</b>
Loss for the period	-14,442	-29,543	-25,083
Other comprehensive income/loss	5,904	-76,900	-102,500
<b>Comprehensive loss for the period</b>	<b>-8,538</b>	<b>-106,443</b>	<b>-127,583</b>
New share issue	-	-	-
Expenses attributable to the new share issue	-	-	-
Tax effect attributable to the new share issue	-	-	-
<b>Total shareholders' equity on the closing date</b>	<b>981,823</b>	<b>1,011,504</b>	<b>990,361</b>

## Consolidated cash-flow statement

Condensed, KSEK	Q3 2015	Q3 2014	Q1-3 2015	Q1-3 2014
<b>Cash flow from operating activities before changes in working capital</b>	<b>5,985</b>	<b>-3,436</b>	<b>57,462</b>	<b>13,931</b>
Cash flow from changes in working capital	18,859	164,421	-49,113	165,154
<b>Cash flow from operating activities</b>	<b>24,844</b>	<b>160,985</b>	<b>8,349</b>	<b>179,085</b>
<b>Investing activities</b>				
Acquisition of intangible fixed assets, including advances	-110	-	-110	-
Acquisition of tangible fixed assets, including advances	-2,907	-631,416	-16,246	-692,614
Divestment of tangible fixed assets	-	-	-	-
<b>Cash flow from investing activities</b>	<b>-3,017</b>	<b>-631,416</b>	<b>-16,356</b>	<b>-692,614</b>
<b>Financing activities</b>				
Loans raised	1,460	449,534	32,914	454,080
Amortization of loans	-12,394	-8,926	-39,870	-36,978
Changes in blocked funds	2,000	56,749	-35,194	91,962
<b>Cash flow from financing activities</b>	<b>-8,934</b>	<b>497,357</b>	<b>-42,150</b>	<b>509,064</b>
Cash flow for the period	12,893	26,926	-50,157	-4,465
Opening cash and cash equivalents	57,956	103,749	121,006	135,140
<b>Closing cash and cash equivalents</b>	<b>70,849</b>	<b>130,675</b>	<b>70,849</b>	<b>130,675</b>
<b>Blocked funds</b>	<b>89,621</b>	<b>53,570</b>	<b>89,621</b>	<b>53,570</b>
<b>Total cash and cash equivalents and blocked funds</b>	<b>160,470</b>	<b>184,245</b>	<b>160,470</b>	<b>184,245</b>

## 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	Q3 2015	Q3 2014	Q1-3 2015	Q1-3 2014
Net sales	6,478	5,225	21,929	20,767
Other operating revenues	-51	34	368	132
<b>Total revenues</b>	<b>6,427</b>	<b>5,259</b>	<b>22,297</b>	<b>20,899</b>
Personnel costs	-4,131	-3,194	-11,617	-8,807
Other external costs	-3,578	-2,799	-10,824	-8,597
Depreciation and amortization of tangible and intangible fixed assets	-4,954	-15,586	-8,850	-19,424
<b>Operating loss</b>	<b>-6,236</b>	<b>-16,320</b>	<b>-8,994</b>	<b>-15,929</b>
Interest income and similar items	34	60	85	327
Interest expense and similar items	-1,313	-1,458	-4,040	-4,472
<b>Loss before tax</b>	<b>-7,515</b>	<b>-17,718</b>	<b>-12,949</b>	<b>-20,074</b>
Appropriations	-	-	-	-
<b>Loss before tax</b>	<b>-7,515</b>	<b>-17,718</b>	<b>-12,949</b>	<b>-20,074</b>
Tax	1,655	3,898	2,850	4,416
<b>Loss for the period</b>	<b>-5,860</b>	<b>-13,820</b>	<b>-10,099</b>	<b>-15,658</b>

## Statement of Parent Company's comprehensive income

KSEK	Q3 2015	Q3 2014	Q1-3 2015	Q1-3 2014
Loss for the period	-5,860	-13,820	-10,099	-15,658
Total other comprehensive income	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b>-5,860</b>	<b>-13,820</b>	<b>-10,099</b>	<b>-15,658</b>

## Parent Company balance sheet

Condensed, KSEK	Sep 30, 2015	Sep 30, 2014	Dec 31, 2014
Intangible fixed assets	17,990	17,922	17,880
Tangible fixed assets	241,326	229,912	235,374
Financial fixed assets	889,691	889,707	893,099
Intangible current assets	234	1,017	1,676
Current receivables	28,604	24,047	13,335
Cash and bank balances	22,195	56,463	53,671
<b>Total assets</b>	<b>1,200,040</b>	<b>1,219,068</b>	<b>1,215,035</b>
Restricted shareholders' equity	748,249	748,249	748,249
Unrestricted shareholders' equity	345,935	355,449	356,035
Untaxed reserves	500	500	500
Long-term liabilities	84,458	91,859	86,972
Current liabilities	20,898	23,011	23,279
<b>Total shareholders' equity and liabilities</b>	<b>1,200,040</b>	<b>1,219,068</b>	<b>1,215,035</b>



## Notes to the condensed financial statements

### Note 1 Accounting policies

The consolidated financial statements for 2015 were prepared, similar to the 2014 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 KSEK	Q3 2015	Q3 2014	Q1-3 2015	Q1-3 2014
Personnel costs				
Personnel costs	-5,454	-4,574	-15,982	-14,326
Capitalized planning personnel	1,037	1,385	3,602	4,555
Capitalized personnel in management and administration	442	446	1,328	2,553
<b>Total</b>	<b>-3,975</b>	<b>-2,743</b>	<b>-11,052</b>	<b>-7,218</b>

Group KSEK	Q3 2015	Q3 2014	Q1-3 2015	Q1-3 2014
Other external costs				
Other external costs	-23,788	-10,500	-60,677	-28,307
Re-invoiced costs	-275	-197	-1,715	-1,836
Capitalized other external costs	814	733	2,598	3,458
<b>Total</b>	<b>-23,249</b>	<b>-9,964</b>	<b>-59,794</b>	<b>-26,685</b>

**Signatures/issuers of the report**

Rabbalshede, November 5, 2015

Thomas Linnard  
CEO

**Auditor's review**

Rabbalshede Kraft AB (publ), Corp. Reg. No. 55681-4652

**Introduction**

We have reviewed the consolidated financial interim information (interim report) of Rabbalshede Kraft AB (publ) at September 30, 2015, and the nine-month period that ended on this date. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express an opinion on this interim financial information based on our review.

**Direction and scope of the review**

We conducted our review in accordance with the Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and a substantially more limited scope compared with the focus and extent of an audit conducted in accordance with International Standards on Auditing, and other generally accepted auditing practices.

The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the opinion expressed on the basis of a review does not provide the same level of assurance as an opinion expressed on the basis of an audit.

**Opinion**

Based on our review, nothing has come to our attention that causes us to believe that the interim report has not, in all material aspects, been compiled in accordance with IAS 34 and the Swedish Annual Accounts Act, and for the Parent Company in accordance with the Swedish Annual Accounts Act.

Gothenburg, November 5, 2015

Ernst & Young AB

Stefan Kylebäck

Authorized Public Accountant

