EUROPEAN ENERGY
WIND · SOLAR

Annual report 2015

CVR No. 18351331

Management review

Annual report 2015

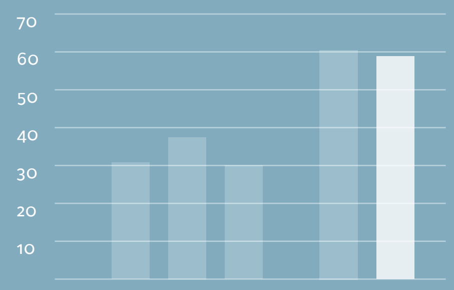
3.3 MW turbine, St. Røttinge, Denmark

2015 in brief

Financial performance

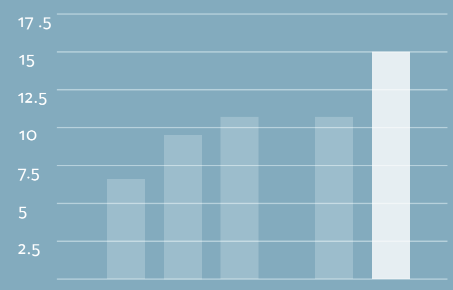
Gross profit	EBITDA	Profit before tax	Group's share of profit	Equity
€22.8m	€15.0m	€10.6m	€6.3m	€63.8m
+41.7%	+40%	+151.5%	+67.7%	+11.1%

Revenue EUR million



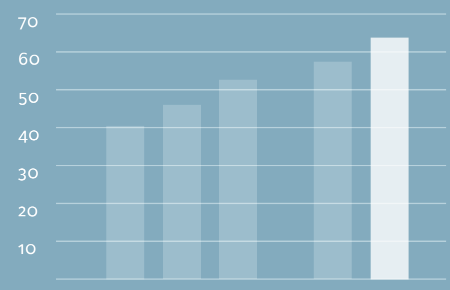
	DK GAAP			IFRS	
	2011	2012	2013	2014	2015
Revenue	30.8	35.7	30.0	60.6	58.8

EBITDA EUR million



	DK GAAP			IFRS	
	2011	2012	2013	2014	2015
EBITDA	6.6	9.5	10.7	10.7	15.0

Equity EUR million



	DK GAAP			IFRS	
	2011	2012	2013	2014	2015
Equity	40.5	46.0	52.6	57.4	63.8

Development and construction*	Divestments*	Power generating assets	Human resources
18 Construction sites	**7** Divested projects	**6** Operating countries	**67** People, 12 nationalities
2,975 MW Development activities	**108 MW** Divested power	**385 MW** Gross portfolio	**55% - 45%** Men - Women
154 MW Constructed and grid connected in 2015	**€148.6m** Enterprise value	**€24.3m** Sale of electrical power	**38** Average age, up from 35

*including 3rd party equity interests

8 MW turbine, Måde, Denmark

Letter from the CEO

Dear Reader,
I predicted that 2015 would be a busy year for European Energy. And it was indeed. As it turned out, we built more power generating capacity than ever before, and succeeded in realising a profit of EUR 10.6 million before tax.

In total, we constructed 154 MW of capacity in 2015, at 18 different sites. I would like to highlight two of our Danish projects in particular – our solar installations in Vandel and our two offshore turbines in Måde, near Esbjerg.

At Vandel, we constructed 126 solar PV installations of 400 kW each on the site of a former military airbase which will, thus provide 21,500 households with electricity. The project demonstrates how rapidly falling technology costs, low maintenance costs and quick construction times are making solar power an increasingly attractive energy source even in Northern Europe. For instance, the construction at Vandel only took us four months.

The other project I would like to highlight involved the construction of two 8 MW turbines in Måde. Currently the world's most powerful wind turbines, these two turbines alone can supply 18,000 households with electrical power. The immense size of the turbines required 225 truckloads of concrete to construct the blinding layer of each turbine. The turbines are actually intended for offshore, but constructing them onshore has enabled European Energy to familiarize itself with offshore wind turbines.

2015 also saw our EUR 45 million senior unsecured bond listed on NASDAQ in Stockholm, Sweden. The bond has enabled us to pursue valuable projects such as solar PV in Vandel and wind turbines in Måde.

The European market changed in 2015, with auctions replacing feed-in tariffs and increasing demand for power purchase agreements from large corporations and cities. Both trends favour professional, experienced developers who have good track records and can drive down the cost of electrical power. European Energy's focus on lowering the cost of renewable energy and our pipeline of development projects put us in a good position to compete in that market. As a result, I expect a high activity level in 2016 as well.

Last but not least, I would like to thank everyone at European Energy for their individual contributions to our performance in 2015, and especially our financial department for working so hard to ensure that European Energy is now compliant with International Financial Reporting Standards.

Knud Erik Andersen
CEO, European Energy A/S

Company history

2004
European Energy invests in its first wind turbine in Germany

2007
European Energy develops renewable energy in five countries

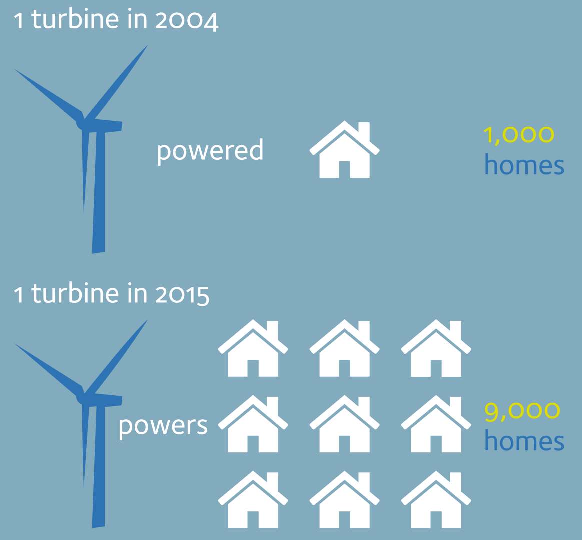
2008
European Energy constructs its first solar power plant

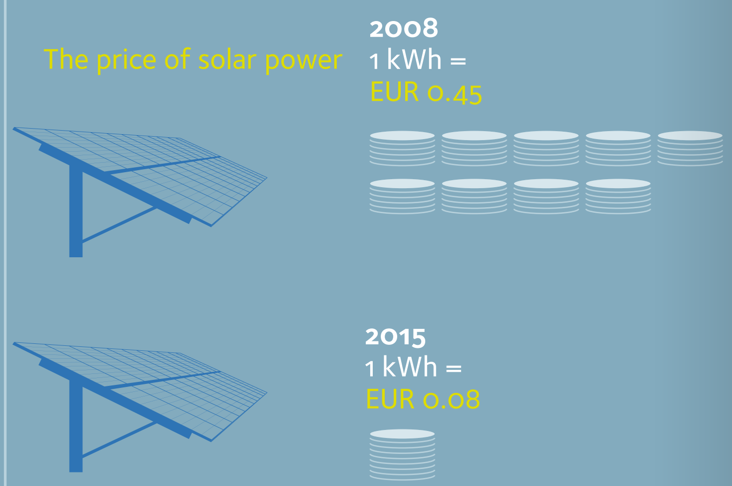
2011
Ernst & Young names European Energy "Entrepreneur of the Year" within the clean-tech industry

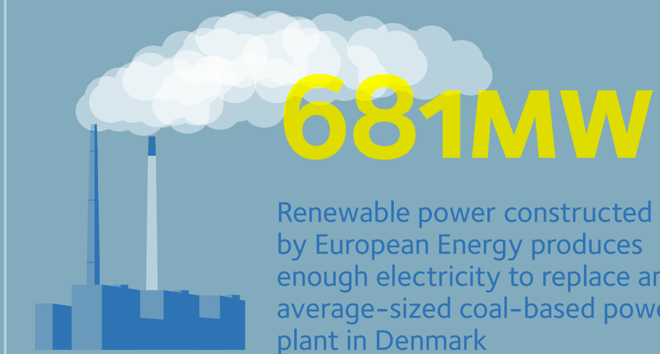
2012
European Energy starts developing nearshore wind power

2015
European Energy's EUR 45 million senior unsecured bond was listed on NASDAQ in Stockholm

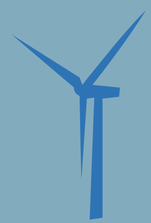
Interesting facts







Renewable power constructed by European Energy produces enough electricity to replace an average-sized coal-based power plant in Denmark



42%

Wind power covers 42% of Danish electricity consumption

We are passionate about renewable energy because...

1 hour = 3 litres/person

Every hour ice melts the equivalent of more than 3 litres of water per person in the world.

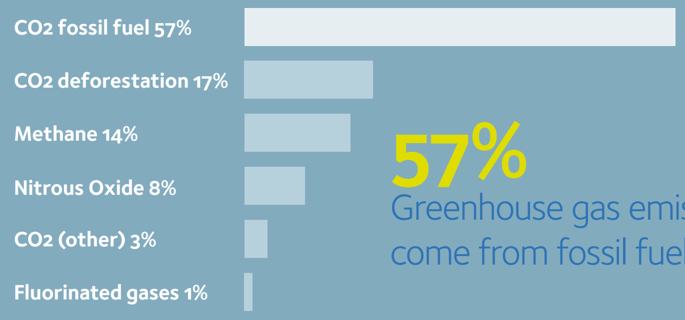
Source: IPCC

+0.75°C

2015 was +0.75°C warmer than the long-term average set between 1961 and 1990. 2015 was the hottest year recorded on Earth. The last record was set in 2014.

Source: UK Met Office

Greenhouse gas emissions



Source: IPCC

57%

Greenhouse gas emissions come from fossil fuels

CO_2 +30%

The atmospheric concentration of carbon dioxide has increased by more than 30% since pre-industrial times, trapping more heat in the lower atmosphere.

Source: IPCC

Business model

Develop
Potential wind & solar site assessment
Project risk assessment
Environmental studies
Secure land & building permits

Finance
Grow network of investment partners
Match investors with different risk profiles with the right projects
Secure bridge & long-term financing

Construct
Select optimal technology and park layouts
Oversee every construction phase from groundworks to grid connection

Asset management
Protect returns for investors and partners by optimising production output

Our extensive knowledge and experience enable us to manage the complex processes and to increase the value of each project.

We sell projects at all stages, or invite co-investors to join in at various project stages.

We assess each project individually and divest the project at the most optimal time.

Business model

European Energy develops, finances, constructs and operates wind and solar farms. Our two primary sources of income are the divestment of wind and solar projects – which can be divested at different stages of the project – and the sale of electrical power from operational wind and solar farms.

Creation of wind and solar power farms

Generally, the process of creating a wind or solar farm can be divided into three stages: the development of the site, the construction of the project and the securing of the bridge- or long-term financing. Each of these stages holds possible entry and exit points for European Energy. European Energy assesses each project individually and divests it at the optimal time.

Development

In the development phase, European Energy starts by assessing the wind or solar resource at a potential site. The assessment of the natural resources is essential for evaluating the financial viability of the project. If a site holds potential, European Energy secures the land rights, conducts environmental studies, obtains necessary planning and building permits, investigates grid connection and makes production estimates. Our development portfolio also includes repowering of existing projects. We expect repowering to account for an increasing share of our activities as the market for wind power matures.

European Energy's development portfolio currently totals 2,975 MW covering twelve countries and comprises a mix of solar projects as well as onshore, nearshore and offshore wind projects. This ensures a broad range of investment opportunities at varying stages of development, which enables us to maintain a continuous cycle of activity.

Finance

Financing is often an integral part of the development and construction phase. European Energy has an expanding network of actual and potential financing partners. As the portfolio of successfully constructed and divested projects grows, so does trust among the financing banks, which eases the process of securing further financing. We have gained vast experience with both bridge financing as well as long-term project financing. Occasionally, other developers invite European Energy to participate in wind or solar projects, as they see how our competencies can aid in obtaining financing for the given projects. In these circumstances, a co-ownership structure is often adopted.

Construction

In the construction phase, the final decisions regarding technology and park layout, subcontractors, etc., are made. During this phase, European Energy manages the process from the first sod being turned through to grid connection.

European Energy brings down costs by acting as a contractor with responsibility for engineering, procurement and construction

How European Energy creates value: Knowledge resources

Since European Energy was established in 2004, we have acquired considerable know-how in all stages of the wind and solar power value chain. Our expertise ranges from identifying new sites and securing financing to managing the actual construction process. We also have extensive knowledge of the long-term behaviour of plants and components, which ensures that our development projects continually improve.

It is this specific knowledge and profound experience that enables European Energy to enhance the value of projects. To manage the complex process of developing and constructing power generating assets, European Energy has a strong legal department with detailed knowledge of the rules and incentive schemes in our key markets. European Energy benefits from our employees' knowledge of key markets, which eases the development, approval and realisation process for wind and solar farms. When projects move into the construction phase, European Energy is able to rely on cutting-edge technological insight to select the optimal technology, whatever the project at hand. Our mergers and acquisitions department has market insight that enables European Energy to match investors with differing risk profiles with the right projects and to conduct due diligence processes.

Operational solar and wind farms

European Energy owns or co-owns 44 operational solar and wind power farms in six countries. The sale of electrical power thereby contributes substantially to European Energy's revenue.

The large portfolio of operating parks means, European Energy keenly focuses on optimising the production output of each farm. Contrary to what some may believe, revenue from wind and solar farms depends not only on the installed technology, weather conditions and electricity prices but also on the reliable operation of the assets. This is why European Energy has a dedicated asset management team tasked with minimising downtime at operating parks, including those managed on behalf of third parties.

European Energy's asset management service is also a key differentiator when it comes to divesting solar or wind parks to third parties, such as banks or pension funds, that are looking to significantly reduce the technical and operational risks of asset ownership.

Divestment of solar and wind farms

European Energy's primary source of revenue and profit comes from the divestment of wind and solar farms. The projects are sold or joined by co-investors at every stage of a project. We aim to divest most of our projects and thus maintain our ability to participate in new development and construction activities.

3.3 mw turbines, St. Røttinge, Denmark

Group financial highlights and key ratios

This annual report is the first annual financial report made using IFRS. All figures for the Group have at the date of transition January 1st 2014 been converted to IFRS. In the Disclosure section there are tables showing the adjustments made when applying IFRS. The key figures for the years 2011 to 2013 have not been converted to IFRS.

EUR '000	IFRS	IFRS	DK GAAP	DK GAAP	DK GAAP
Key figures	2015	2014	2013	2012	2011
Revenue	58,799	60,566	29,963	35,682	30,801
Direct costs	-37,975	-44,947	-13,257	-20,554	-19,293
Gross profit	22,806	16,092	16,706	15,128	11,508
EBITDA	14,955	10,679	10,652	9,531	6,648
Operating profit (EBIT)	13,460	9,097	9,001	7,831	3,635
Financial income and expense, net	-2,904	-4,899	-2,262	-1,807	-3,918
Profit/loss before tax	10,556	4,198	6,739	6,024	17
Tax	-4,301	-468	-776	-446	1,108
The Group's share of profit for the year	**6,255**	**3,730**	**6,338**	**5,680**	**760**
Total assets	234,522	201,802	147,851	137,015	142,974
Equity	**63,810**	**57,437**	**52,558**	**46,005**	**40,526**
Cash flows from operating activities	-7,017	-7,082	-1,252	5,802	-1,641
Net cash flows from investing activities	-20,736	-3,538	3,060	4,947	35,671
Cash flows from financing activities	26,750	18,672	-2,996	-12,188	-34,700
Total cash flows	**-1,003**	**8,052**	**-1,188**	**-1,439**	**-670**
Financial ratios					
Gross margin	38.8%	26.6%	55.8%	42.4%	37.4%
EBITDA margin	25.4%	17.6%	35.6%	26.7%	21.6%
EBIT margin	22.9%	15.0%	30.0%	21.9%	11.8%
Solvency ratio	27.2%	28.5%	35.5%	33.6%	28.3%
Net interest-bearing debt/EBITDA	6.8	7.2	6.0	6.9	11.6
Return on equity	10.3%	6.7%	12.9%	13.1%	1.9%
Gearing	179.6%	157.7%	131.0%	156.2%	209.0%
Share Ratios					
Earning per share	0.6	0.4	0.6	0.6	0.1
Book value per share	6.4	5.7	5.3	4.6	4.1
Cash flow from operating activities per share	-0.7	-0.7	-0.1	0.6	-0.2
Number of shares at the end of the year	10 m	10 m	10 m	10 m	10 m
Average number of full-time employees	53	46	41	38	39

The financial ratios have been computed in accordance with the latest Guidelines issued by the Danish Finance Society.

Financial definitions

Gross margin	Gross profit/loss as a percentage of revenue.
EBITDA margin	Profit/Loss before depreciation and amortisation, financial income and expenses and tax as a percentage of revenue.
EBIT margin	Profit/Loss before financial income and expenses and tax as a percentage of revenue.
Solvency ratio	Equity at year-end divided by total assets.
Net interest-bearing debt/EBITDA	Net interest-bearing debt divided by profit/loss before depreciation, amortisation, financial income, expenses & tax.
Return on equity	Profit/Loss after tax for the year divided by average equity.
Gearing	Interest-bearing liabilities at year-end divided by equity at year-end.
Earning per share (EPS)	Profit/loss for the year divided by the average numbers of shares.
Book value per share	Equity at year-end divided by the number of shares at year-end.
Cash flow from operating activities per share	Cash flow from operating activities divided by the average number of shares.

Financial performance

In March 2015 the EUR 45 million senior unsecured bond issued in March 2014 was listed on NASDAQ in Stockholm, Sweden. The listing of the bond means that European Energy now uses International Financial Reporting Standards (IFRS) for all reporting, including the annual report. All 2015 quarterly reports used IFRS with comparative figures from 2014. European Energy prepared the 2014 annual report according to Danish Generally Accepted Accounting Principles (DK GAAP), and the conversion to IFRS has changed those figures. These changes can be seen in the IFRS 1 tables for the Group in the Disclosures section.

Overall, the changes involved in going from DK GAAP to IFRS have been immaterial.

Value creation and costs connected to the business model
The European Energy business model is to develop, finance, construct and finally divest energy projects within solar and wind energy.

The primary value is created either by developing projects to the level where all their permits are in place or by acquiring project rights or ready-to-build projects that fit the European Energy model.

Once a project has been developed, the project rights have been purchased or a ready-to-build project has been acquired, the next step is to secure the financing required, to order the turbines or the solar panels and to construct the projects. The value creation is illustrated in the figure to the right.

With the completion of each phase of the planning and development, the amount of European Energy's investment increases, as does the likelihood of a successful outcome. The amount of capital invested in the beginning phases is substantially lower than the investment made during the construction phases.

In the initial planning stage, European Energy endeavours to keep costs to a minimum as the substantial risks during this period can prevent a project from being successfully developed.

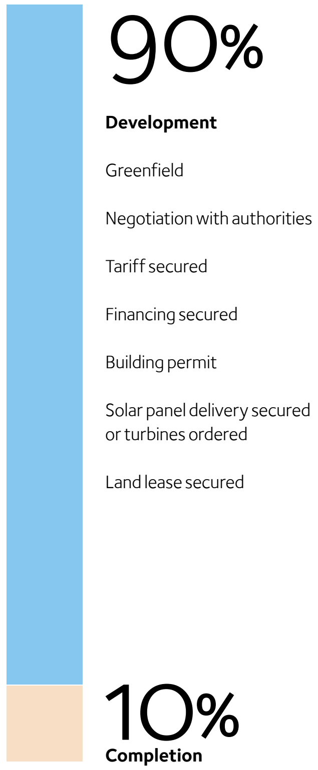
The chances of success improve as a project progresses through the various phases of development, which in turn enhances the value of the project. The greatest value is created during project development phase, from the time the permits are obtained until construction is ready to commence. In the case of an onshore wind project, approximately 90% of the value is created in the stages leading up to construction, while only about 10% is attributable to the construction itself.

Although the construction phase requires by far the highest level of investment, the margins obtained at this stage are lower than those in the development phase. The 90% value created is recognised in profit and loss if a project is divested before its construction. The remaining 10% will be recognised in profit and loss during the construction phase.

Group structure of European Energy
The European Energy group has a structure consisting of 295 companies (as at the end of 2015) with European Energy A/S as the parent company (Group). European Energy A/S owns several subsidiaries, associates and joint venture companies, which in turn own additional subsidiaries, associates or joint venture companies.

One reason for the large number of Group companies is that many of European Energy's wind and solar projects are held by project-specific special purpose vehicles (SPV). The SPVs provide the platform for developing and constructing a project. The SPV then becomes a self-contained vehicle that can be more easily sold to investors, either after the power plant goes into operation or at an earlier stage of development. The SPVs take the form of either a limited company or a tax-transparent company.

Value creation in European Energy



Of the 295 companies within the Group, 104 are partnerships in the form of joint ventures, associated companies or companies owned by these entities. These partnerships enable the Group to maintain a diversified portfolio while also reducing risk. In addition, the Group has 11 investments in companies where its ownership is below 20% which are not material investments to the Group.

At the end of 2015 the total number of subsidiaries directly or indirectly owned by the parent company was 179, all of which were consolidated line by line in the consolidated income statement.

The 104 joint ventures, associated companies and companies owned by these entities are recognised in one line as "equity-accounted investments" in the gross profit section of the consolidated income statement. In the balance sheet they are recognised in the joint venture investments line or the associated companies investment line, both under non-current assets. As regards to the 11 companies where the Group has no material ownership, the investments are recognised at cost and are stated in the balance sheet as other investments.

Profit & Loss
2015 was a good year for European Energy Group. Earnings before interest, taxes, depreciation and amortisation (EBITDA) came to EUR 15.0 million, and the profit for the year totalled EUR 6.3 million (up from EUR 3.7 million in 2014). Management is very satisfied with this performance, in particular because European Energy has succeeded in developing, constructing and divesting wind and solar energy projects in several core markets as well as taken on several new projects over the course of the year, the developments of which are expected to keep the activity level high in 2016.

Revenue totalled EUR 58.8 million (down from EUR 60.6 million in 2014). The revenue came from the divestment of power generating assets, the sale of electrical power, fees from construction activities, asset management and other fees. The revenue from electrical power sales decreased to EUR 5.8 million from EUR 6.6 million in 2014 due to the divestment of wind assets. Revenue from engineering, procurement and construction (EPC) contracts increased from EUR 0.6 million in 2014 to EUR 6.3 million in 2015. The increase in this revenue line clearly shows the effect of the Group's increased activity level. Asset management and other fees also increased from EUR 1.2 million to EUR 2.8 million. The reason for this increase is attributable in part to the increased number of companies the Group has under management while EUR 1.6 million stems from the increase in non-recurring revenue coming from other consultancy services provided by the Group.

The Group's most important revenue line is the divestment of power generating assets. This revenue decreased from EUR 52 million in 2014 to EUR 36 million in 2015. In 2014 most sales were generated by divesting companies wholly owned by the Group, and therefore recognised gross line by line. In 2015 the majority of the revenue comes from divesting joint ventures – with net recognition/one line in the financial statement. The difference in the accounting principles, whereby the sale of line-by-line companies is recognised gross and the sale of joint ventures is recognised net, has meant that the 2015 revenue is less than that of 2014, despite the fact that European Energy divested more capacity in 2015 when measured by megawatt.

Profit after tax on equity-accounted investments (joint ventures and associated companies) came to EUR 1.7 million compared to EUR 0.5 million in 2014. In terms of wind energy, 2015 was a much better year in Europe than 2014 – an improvement that is reflected in our performance, as most of European Energy's investments in joint ventures and associates are within wind power generating assets.

Direct costs totalled EUR 38.0 million, which includes write offs of inventory of EUR 0.5 million and write-downs of inventory of EUR 4.5 million. Management has looked at the total portfolio of projects under development and diversified it into segments according to project maturity and time elapsed since project start. This segment analysis has led to an overall impairment of EUR 4.5 million. Management finds the impairment properly reflects the risk of the total portfolio. In 2014 the total impairment and write off of inventory amounted to EUR 0.3 million.

Gross profit amounted to EUR 22.8 million in 2015 (up from EUR 16.1 million in 2014), which resulted in a gross margin of 38.8% (up from 26.6% in 2014). EBITDA totalled EUR 15.0 million in 2015 (up from EUR 10.7 million in 2014).

Net financial expenses decreased to EUR 2.9 million (down from EUR 4.9 million in 2014). The decrease is mainly attributable to net foreign exchange gains of EUR 1.4 million compared to net foreign exchange losses of EUR 0.3 million in 2014. European Energy has also provided more loans to associated companies and joint ventures, which has generated extra interest income in 2015.

The profit before tax more than doubled in 2015 to EUR 10.6 million from EUR 4.2 million in 2014. Tax for the year has increased as a result of higher income, an impairment of the deferred tax assets of EUR 1.0 million and a tax audit in Germany for the years 2006-2009 comprising a total of EUR 1.6 million. The tax audit in Germany is finished, so no further adjustments to prior tax returns are expected.

The balance sheet
The brisker activity has served to boost inventories (project portfolio) from EUR 12.8 million in 2014 to EUR 41.5 million in 2015. This includes an increase in the impairment provision of EUR 4.5 million from EUR 2.7 million in 2014 to EUR 7.4 million in 2015, as explained in the profit and loss section. After impairment, the projects under development are valued at EUR 9.6 million in 2015 (down from EUR 11.3 million in 2014).

Equity-accounted investments (joint ventures and associates) totalled EUR 18.9 million (up from EUR 16.1 million in 2014). The increase is attributable to the fact that the equity accounted companies realised a profit of EUR 1.7 million for 2015 and to a net addition of these companies of EUR 1.1 million. Loans to related parties increased by EUR 3.7 million (up to a total of EUR 20.0 million) due to the higher activity level in 2015, which supports the Group's strategy of intensifying project development through joint ventures and associated companies.

Trade receivables decreased to EUR 46.5 million in 2015 (down from EUR 63.6) million in 2014). At the end of 2014 receivables included the divestment of two solar energy farms in the UK. The closing of this sale and the proceeds receivable were finalised in July 2015.The balance end of 2015 includes the net receivable of selling the Vandel solar farm. This receivable has been received at financial closing of the divestment, which was made in March 2016.

Net deferred taxes in the balance sheet fell from EUR 4.4 million in 2014 to EUR 2.5 million in 2015. One reason being the EUR 1.0 million impairment of tax losses brought forward and another being the use of tax losses in countries where European Energy had activities during the year.

As a result of the increased activity, total assets climbed to EUR 234.5 million in 2015 (up from EUR 201.8 million in 2014).

Cash flow statement
The greater activity level has led to a negative cash flow from operations. This comes from a change in networking capital of EUR 14.6 million, which includes an increase of EUR 28.7 million in inventories derived from capitalised construction costs.

Net cash flow from operations and from investing activities totalled EUR -27.8 million, an amount funded by net borrowings of EUR 26.8 million and a cash draw down of EUR 1.0 million.

Capital management
The parent company, European Energy A/S, is financed primarily through the bond market in Sweden. The company's policy is to maintain a strong capital base that enables it to attract investors and other creditors. European Energy A/S shall not pay out dividends until the EUR 45 million bond is repaid in March 2018.

The EUR 45 million bond has a covenant of equity/balance that is minimum 25%. The equity ratio is 27.2% in 2015 (down from 28.5% in 2014). In addition, the Group has a

Construction of a solar farm in Denmark

separate bond of EUR 7.6 million which will mature at 31 December 2017. Management expects the bond to be refinanced or the underlying assets – two wind parks in Germany – to be sold and the bond repaid with the proceeds of the sale. Management expects no problems with divesting these assets.

The Group is constantly monitoring the liquidity in order to mitigate a shortage of funds. The Group aims to maintain a balance between funding continuity and flexibility through the use of bank overdrafts, bank loans and bond issues. The Group currently funds construction projects partly through overdrafts, which is converted into non-recourse project financing when the project goes into operation. The EUR 45 million bond is used to finance some construction projects as well as investments in projects not yet at the construction phase. The EUR 45 million bond funds a major portion of the Group's activities, and thus represents a concentration of risk. Management foresees several possibilities for replacing or repaying the bond, and thus evaluates the risk to be medium.

Management views the operating projects as low risk, as they have non-recourse loans. The overdrafts used to finance the construction projects are also low risk for the Group, as they are on track and have a high possibility of being divested at cost value.

At the end of 2015 the Group's cash balance was EUR 12.3 million, of which EUR 9.3 million was free cash. Management and the Board of Directors evaluate that the Group has sufficient available cash.

Uncertainty with regard to recognition and measurement

Revenue recognition
When revenue is recognised in the income statement, divestment of power generating assets and projects are recognised according to the 90/10 model described in the previous section. When a company is divested, certain conditions are met to conclude the sale. These condition precedents (CPs) must be evaluated in order to establish whether they are critical to the divestment or a mere formality. This evaluation helps determine when the sale has actually been fulfilled.

Since the divestment of power generating assets accounts for more than 60% of revenue, the various amounts of which can be sizeable, these evaluations can materially influence the Group's result for the year. If the condition precedents are evaluated to be considerable at the end of the year, the divestment cannot be recognised as revenue within that year but must be postponed to income for the subsequent year. Management acknowledges that each case has to be examined and documented carefully in order for revenue to be recognised in the correct period.

Inventory/projects measurement
Evaluating inventory, especially projects still under development, involves a risk relating to the recognition of direct costs, and thus to the results. All costs related to project development are capitalised on the specific project. This also includes interest paid and man-hours expended on the project. Management continuously evaluates all projects on the basis of their financial viability and feasibility. In 2015 this led to a EUR 4.5 million impairment of inventory, as explained in the section on profit and loss.

Financial performance of the parent company

The Profit & Loss
The revenue of the parent company of the Group, European Energy A/S, totalled EUR 41.3 million in 2015 (EUR 48.0 million in 2014). Profit after tax for equity-accounted investments totalled EUR 1.4 million (up from EUR 0.2 million in 2014). The gross profit in 2015 increased to EUR 16.2 million (up from EUR 10.5 in 2014). The higher gross profit is attributable to the European Energy's increased activity level. The staff costs of the parent company closely resemble those of the Group, as 95% of the staff is employed by the parent company. Staff costs totalled EUR 5.8 million (EUR 3.4 million in 2014).

Net financial expenses totalled EUR 1.2 million, which amounts to only 50% of the financial expenses for 2014 (EUR 2.4 million). The decrease relates to foreign exchange gains. Profit before tax totalled EUR 8.1 million, which is considerably higher than 2014 (EUR 3.2 million). The impairment of the deferred tax asset and taxes for the year totalled EUR 1.7 million. In 2014 there was an income of EUR 0.4 million.

The Balance Sheet
All operating activities, sale of electrical power and ownership of power generating assets is structured in operating companies, being either subsidiaries, associated companies or other investments of the parent company. Therefore, the only property, plant and equipment of the parent company is equipment.

Investment in subsidiaries decreased by EUR 3.1 million to EUR 26.6 million (EUR 29.7 in 2014). The decrease is due to the impairment of the inventories (project portfolio) and inventory write-offs. Total write-offs and write-downs accumulated to EUR 5.0 million (please see note 2.4 in the disclosure section for the Group) leading to a net loss for the year of subsidiaries of EUR 4.4 million.

Loans to subsidiaries increased by 73% to EUR 37.1 million, reflecting the Group's high activity level. European Energy as the parent company has commenced and partly financed considerable construction activities through its subsidiaries.

The EUR 9.7 million increase in payables to subsidiaries (from EUR 6.3 million in 2014 to EUR 16.0 million in 2015) reflects the fact that the income in some of subsidiaries has been loaned to the parent company in order to finance the construction activities. Part of the increase will be offset by dividends to the parent during 2016. Although the equity ratio has increased to 43%, the parent company has made no dividend proposal to its to its shareholders. This is because European Energy A/S shall not pay out dividends before the bond is repaid due to the covenants of the EUR 45 million bond listed on the NASDAQ stock exchange in Stockholm.

Divestment

Institutional investors in search of long-term, low-risk investments are increasingly looking to buy renewable energy assets. Globally, clean energy investments set a new record, reaching USD 329 billion according to Bloomberg New Energy Finance. Beyond a doubt, 2015 shows that renewable energy has become a mainstream investment area.

Reflecting this trend, European Energy generated results by realising a range of projects for professional buyers. The renewable power generating assets divested by European Energy in 2015 reached an enterprise value of EUR 148.6 million including third party equity interests.

2015: main results

Solar PV in Denmark made the most significant contribution to European Energy's performance. We constructed and sold 130 solar PV installations on three sites. Project buyers included a fund managed by Allianz Global Investors, which competed with several other large and experienced international funds and institutional investors as well as a major Danish Family Office.

In Germany, European Energy has been able to conclude sales agreements on three onshore wind projects, two of which are still under construction. The fact that projects are sold before or during the construction phase shows that investors consider the German market to be highly stable and attractive.

Site	Country	Technology	Buyer	Total MW
Badingen	Germany	Wind	Sold to private German investor	
Mönchsrot	Germany	Wind	Sold to private Danish investors	
Vetschau	Germany	Wind	Sold to the major German utility Envia	
Braul	Germany	Wind	Sold to German utility company	
St. Røttinge	Denmark	Wind	Sold to Danish utility companies	
Vandel	Denmark	Solar PV	Sold to a fund managed by Allianz Global Investors	
Nakskov II	Denmark	Solar PV	Sold to Better Energy A/S	
Total				**108**

In terms of global investment, renewables now beat fossil fuels 2:1

Case study - Solar

Solar farm, Vandel

In just 18 weeks, European Energy and its partner managed to construct 126 solar PV installations of 400 kW each at a former military airbase in Vandel, Denmark. With a short construction phase, low maintenance costs and rapidly dropping technology costs, solar power is becoming an increasingly attractive energy source, even in Northern Europe. The project was completed in a 50/50 cooperation with Bregentved, Denmark's largest landowner. The project is an example of European Energy's comprehensive partnership approach to conducting attractive projects. The park in Vandel covers the electricity demand of around 21,500 households.

Sale of electrical power

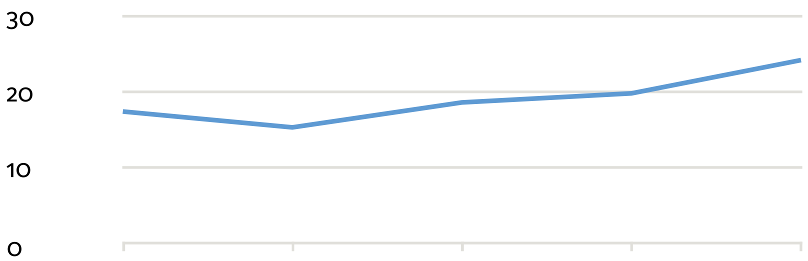
At the end of 2015, European Energy owned wind and solar power generating assets with a net capacity of 139 MW, producing electrical power in Germany, the UK, Denmark, Italy, Bulgaria and Spain. Our total electrical power production in 2015 amounted to 191,000 MWh, enough to power around 56,000 households.

European Energy often co-owns assets with partners ranging from utilities to private Danish investors. Our portfolio primarily consists of assets built by European Energy as well as older operational parks bought to start the repowering process of replacing aging, small turbines with newer, more efficient ones.

Sales of electrical power grew by 24.6% to EUR 24.3 million in 2015. Although this growth is mainly due to the acquisition of new capacity, 2015 was also a better year for wind than 2014.

Power prices were generally low in 2015 and are likely to remain low in 2016. However, thanks to long-term power purchase agreements and long-term feed-in tariffs (FITs), the low market prices have a limited impact on our profit. To the extent possible and where economically feasible, we sell the power produced by and the certificates issued to our operating assets via power purchase agreements. Moreover, our German wind turbines, representing 70% of our power generating assets, receive a predetermined feed-in tariff for 20 years after commissioning. For other countries, such as Italy, renewable energy sources are eligible for a green certificate or a similar bonus to the market price for electricity produced.

Sale of electrical power per year



	2011	2012	2013	2014	2015
EUR M	17.4	15.3	18.6	19.5	24.3

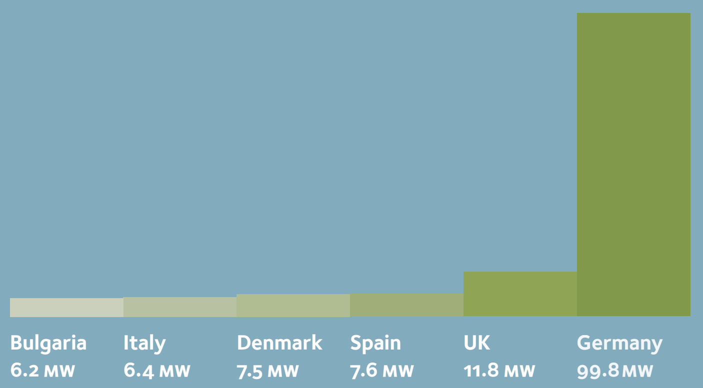
Our two turbines in Måde cover the electricity consumption of 18,000 homes

Case study - Wind

Wind, Måde
In 2015 European Energy installed two 8 MW wind turbines on a Danish test site called Måde. The turbines are currently the world's most powerful and were developed for offshore wind power production. However, the onshore test site enables MHI Vestas to conduct various tests before the turbines commence serial production, and also allows European Energy to gain its first experience with offshore wind turbines. A turbine of this size can produce enough electricity to meet the yearly electricity demand of 9,000 households.

Power generating assets

As of end-2015 European Energy owns a net capacity of 139.2 MW.
The total gross capacity amounts to 385.3 MW.



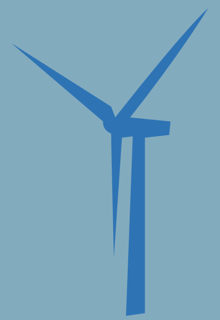
Generating assets by country

Net capacity

+ 13%

2015 139.2 MW

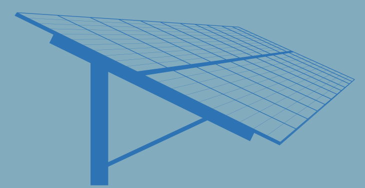
2014 123.7 MW



Wind

+ 5.3%

119.4 MW



Solar

+ 92.2%

19.8 MW

European Energy's portfolio of power generating assets by end 2015

Equity interest in wind

Country	Name	Gross MW	Equity interest	Net MW
Bulgaria	Krupen	12.0	49.0%	5.9
Bulgaria	Straldja	2.4	12.5%	0.3
Denmark	Måde	16.0	47.0%	7.5
Germany	Bad Iburg	6.1	25.0%	1.5
Germany	Eichow 1.7	2.0	50.0%	1.0
Germany	Emskirchen	6.0	25.0%	1.5
Germany	FWE Windpark 3 Standorte K/S	7.7	49.5%	3.8
Germany	FWE Windpark Kranenburg K/S	10.5	49.5%	5.2
Germany	FWE Windpark Scheddebrock K/S	7.5	49.5%	3.7
Germany	FWE Windpark TIS K/S	28.0	49.5%	13.9
Germany	FWE Windpark Westerberg K/S	18.0	49.5%	8.9
Germany	FWE Windpark Wittstedt K/S	10.5	49.5%	5.2
Germany	FWE Windpark Wulfshagen K/S	11.0	49.5%	5.4
Germany	Gommern I	18.0	6.2%	1.1
Germany	Gommern II	4.0	6.2%	0.2
Germany	Güstow	0.6	100.0%	0.6
Germany	Losheim	7.5	25.0%	1.9
Germany	Ottenhausen	16.0	34.2%	5.5
Germany	Prignitz	25.5	25.0%	6.4
Germany	Prittitz	27.0	49.5%	13.4
Germany	Schäcksdorf VI	2.0	50.0%	1.0
Germany	Timpberg 10	2.0	50.0%	1.0
Germany	Timpberg 9	2.0	50.0%	1.0
Germany	Unseburg Löderburg	18.0	20.0%	3.6
Germany	Wernikow 7.2	8.4	50.0%	4.2
Germany	Wernikow 7.3	2.4	50.0%	1.2
Germany	Wittstock-Papenbruch 5.4	2.6	50.0%	1.3
Germany	Wittstock-Papenbruch 5.5	2.6	5.0%	0.1
Germany	Wriezener Höhe	48.0	15.0%	7.2
Italy	Carpinaccio	13.6	27.0%	3.7
Italy	Riparbella	20.0	11.1%	2.2
Total Wind		**357.8**		**119.4**

Equity interest in solar PV

Country	Name	Gross MW	Equity interest	Net MW
Italy	Soleto	1.0	50.0%	0.5
Spain	Beniarbeig	2.0	16.5%	0.3
Spain	Campllong	1.1	79.2%	0.8
Spain	Ibiza	0.2	79.2%	0.2
Spain	La Pobla	0.2	79.2%	0.2
Spain	L'Olleria	1.5	79.2%	1.2
Spain	L'Olleria II	1.2	45.0%	0.5
Spain	Monovar	2.0	79.2%	1.6
Spain	Ocaña	1.2	79.2%	0.9
Spain	Villanueva	2.4	79.2%	1.9
United Kingdom	Canewdon	5.0	79.2%	4.0
United Kingdom	High Leas	4.9	79.2%	3.9
United Kingdom	West End Farm	4.9	79.2%	3.9
Total Solar PV		**27.5**		**19.8**

Total Wind & Solar PV		**385.3**		**139.2**

Asset management

Revenue from wind and solar farms is contingent upon factors beyond the technology installed, weather conditions and electricity prices. Since renewables are long-term investments, their overall return also greatly depends on reliable asset operation and maintenance. To this end, European Energy's asset management team dedicates its resources to optimising the operation of wind and solar farms, both our own and those we manage on behalf of third parties.

Our asset management department acts as a one-stop shop, offering investors a full spectrum of asset management. Investors can therefore make passive investments without worrying about the operation and maintenance of the wind or solar park concerned. For instance, European Energy has teamed up with a subcontractor to supply operational services for the 126 newly constructed installations at Vandel, offering a 10-year contract package that thus significantly reduces the technical and operational risks associated with the project.

2015 results

In 2015, European Energy managed a portfolio of power generating assets totalling 249 wind turbines and 18 solar PV parks. The total portfolio of power generating assets that European Energy manages amounts to 518 MW consisting of 385 MW of our own assets plus the 132 MW that we manage on behalf of third parties. The revenue generated from asset management amounted to EUR 1.2 million in 2015.

How European Energy works

European Energy's approach to asset management is to monitor and analyse the performance of the assets with a view to implementing optimisation strategies regarding production, cost structure, refinancing and repowering. European Energy also ensures legal, technical and safety compliance and consistent reporting to stakeholders such as investors and financing banks. The work ranges from the task of ensuring access to turbines requiring maintenance, through to operation and management, bookkeeping and negotiation with insurance companies and power traders.

European Energy aims to identify risks early in order to reduce the impact on hardware and the effect on the performance and production of the assets. We achieve this through a combination of remote monitoring and site visits.

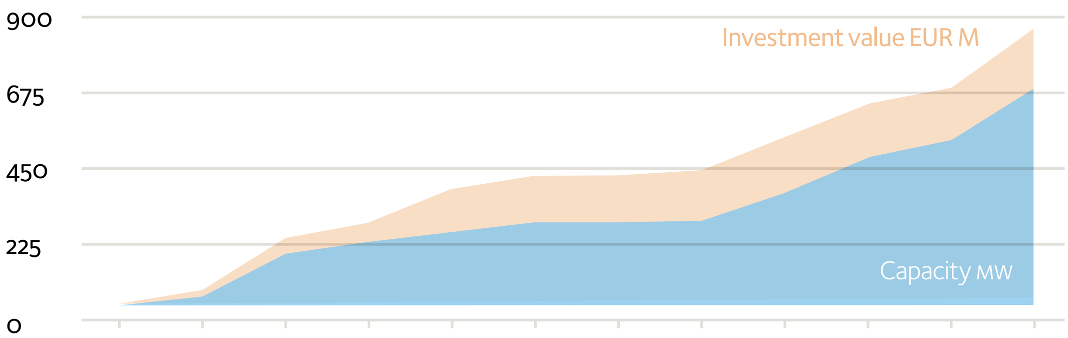
European Energy's asset management team allows investors to make passive investments without worrying about the operation and maintenance


Måde, Denmark

Development and construction

2015 was a busy year for European Energy, especially with regard to construction activities. European Energy constructed and grid-connected wind and solar power generating assets with a total capacity of 154 MW and an investment value of 176M EUR, thus supplying renewable electricity for approximately 66,000 households. In comparison, a total capacity of 527 MW was constructed between 2004 and 2014. We have developed most of the projects ourselves from the greenfield stage. Moreover, we have commenced the construction of several wind and solar power generating assets. At the end of 2015 we had construction sites with approximately 100 MW of capacity.

Developed, constructed & acquired power generating assets 2004-15



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
MW	18	45	176	212	242	272	272	277	361	472	527	681
EUR M	23	65	224	270	373	414	415	431	531	635	687	863

As part of our strategy to drive down the cost of renewable energy, we started acting as an engineering, procurement and construction (EPC) contractor in 2015. Being an EPC contractor gives us a competitive edge, because we not only design the project but also procure all materials, manage the construction process and deliver turnkey power generating assets to investors. In 2015 we were an EPC contractor on Danish and British solar PV projects, as well as on German wind projects.

Construction activities in 2015

Our main construction activities were in Denmark, the UK and Germany, where we grid-connected assets of 154 MW in 2015. In addition, we constructed a 380 kW rooftop solar PV power station that powers a desalination utility in the Maldives – our first project completed under the Nordic Power Partners (NPP), our partnership with the Danish Climate Fund.

Denmark: wind and solar

In 2015 European Energy conducted its main development and construction activities in Denmark. Among other projects, we initiated and completed the construction of 126 PV installations in Vandel. The project is located on a closed airbase and covers an area of 108 hectares, corresponding to 150 soccer fields. The project was connected to the grid in 2015 and now produces renewable electricity for around 21,500 households.

Another flagship construction project involved the installation of the world's largest wind turbine, consisting of 2 MHI Vestas V164 8 MW offshore turbines, in Måde. The two turbines are the first in the MHI Vestas product line, and European Energy is the first developer to gain experience with these offshore turbines.

Site	Status end 2015	Technology	MW
Måde	Grid-connected	Wind	
Vandel	Grid-connected	Solar PV	
Nakskov III	Grid-connected	Solar PV	
St. Røttinge	Grid-connected	Wind	
Ulvemosen	Construction initiated	Wind	
Rødby	Construction initiated	Wind	
Total			**183**

Construction of a 2.4 MW wind turbine in Vetschau, Germany

Solar in United Kingdom
European Energy completed construction of three solar PV sites in the UK with a total capacity of 15 MW, and construction on a fourth 5 MW site has commenced. Two of the four sites, West End Farm and Canewdon, can each be extended by another 5 MW under the so-called Community Interest Company (CIC) scheme. A Community Interested Company (CIC) must donate two thirds of its profit to charity. Construction of these two sites is planned to get underway in the first half of 2016. They have already achieved feed-in tariff pre-accreditation, as the CIC scheme allows for later grid connection.

Site	Status end 2015	Technology	MW
Canewdon	Grid-connected	Solar PV	
West End Farm	Grid-connected	Solar PV	
High Leas	Grid-connected	Solar PV	
Llwyndu	Grid-connected	Solar PV	
Trowbridge	Grid-connected	Solar PV	
Woodhouse	Construction initiated	Solar PV	
Total			**48**

European Energy is currently in active sales negotiations with various international funds regarding the entire portfolio. These discussions are expected to turn into divestments in the first half of 2016.

Wind in Germany
In Germany, European Energy is constructing onshore wind turbines customised for the different wind speeds at different sites. At the Vetschau site, European Energy is installing turbines specially developed to optimise output from low-wind regions and thus help increase the overall number of sites to be utilised for wind power production. In 2015 European Energy completed construction of a wind turbine with a total capacity of 2 MW. Moreover, we are currently installing eight wind turbines with a total capacity of almost 21 MW on various sites.

Site	Status end 2015	Technology	MW
Badingen	Grid connected	Wind	
Vetschau	Under construction	Wind	
Mönchsrot	Under construction	Wind	
Frehne	Under construction	Wind	
Total			**23**

Maldives
Nordic Power Partners (NPP), a joint venture between European Energy and the Danish Climate Investment Fund, aims to develop solar and wind projects in developing countries and emerging markets, where between 25% and 30% of inhabitants have no access to electricity. In the Maldives, NPP has successfully built a rooftop solar PV power station under the Nordic Power Partnership.

Site	Status end 2015	Technology	KW
Desalination factory	Grid connected	Solar PV	**380**

Creating opportunities
We aim to create a broad range of future investment opportunities by growing our geographically and technologically diverse portfolio of development projects. The portfolio grew from 2,700 MW in 2014 to 2,975 MW by the end of 2015. Our main development markets are now Denmark, Germany and Sweden, and the projects comprise solar as well as onshore, nearshore and offshore wind projects.

We anticipate that 2016 will be another busy year, with construction on many of the projects in our development portfolio already in progress and new projects in the pipeline. Solar projects, for instance, take less time to develop than wind projects, so we may well find new locations or be presented with new solar PV projects in 2016 and still complete their construction before the year ends.

Large corporations are going renewable

Large international corporations are looking to go renewable. According to the sustainability organisation Ceres, more than four out of 10 Fortune 500 companies have green targets, a fact that demonstrates how corporations are leading the charge against global warming. Typically, these corporations set goals for their renewable energy use and therefore seek to make corporate renewable energy power purchase agreements with developers like European Energy. The trend is growing, and European Energy expects these corporate power purchase agreements to be an important, new driver for divesting power generating assets in the future. The solar power plant developed by European Energy for a large car manufacturer in the UK is a good example of this trend.

Case: car manufacturer
Power purchase agreements are among the measures that allow companies to achieve their sustainability goals while also reducing costs. The fact that renewable power purchase agreements meet both these criteria is a key reason for the current growth in the corporate power purchase agreement market.

One of the world's largest car manufacturers is among these companies. The car manufacturer aims to reduce its climate impact by using more renewable energy in every area of its business. The manufacturer has asked European Energy to provide a solar farm that can power the manufacturing plant. The farm is currently under construction. European Energy is very proud to be able to power production of the company's low-emission cars.

Trends: energy cost and demand

Energy prices remained low in 2015, as was expected. A barrel of oil cost less than USD 30 in the beginning of 2016, and electricity spot prices were also low. However, unlike the fossil fuel industry, the renewable energy industry is doing well. Rapid technological development and a stronger focus on climate change are two reasons why.

Electrical power prices

Spot prices at Nord Pool, the Northern European power market, were remarkably low in 2015. On the supply side, the combination of renewable energy technology and low coal and gas prices has contributed to decreasing power prices. On the demand side, increased energy efficiency among other things is translating into reduced demand for power throughout Europe, according to Eurostat. However, the Danish Energy Authority expects that interconnectors will potentially help Nord Pool prices recover over the next 10 years.

Cost reductions

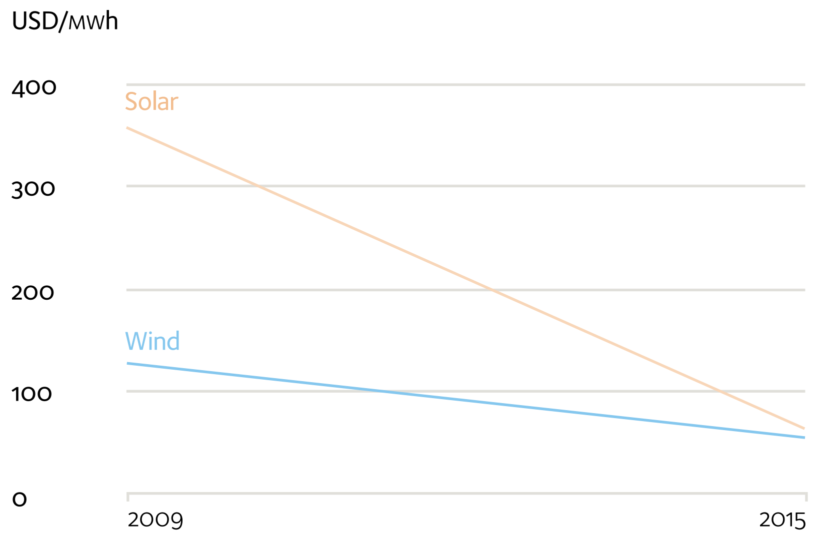
While spot prices more than halved during the last five years, the cost of producing electricity from wind or solar power has fallen at an even faster rate. In the last six years, costs have gone down by 82% for solar power and 61% for onshore wind power, according to Lazard. The Danish Energy Authority assesses that onshore wind actually has the lowest levelised cost of energy – as measured by the cost of electricity produced by a generator – of all power generating capacity. While this assessment applies to Denmark, it reflects the fact that onshore wind power is now fully competitive with conventional, fossil-fuelled power production in many areas of the world, a result backed by, among others Bloomberg New Energy Finance.

European Energy expects the costs related to construction of wind and solar power generating assets to continue to drop in the years to come. Firstly, both solar and onshore wind power have a market volume and a competitive environment in every link of the value chain, which will contribute to lowering the prices. Moreover, the market for solar panels is growing rapidly, and competition between producers is fierce, which drives prices down. Secondly, record low prices on commodities, especially steel and copper, and technology improvements will reduce wind turbine prices. Thirdly, new technology is enabling us to utilise areas with low wind speed for commercial wind operation, and to operate solar panels on a commercial basis in the less sunny parts of Europe.

Put differently, the gap between the spot price and the levelised cost of energy (LCOE) for solar and wind power is narrowing, and we are approaching the point where feed-in tariffs are no longer necessary.

In 2015, the United Kingdom announced its intention to phase out coal by 2025

Closing the gap
Levelised cost of energy



Admittedly, impressive technology developments are also taking place in parts of the fossil industry, especially the unconventional gas industry. However, the cost that is inextricably connected with raw materials in fossil-fuelled power production puts a cap on the cost-cutting potential.

Growing demand for renewable energy

Increased energy efficiency is lowering the demand for power in Europe. Nonetheless, Europe maintains its high investment level in renewable energy, particularly offshore wind, according to the UNEP Centre and Bloomberg New Energy Finance. In 2015 clean energy investment reached an unprecedented USD 329 billion, breaking the previous record set in 2011 by 3%.

The new record is attributable both to the overwhelming cost reduction in renewable energy – which makes it competitive with fossil-fuelled power production – and to the commitment to fight climate change. World leaders demonstrated this commitment with the historical climate accord to keep global warming under 2 degrees Celsius, struck in Paris in December 2015. According to the International Renewable Energy Agency (IRENA), reaching the goals of the accord requires a six-fold increase in renewable energy generation towards 2030, which in turn requires that annual investment in global renewable energy nearly double from today to 2020 and nearly triple by 2030. We therefore expect the market for renewable energy solutions to burgeon in the years to come.

Cities and corporations are driving demand

Another trend made evident during the Paris negotiations is the substantial role that large companies and cities are prepared to play in the transition towards renewable energy. Cities as well as corporations have announced plans to become fully powered by renewable energy, using their purchasing power to procure and generate electricity from renewable sources.

Corporations like Ikea, Google and Unilever plan to go fossil free during the next five years, and a host of other companies are following suit. To be able to deliver on their promises, companies are looking to enter power purchase agreements similar to the one European Energy made with one of the world's largest carmakers in the United Kingdom.

Likewise, cities around the world are cooperating in networks like C40 to fight climate change. Cities are often more agile and ready to take action than states, which makes cities an attractive new customer group. In 2015 European Energy helped the Danish Municipality of Frederiksberg to come one step closer to its goal of using 100% renewable energy, just as we have previously helped the city of Copenhagen to honour its renewable ambitions.

Electrification

A bit further down the road, the electrification of heating, cooling and transportation systems will play a pivotal role in reducing global warming, and in step with huge cost reductions in renewable electricity generation, electricity demand and prices are likely to increase in the long run.

The European Commission has set out the objective of making Europe the global leader on renewable energy. To meet this objective an energy union is under development to further integrate energy systems across the European countries and to ensure a transition to a low carbon economy. In 2016, the Commission is expected to put forward legislative measures to meet international commitments, including a strategy to decarbonise transportation. However, at the moment low oil prices and inadequate incentive systems are impeding development.

60% of Fortune 100 companies have set targets for renewable energy or greenhouse gas reductions

Case study - Frederiksberg

Case study - cities going renewable

A powerful global trend is that large cities are rising to the climate change challenge, setting goals to reduce their carbon emissions and looking to invest in renewable power.

Frederiksberg, a Danish municipality, is an example of this new investor group. Frederiksberg has set the ambitious goal of becoming CO_2-neutral in 2035, and European Energy is proud to be able to help Frederiksberg reach this goal. In 2015 European Energy developed and constructed wind turbines for Frederiksberg that produce enough renewable power to cover the consumption of every public institution in Frederiksberg, including schools, day care facilities and nursing homes.

European Energy expects ambitious cities like Frederiksberg to be an important demand driver for renewable energy in the future.

Risk management

European Energy faces risks similar to those of any growing company in the renewable energy sector. The ability to manage such risks is a key differentiator. European Energy wants to continue growing, and therefore focuses on managing the following main types of risk.

General risks and factors

Electrical power production and prices are subject to heavy political regulation around the world. This means that the main market risk parameters are political stability, potential changes and retrospective changes in legislation, public support (fixed or partly fixed subsidy), corruption levels, the existence of infrastructure and grid connection and the quality thereof, as well as the wind and solar resources themselves.

European Energy mitigates these risks through geographic and technological diversification and by inviting partners to join development activities in markets considered to be high risk.

Diversification lies at the heart of European Energy's risk management. We have activities in 15 countries, which makes us less susceptible to country-specific changes in legislation and to natural climate fluctuations like hours of sunshine. In addition, our portfolio of development projects is technologically and geographically diversified, thus allowing us to construct both solar and onshore wind power plants. Finally, we are currently developing a number of near and offshore wind power projects, thus further reducing our vulnerability to legislative changes.

The availability of affordable debt financing in low risk Northern European markets enhances the return on investment, whereas projects in medium to high risk markets require higher returns because long term debt financing is not always available.

In medium risk markets partners are often invited to join development activities. The joint ventures involving our nearshore projects and Nordic Power Partners are good examples of how risk and return can be spread over various projects according to size and markets. We co-develop large scale, nearshore projects with strong and reputable financial partners.

European Energy has activities in 15 countries, thus making us less exposed to country-specific changes in legislation

Development and construction risks

Development costs are usually minimal, and as such, European Energy is able to discontinue if circumstances dictate. European Energy's considerable 2,975 MW and geographically diverse portfolio of projects under development enable us to select only the most cost-effective projects.

Nonetheless, a number of risks can arise in the construction phase. These include harsh weather conditions (e.g. landslides, hurricanes, etc.) and wildlife issues.

European Energy does not commence construction before all relevant permits have been obtained – unless the identified risk is evaluated as being immaterial. The decision to proceed is made only when all participants are aligned. Only reputable contractors carry out construction work, using top-tier technology suppliers like Vestas, Siemens, Nordex, Enercon, etc.

Financial risks

European Energy finances a substantial portion of its renewable energy projects with debt. If sufficient financing is unavailable, the development of some projects may be delayed or cancelled.

Our cash flows may be affected if construction financing for a project has been secured but the corresponding long-term financing has not. However, European Energy usually divests projects before long-term financing is required.

Many of European Energy's activities require liquidity, although the timing of the income generated by such activities can be somewhat unpredictable. For instance, if the construction of a project is delayed, the income from the electricity produced will be delayed, or, if the project is sold before construction is complete, the payment of the purchase price may be delayed. It is paramount for European Energy to effectively monitor current and future cash flows and to manage liquidity.

Board of directors has been expanded

Because European Energy is growing and looking to professionalise every aspect of its business operations, we have invited two highly experienced external members, Jesper Helmuth Larsen and Claus Dyhr, to join the Board of Directors. Jesper Helmuth Larsen has served as Chief Financial Officer of Welltec A/S and Færch Plast A/S, as well as of TDC's Nordic broadband and fixed-line business at TDC A/S. Claus Dyhr has served as Chief Financial Officer at Tivoli A/S. Together, they have great expertise in owner-managed corporations, the energy industry and publicly listed companies. The Board of Directors thus consists of Jens-Peter Zink (chairman), Jesper Helmuth Larsen, Claus Dyhr, Knud Erik Andersen and Mikael Dystrup Pedersen.

Audit Committee

In Q1 2016 the board of directors appointed an Audit Committee. It consists of three members, who each serve for a one year term. The Audit Committee is considered valuable in mitigating the risks that European Energy faces.

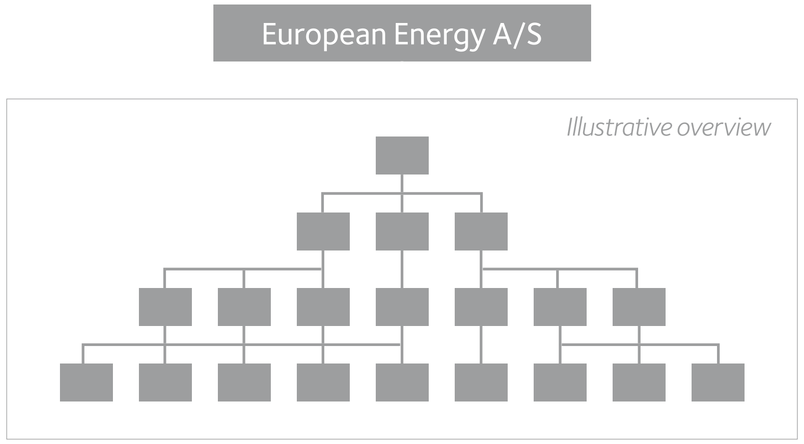
The Audit Committee consists of Jesper Helmuth Larsen (chairman), Claus Dyhr and Jens-Peter Zink

The Audit Committee has the necessary skills to perform its function as its members meet the requirements set up in the Danish recommendations on corporate governance concerning independence, experience and expertise including, within the field of accounting. The Audit Committee assists the Board of Directors in overseeing the financial reporting process, financial and business related risks, internal controls and compliance with statutory and other requirements from public authorities. Moreover, the committee decides the framework for engaging European Energy's external auditors and evaluates their independence and qualifications.

A corporate structure that allows us flexibility

European Energy has a group structure consisting of 295 companies (Group). European Energy A/S is the parent company of the Group and owns several subsidiaries, associates and joint venture companies, which in turn own additional subsidiaries, associates or joint venture companies.

The Group structure is shown below:



Many of European Energy's wind and solar projects are established in so-called special purpose vehicles (SPV). The SPV is intended to limit operations to the acquisition and financing of the wind and solar power generating assets. The SPV usually has an asset/liability structure and legal status that makes its obligations secure even if the parent company goes bankrupt. Financing is obtained through the SPV, and in this way the SPV obtains funds to construct the assets. Since the SPV owns the assets, which then becomes the collateral for the securities issued, the financing bank evaluates the asset and the collateral and not the company. This reduces the funding cost. The SPV structure also has the benefit of facilitating the divestment of power generating assets, since assets can be sold as self-contained packages.

A group structure including a wide range of partnerships
Over the years, European Energy has entered cooperations with partners ranging from medium-sized investors, large family offices to pension funds. In so doing, European Energy aims to maintain a diversified portfolio while also reducing risk. Some of the projects that we are currently developing and building with partners include nearshore projects and projects within the Nordic Power Partners cooperation.

Offshore wind represents an opportunity to move power generating assets away from inhabited areas

Near- and offshore market
Offshore wind represents an opportunity to build large renewable power generating assets far from any dwellings. Offshore wind is becoming increasingly popular in Europe, where investments doubled to EUR 13.3 billion in 2015, according to the European Wind Energy Association (EWEA). European Energy took a first step towards gaining experience with the offshore market by installing two MHI Vestas V164 8 MW offshore turbines in Måde near Esbjerg, Denmark. Investment costs and development periods are substantially higher for offshore wind farms than for onshore, and European Energy needs to involve co-investors to enter that market. Currently, we have three joint ventures with development activities for near- and offshore projects.
We are also able to pool expertise regarding contracting in challenging construction processes by collaborating with companies like Boralex Inc., a Canadian independent power producer.

Nearshore opportunities: Omø South and Jammerland Bay
Under the Open Door procedure in 2012, European Energy applied for the pre-investigation rights for five sites along the Danish coast. In 2014 we initiated environmental impact assessment (EIA) reports for two of these sites in a joint venture structure with two international investors. The EIA reports are expected to obtain approval sometime in 2016. The two sites are Omø South and Jammerland Bay, with a combined capacity of up to 560 MW – corresponding to the electricity needs of approximately 600,000 households. In 2015 European Energy continued efforts to optimise the technology and wind farm design, thus striving to reduce the expected construction cost and make the farms economically viable.

Danish 350 MW nearshore tender
In early 2015 the Danish Energy Agency (DEA) launched a 350 MW nearshore tender. In spring 2015 European Energy became one of three companies to pre-qualify for the tender. European Energy established the European Energy Nearshore Consortium, which made its first bid in October 2015 for a capacity of 350 MW. The consortium will submit its final offer in September 2016.

Kriegers Flak: Danish 600 MW offshore tender
In 2015 the Danish Energy Agency (DEA) also launched a 600 MW tender at Kriegers Flak. European Energy pre-qualified for the tender together with Boralex Inc., a Canadian independent power producer. A provisional bid is to be submitted in April 2016, and the final offer is due by end-2016.

Nordic Power Partners: making green electricity available in developing countries

Nordic Power Partners (NPP) is a joint venture between European Energy and the Danish Climate Investment Fund.

The Danish Climate Investment Fund is managed by the Investment Fund for Developing Countries (IFU), which has the local knowledge that European Energy needs to enter these markets, while we contribute our expertise regarding the development and construction of renewable power generating assets. This makes NPP an ideal partnership for both parties.

In 2015 NPP completed construction of the first private power purchase agreement-based solar PV farm on the Maldives, the aim being to power a desalination plant that provides clean drinking water to inhabitants.

NPP also added several projects to the pipeline during 2015. As such, NPP is now active in four countries and expects to start construction on another small project and to close on the financing of one or two projects during 2016.

Responsibility

By providing people with clean, cheap energy, European Energy helps to fight climate change and supports the creation of healthy, liveable cities. Since 2004, European Energy has developed 86 wind and solar farms producing more electrical power than an average Danish coal-fired power plant. When old wind turbines are repowered with more effective turbines, the old turbines are installed in new markets to help replace harmful coal-fired plants with renewable energy.

A review of European Energy's position on corporate social responsibility according to section 99a and section 99b of the Danish Financial Statements Act is available at European Energy's website https://europeanenergy.com/en/financial-reports.

Corporate governance

A description of the internal control and risk management system relating to section 107b, 2, of the Danish Financial Statements Act is available at European Energy's website https://europeanenergy.com/en/financial-reports.

Managerial positions

A complete list of Management's positions in Group companies, Equity companies and other companies is included in note 4.10 to the financial statements.

Decommissioned wind turbines are installed in new markets to replace coal-fired power plants

An inside perspective

At the end of 2015 European Energy employed 67 people, up from 58 at end-2014, which reflects the growth the company has experienced in the past year.

International recruitment
All employees work at the company headquarters in Søborg, although European Energy currently has activities in 15 different markets. By not having offices in other markets, European Energy aims to stay agile. We are able to exit markets that fall short of expectations and enter more promising markets instead. However, this is exactly what makes HR manager Anne Byrch Fjellvang's job challenging. She explains that being able to attract international talents to Copenhagen is pivotal, as employee knowledge of local culture, language and regulations is a key competency: "*We try to hire people from the very countries in which we conduct business,*" she says.

This aspiration to ensure diversity also enables European Energy to recruit talents that meet our high expectation that they can take on responsibility from day one. To date, European Energy has been successful in attracting international talent. Our 67 employees have 12 different national backgrounds and speak 11 different languages. European Energy staff also have diverse educational backgrounds, ranging from engineering and finance to commerce, social sciences and law.

Employee retention
Since knowledge and experience are European Energy's main value drivers, employee retention is crucial for the long-term success of our company.

European Energy takes pride in giving employees optimal working conditions in which they can use their expertise and creativity in full, and we are therefore more than willing to let key employees try out different positions in different departments. Carsten Böhlhoff, who joined European Energy eight years ago as a financial controller, today works as a senior project manager and is responsible for the financial management of our projects during the development and construction phases. He says, "*Part of what made me decide to stay with European Energy is that I got the opportunity to replace Excel with Outlook, a phone and more direct contact with stakeholders, and return to financial management again.*" From European Energy's perspective, it also makes perfect sense for employees to have experience from different areas of the business. We consider it a great success that many employees have worked for more than seven years at a company that is only 10 years old.

European Energy prioritises social activities both in and outside the office, including lunch gatherings, sports arrangements and other social events. In our experience this is especially important when so many of our staff have a non-Danish background. Like Carsten Böhlhoff, who is German, many of our staff have moved to Denmark in pursuit of family or job opportunities, and social activities help them to build a network here. European Energy also encourages everyone to maintain a balanced, healthy lifestyle by using the fitness centre at company headquarters and by participating in some of the weekly arrangements we hold for sports activities like running, swimming, cycling, football, squash and more.

Our legal team was nominated for the 2015 prestigious "Legal department of the year" award


One of our sports events in 2015

Management group

Our management group consists of eight highly motivated and dedicated professionals with varied skills and competencies. The team has a broad experience and a deep understanding of the renewable energy sector. The average seniority is currently more than seven years.

Holger Bang
Mikael Dystrup Pedersen
Annette Nylander
Jonny Thorsted Jonasson

Thomas Hvalsø Hansen
Knud Erik Andersen
Jens-Peter Zink
Emil Vikjær-Andresen

Looking back on expectations for 2015

In the 2014 annual report, Management stated in its outlook for 2015 that it expected results to be in line with those of 2014 (the Group's share of profit for the year totalled EUR 3.7 million in 2014). In fact, the Group's share of profit for the year for 2015 totalled EUR 6.3 million, exceeding expectations by EUR 2.6 million. The difference is mainly attributable to the portfolio of power generating assets divested in 2015. The Vandel project, for example, was not included in the 2015 budget.

Outlook for 2016

With a large pipeline of development projects, covering onshore, nearshore and offshore wind and solar power, European Energy is able to meet demand for renewable energy. Our development projects are situated in several different European countries, representing different incentive schemes and different spot prices. That leaves European Energy with a wide range of geographical and technological options in 2016, and makes us less vulnerable to political and technological changes.

In terms of revenue and profit we expect our performance in 2016 to resemble that of 2015. It is, however, worth noting that our overall performance will also depend on factors such as environmental impact assessments, building permits and sudden changes in incentive schemes. While the Vandel sale was not on the 2015 budget, the Rødby project was budgeted to be divested in 2015. However, the divestment was postponed to 2016, where the revenue for the entire project is expected to be recognised. Part of the Rødby project in Denmark has already been closed in Q1 2016 and supports the estimate for 2016, and Management looks forward to another year with record-high results. However, it must be remembered that the risk factors associated with developing and constructing solar and wind projects may cause delays.

Management group

Knud Erik Andersen
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Executive Vice President
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Annette Nylander
Executive Vice President
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Thomas Hvalsø Hansen
COO
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Emil Vikjær-Andresen
Director of Legal
eva@europeanenergy.dk

Holger Bang
Director of M&A
hob@europeanenergy.dk

Board of Directors





Jens-Peter Zink
(Chairman)

Knud Erik Andersen

Mikael Dystrup Pedersen

Claus Dyhr

Jesper Helmuth Larsen

Management's statement
The Board of Directors and the Management Board have discussed and approved the annual report of European Energy A/S for the financial year ended 31 December 2015. The annual report has been prepared in accordance with the International Financial Reporting Standards as adopted by the EU and with further disclosure requirements in the Danish Financial Statements Act.

In our opinion the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's financial position at 31 December 2015 and of the results of the Group's and the parent company's operations and cash flow for the financial year then ended.

In our opinion the Management review includes a true and fair review of the development in the Group's and the parent company's operations and financial matters, the results for the year and the parent company's financial position,and the position as a whole for the entities included in the consolidated financial statements, as well as a review of the more significant risks and uncertainties faced by the Group and the parent company.

We recommend that the annual report be approved at the annual general meeting.

Søborg, 30 April 2016
Executive Board

Knud Erik Andersen

Jens-Peter Zink **Knud Erik Andersen** **Mikael Dystrup Pedersen** **Claus Dyhr** **Jesper Helmuth Larsen**


Construction site in Germany

Independent auditors' report

To the shareholders of European Energy A/S

Independent auditors' report on the consolidated financial statements and the parent company financial statements

We have audited the consolidated financial statements and the parent company financial statements of European A/S for the financial year 1 January – 31 December 2015. The consolidated financial statements and the parent company financial statements comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies for the Group and the Parent Company. The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and with further disclosure requirements in the Danish Financial Statements Act.

Management's responsibility for the consolidated financial statements and the parent company

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for annual reports of listed companies, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the parent company financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of consolidated financial statements and parent company financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but that are not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management as well as evaluating the overall presentation of the consolidated financial statements and the parent company financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's assets, liabilities and financial position at 31 December 2015 and of the results of the Group's and the parent company's operations and cash flows for the financial year 1 January – 31 December 2015 in accordance with International Financial Reporting Standards as adopted by the EU and with further disclosure requirements in the Danish Financial Statements Act.

Statement on the Management review

Pursuant to the Danish Financial Statements Act, we have read Management review. We have not performed any further procedures in addition to the audit of the consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information provided in Management review is consistent with the consolidated financial statements and the parent company financial statements.

Copenhagen, 30 April 2016

KPMG
Statsautoriseret Revisionspartnerselskab
CVR.No. 25 57 81 98

Lau Bent Baun	**Martin Eiler**
State Authorised	State Authorised
Public Accountant	Public Accountant

Consolidated statement of comprehensive income

EUR'000

For the year ended 31 December 2015

NOTE	Profit loss & OCI	2015	2014
1.1	Revenue	58,799	60,566
1.1	Profit after tax from equity-accounted investments	1,713	473
1.1	Other income	269	-
1.1	Direct costs	-37,975	-44,947
	Gross profit	**22,806**	**16,092**
4.2	Staff costs	-5,780	-3,471
4.3	Other external costs	-2,071	-1,942
	EBITDA	**14,955**	**10,679**
2.3	Depreciation & impairment	-1,495	-1,582
	Operating profit	**13,460**	**9,097**
3.1	Finance income	3,676	1,024
3.1	Finance expenses	-6,580	-5,923
	Profit/loss before tax	**10,556**	**4,198**
4.1	Tax	-4,301	-468
	Profit/loss for the year	**6,255**	**3,730**
	Attributable to:		
	Shareholders of the Company	6,438	3,568
	Non-controlling interests	-183	162
	Profit/loss for the year	**6,255**	**3,730**
	Statement of comprehensive income		
	Profit/loss for the year	**6,255**	**3,730**
	Items that may be reclassified to profit or loss		
	Other comprehensive income in equity accounted investments	-9	1
	Value adjustments of hedging instruments	205	-430
4.1	Tax of value adjustments of hedging instruments	-92	98
	Currency differences on translating foreign operations	-113	17
	Other comprehensive income for the period	**-9**	**-314**
	Comprehensive income for the year	**6,246**	**3,416**
	Attributable to:		
	Shareholders of the Company	6,407	3,323
	Non-controlling interests	-161	93
	Comprehensive income for the year	**6,246**	**3,416**

Consolidated statement of financial position

EUR'000

As of 31 December 2015

NOTE	Balance Sheet	2015	2014	1 Jan 2014
	Assets			
	Non-current assets			
2.3	Property, plant and equipment	63,009	51,440	53,050
2.5.1	Joint Venture investments	8,746	7,509	4,977
2.5.2	Associated companies investments	10,195	8,590	8,715
2.6	Other investments	3,622	3,551	3,263
4.5	Loans to related parties	19,993	16,322	14,633
2.7	Trade receivables	9,047	6,689	13,515
2.7	Other receivables	7,634	8,394	8,495
4.1	Deferred tax	4,239	5,507	5,294
	Total non-current assets	**126,486**	**108,002**	**111,942**
	Current assets			
2.4	Inventories	41,507	12,784	12,193
2.7	Trade receivables	46,476	63,596	17,495
2.7	Other receivables	5,918	3,452	2,859
	Prepayments	1,810	640	209
	Cash and cash equivalents	12,325	13,328	5,276
	Total current assets	**108,036**	**93,800**	**38,032**
	Total assets	**234,522**	**201,802**	**149,974**
	Equity and liabilities			
	Equity			
	Share capital	1,340	1,340	1,340
	Retained earnings	59,958	53,551	50,228
	Equity attributable to owners of the Company	**61,298**	**54,891**	**51,568**
	Non-controlling interests	2,512	2,546	1,836
	Total Equity	**63,810**	**57,437**	**53,404**
	Liabilities			
3.3	Bond loan	52,040	51,750	7,600
3.3	Project financing	55,780	34,948	41,285
	Other debt related to the aquisition of companies	4,275	1,991	4,935
4.1	Deferred tax	1,735	1,134	1,166
	Total non-current liabilities	**113,830**	**89,823**	**54,986**
3.3	Credit institutions	6,759	3,898	23,163
	Other debt related to the aquisition of companies	4,720	5,534	4,268
	Trade payables	29,705	34,785	3,377
	Payables to related parties	408	57	101
	Corporation tax	1,866	1,551	1,718
2.8	Provisions	3,040	2,987	3,245
	Other payables	10,384	5,730	5,712
	Total current liabilities	**56,882**	**54,542**	**41,584**
	Total liabilities	**170,712**	**144,365**	**96,570**
	Total equity and liabilities	**234,522**	**201,802**	**149,974**

Consolidated statement of cash flow

As of 31 December 2015

EUR'000

NOTE	Cash flow from operating activities	2015	2014
	Profit/loss before tax	10,556	4,194
	Adjustments for:		
	Financial income	-3,676	-1,024
	Financial Expenses	6,580	5,923
	Depreciations	1,495	1,915
	Other non-cash movements	-1,713	-469
2.9	Change in networking capital	-14,651	-11,168
	Other non-cash items	-269	-1,289
	Cash generated from operation before financial items and tax	**-1,678**	**-1,918**
	Dividends received		
	Taxes paid	-2,203	-806
	Interest paid and realised currency losses	-6,577	-5,382
	Interest received and realised currency gains	3,441	1,024
	Cash flow from operating activities	**-7,017**	**-7,082**
	Cash flow from investing activities		
	Purchase of Property, plant and equipment	-18,225	-1,893
	Proceeds from disposal of subsidiaries, equity-accounted investments	1,796	963
	Purchase of other investments	-	-919
	Investment/loans in equity-accounted investments	-4,395	-1,689
	Dividends	88	-
	Cash flow from investing activities	**-20,736**	**-3,538**
	Cash flow from financing activities		
	Proceeds from issue of bonds	-	45,000
	Transaction costs regarding bond issue	-	-1,071
	Proceeds from borrowings	33,956	567
	Repayment of borrowings	-7,886	-26,169
	Changes in payables to associates	351	-44
	Non-controlling interests' share of capital increase in subsidiary	328	389
	Cash flow from financing activities	**26,750**	**18,672**
	Change in cash and cash equivalents	**-1,003**	**8,052**
	Cash and cash equivalents at beginning of period	13,328	5,276
	Cash and cash equivalents end of period	**12,325**	**13,328**
	Of which restricted cash and cash equivalents	-3,029	-2,426
	Non-restricted cash and cash equivalents end of year	**9,296**	**10,902**

Utility scale solar plant

Consolidated statement of changes in equity

EUR'000

As of 31 December 2015

	Share capital	Translation reserve	Hedging reserve	Retained earnings	Total	Non-controlling interest	Total
Equity at 1 January 2015	1,340	63	-787	54,275	54,891	2,546	57,437
Profit/loss for the period	–	–	–	6,438	6,438	-183	6,255
Other comprehensive income							
Other comprehensive income in equity accounted investments	–	-8	–	–	-8	-1	-9
Value adjustments of hedging instruments	–	–	163	–	163	42	205
Tax of value adjustments of hedging instruments	–	–	-73	–	-73	-19	-92
Currency differences on translating foreign operations	–	-113	–	–	-113	–	-113
Other comprehensive income	–	-121	90	–	-31	22	-9
Total comprehensive income	–	-121	90	6,438	6,407	-161	6,246
Transactions with owners							
Share of capital increases	–	–	–	–	–	328	328
Additions	–	–	–	–	–	26	26
Disposals	–	–	–	–	–	-227	-227
Total transactions with owners	–	–	–	–	–	127	127
Equity at 31 December 2015	1,340	-58	-697	60,713	61,298	2,512	63,810
Equity at 1 January 2014	1,340	–	-478	50,706	51,568	1,836	53,404
Profit/loss for the year	–	–	–	3,568	3,568	162	3,730
Other comprehensive income							
Other comprehensive income in equity accounted investments	–	–	–	1	1		1
Value adjustments of hedging instruments	–	–	-375	–	-375	-55	-430
Tax of value adjustments of hedging instruments	–	–	112	–	112	-14	98
Currency differences on translating foreign operations	–	17	–	–	17	–	17
Other comprehensive income	–	17	-263	1	-246	-69	-315
Total comprehensive income	–	17	-263	3,569	3,323	93	3,416
Transactions with owners							
Share of capital increases	–	–	–	–	–	389	389
Additions	–	–	–	–	–	443	443
Disposals	–	46	-46	–	–	-215	-215
Total transactions with owners	–	46	-46	–	–	617	617
Equity at 31 December 2014	1,340	63	-787	54,275	54,891	2,546	57,437

The share capital consists of nom. 10,000,000 shares of DKK 1 each, corresponding to EUR 1,340 thousand. The share capital has remained unchanged for the last five years. The share capital is fully paid in.

Note structure in the Group

NOTE

1.0 Basis for preparation

General information
The annual consolidated financial statements comprise the parent company European Energy A/S and its subsidiaries (the Group) for the year ended 31 December 2015. The Group's main operations consist of project development , financing, supervision of construction, sales and acquisition as well as management of wind and solar energy farms. Our geographical focus is on Northern European markets.

The parent company is a limited liability company incorporated and domiciled in Denmark. The address of its registered office is Gyngemose Parkvej 50, DK-2860 Søborg.

Corporate bonds issued by the parent company are listed on NASDAQ Stockholm.

On 30 April 2016, the Board of Directors approved the Annual Report for 2015.

Basis for preparation
The annual report for the year ended 31 December 2015 has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and disclosure requirements for reporting class D entities, in accordance with the Danish Financial Statements Act.

This is European Energy's first IFRS Annual Report. For this reason, the annual consolidated financial statements for the year ended 31 December 2014, have also been prepared in accordance with IFRS. The Company's annual consolidated financial statements were previously prepared in accordance with the Danish Financial Statements Act (DK GAAP).

Statements on the impact of this transition to IFRS from DK GAAP and the Group's IFRS adoption process are provided in note 4.8 and 4.9 related to reconciliation from previous GAAP to IFRS. The Annual report has been prepared on a historical cost basis, except for derivative financial instruments and financial instruments classified as available for sale that have been measured at fair value.

The annual report is presented in EUR, and all values are rounded to the nearest thousand (EUR '000), except when otherwise indicated.

New accounting standards not yet adopted
The IASB has issued a number of new or amended accounting standards and interpretations with effective date after 31 December 2015. The approved not yet effective standards and IFRICs will be applied as they become mandatory for the Group Company.

The following new or amended accounting standards and interpretations, that are not yet effective, are expected to have an impact on recognition, measurement and disclosures for the Group:

IFRS 15, Revenue from Contracts with Customers
The standard includes a new control-based model for recognition of revenue from contracts with customers. Revenue is recognised at a point in time or over time depending on the transfer of control of the goods or services concerned by the buyer. The standard includes a number of specific criteria for segmenting of contracts into separate performance obligations which must be recognised separately. Moreover, the standard includes guidance in a number of areas, which previously have been open for interpretation, e.g. warranties, right of return, variable considerations, up-front fees, etc.

The Group is assessing the impact of IFRS 15. IFRS 15 will be effective for annual reports beginning on or after 1 January 2018. The standard has not yet been endorsed by the EU.

IFRS 16, Leases
The IASB has issued a new standard on accounting for leases. As a Lessee, the Group is required to recognise all lease contracts on the Balance sheet, except from short-term leases and leases of low value items.

The Group is assessing the impact of IFRS 16. IFRS 16 will be effective for accounting periods beginning on or after 1 January 2019. The standard has not yet been endorsed by the EU.

IFRS 9, Financial Instruments
IFRS 9 replaces the existing guidance in IAS 39 "Financial Instruments: Recognition and measurement". The standard introduces new requirements for the classification, recognition and measurement of financial assets and liabilities. Furthermore, the standard introduces a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements.

The Group is assessing the impact of IFRS 9. IFRS 9 is effective for annual reports beginning on or after 1 January 2018. The standard has not yet been endorsed by the EU.

Management is of the opinion that the remaining new or amended standards and IFRICs will not materially affect the coming financial years.

Basis of consolidation
The annual report comprises the financial statements of European Energy A/S and entities under its control . Control is achieved when the Group has the power to direct the relevant activities of an entity, is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this means that the non-controlling interests have a negative balance. When necessary, the financial statements of subsidiaries are adjusted to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are fully eliminated on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.
Non-controlling interests are the portion of income and net assets of a non-wholly owned subsidiary that accrues to owners other than the shareholders of European Energy A/S. The non-controlling interest share of earnings is included in the Group's recognised profit, and the share of net assets is included in the Group's equity.

Foreign currency translation

Functional currency and presentation currency
The Group determines a functional currency for each reporting entity in the Group. The functional currency is the currency used in the primary financial environment in which the individual reporting entity operates. Transactions in currencies other than the functional currency are foreign currency transactions. The functional currency of the parent company is Euro(EUR) and the financial statements are presented in Euro (EUR).

On initial recognition, transactions denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the transaction date. Foreign currency translation adjustments when such transactions are settled or as a result of translation at year-end exchange rates of monetary items denominated in foreign currencies are recognised in profit or loss under financial income or financial expenses.

Translation to the presentation currency
For entities with a functional currency other than EUR, all assets and liabilities are translated to the presentation currency based on the EUR exchange rate at the balance sheet date. Income and expenses and other comprehensive income are translated at the rate at the date of the transaction or an approximate average rate. All resulting exchange rate differences are recognised in other comprehensive income.

Presentation of cash flow statement
The consolidated cash flow statement shows the Group's cash flows from operating, investing and financing activities. Cash flows from operating activities are determined using the indirect method and stated as the consolidated profit before tax adjusted for non-cash operating items, including depreciations and impairment losses, provisions and changes in working capital, interest received and paid and corporation tax paid. Other non-cash items primarily comprise reversal of gain on disposal of non-current assets and reversal of share of profit (loss) from equity-accounted investments.

Cash flow from investing activities comprises payments connected with the purchase and sale of non-current assets, including energy farms classified as property, plants and equipment and equity-accounted investments.

Cash flows from financing activities include proceeds from issuing bonds , drawdowns , new project loans and repayments on borrowings from credit institutions.

Cash and cash equivalents consist of cash and short-term deposits with a maturity of three months or less, whose risk of changing value is insignificant.

Use of judgements and estimates
In preparing the consolidated and separate financial statement, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amount of assets, liabilities, income and expenses. Actual result may differ from these estimates.

Judgements
Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated and separate financial statements is explained below:

Revenue recognition (note 1.1)
Revenue is primarily earned from the projecting of wind and solar power generating assets, management and servicing of wind and solar power generating assets and sale of electricity. When divesting wind and solar power generating assets under construction 90% of the value is recognised in the

profit and loss when a) all permits are in place, b) all financing are in place, c) the delivery of the wind or solar power generating asset has been confirmed and finally d) the Share Purchase Agreement SPA) with no significant Conditional Precedent's (CP's) has been signed by both parties. The level of income recognition is in accordance with how and when the project value is created. The remaining 10% will be recognised in the profit and loss during the construction phase with European Energy as construction supervisor. Energy farm projects are from a risk management perspective structured in SPV's – special purposes vehicles. When divesting shares in a SPV the net profit is recognised as revenue based on an assessment of the nature of the divestment.

Assessment of classification - whether the Group has control, significant influence or joint control (Note 2.5.1 and 2.5.2)
To have control over an investee, European Energy must have all of the following:

a) power over the investee;

b) exposure, or rights, to variable returns from its involvement with the investee; and

c) the ability to use its power to affect the amount of its returns.
The assessment of control is based on European Energy's actual ability to direct the activities of the Farm rather than the legal form of the ability. Consequently, the determination of whether EE has substantive rights over the Farm does not distinguish between rights arising from EE as a shareholder of the Farm or as an operator.

In certain circumstances, the decision-making rights over the investee is delegated to a general partner. Particular focus is made in respect of assessing control over an investee. When European Energy is acting as commercial manager under a CMA(commercial management agreement), European Energy assess whether it is using the power provided under the CMA for its own benefit (European Energy has control); or if they are merely using this power for the benefit of other investors (European Energy is acting as agent).

The classification of a joint arrangement under IFRS 11 depends on the rights and obligations of the parties arising from the arrangement in the normal course of business. Key factors that are considered relate to whether the investors have the direct rights to the output (assets) and obligation for the liabilities of the wind / solar farm. When analysing other facts and circumstances that could affect the classification the following critical factors are considered: whether there are co-investors allocating their share of the output to the utility company or if they are only entitled to a net cash flow and if the Wind Farm solely is reliant on the partners for financing.

Assumptions and estimation uncertainties
When preparing the consolidated financial statements of the Group, management makes a number of accounting estimates and assumptions which form the basis of recognition and measurement of the Group's assets and liabilities.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 December 2015 is explained below:

Impairment test property, plant and equipment (Note 2.3)
The key assumptions supporting recoverable amounts especially comprise discount rate (WACC) and expectations to future production and unit prices. Please refer to note 2.3 for more details related to the impairment test.

Inventories (Note 2.4)
Inventories, comprising energy farm projects under development, under construction and completed projects are initially measured at cost.
An impairment test is performed on the carrying amount.

The impairment test is based on assumptions regarding strategy, market conditions, discount rates and budgets etc., after the project has been completed and production has commenced. If market-related assumptions etc., are changed, projects may have to be written down. Management examines and assesses the underlying assumptions when determining whether the carrying amount should be written down.

Write down for bad debt losses on receivables (Note 2.7)
Receivables are measured at amortised cost less write-down for expected bad debt losses. European Energy performs write-downs for expected bad debt losses based on an individual assessment of each receivable. If a customer's financial condition deteriorates, and thus its ability to meet the financial obligation to European Energy, further write-downs may be required in future periods. In assessing its adequacy of write-downs for bad debt losses, Management specifically analyses receivables, including doubtful debts, concentrations of credit risk, credit ratings, current economic conditions and changes in customers' payment terms.

On the basis of actual losses incurred in the latest three years, uncertainties associated with write-down for bad debt losses are considered limited.

Provisions, contingent liabilities and contingent assets (Note 3.5)
The Company's Management assesses provisions, contingent assets and contingent liabilities and the likely outcome of pending or threatened lawsuits on an ongoing basis. The outcome depends on future events that are by nature uncertain. In assessing the likely outcome of lawsuits and tax disputes etc., Management bases its assessment on external legal assistance and precedent.

Tax (Note 4.1)
Uncertainties exist with respect to the interpretation of tax regulations in the different countries in which the Group operates, changes in tax law, and the amount and timing of future taxable income. Differences arising between the actual results and the assumptions made, or future changes to such assumptions, could potentially cause adjustments to tax income and expense already recorded. Deferred tax assets are reviewed annually by the Management and recognised only to the extent considered as sustainable in the future considering the timing and the level of future taxable profits together with future tax planning strategies of the Group.

1.1 Segment information

Accounting Policy

Revenue recognition
Revenue is measured at the fair value of the consideration received or expected to be received, net of discounts, rebates, and sales taxes or duties, and recognised to the extent that the economic benefits are likely to flow to the Group and this flow can be reliably measured. Sales are generally recognised as income at the time of delivery or the provision of the service at the customer's premises. The realisation of revenues for long-term construction contracts is explained below.

Our primary source of income is the divestment of wind or solar energy farms, including income from construction. The sale of electric power and asset management also contribute to our annual income. The individual Revenue streams can be explained as follows:

Sale of energy farms and projects
The revenue derived from the divestment of energy farms depends on whether the project is divested before, during or after construction. Where construction has been initiated, the construction risk is reflected in both the revenue and the direct costs. Revenue from sale of energy farms or projects comprise both asset divestments and divestment of shares in SPV's (special purposes vehicles) where net profit is recognised as revenue when divesting shares.

When divesting energy farms 90% of the value created is recognised in the profit and loss if the project is divested before it has been constructed. At this point of time revenues are recognised when a) all permits are in place, b) all financing are in place, c) the delivery of the wind or solar power generating asset has been confirmed and finally d) the SPA with no significant CP's has been signed by both parties. The remaining 10% will be recognised in the profit and loss during the construction phase, according to the below.

Sale of electricity
Revenue from the sale of produced electricity is recognised in the income statement, as the electricity is generated and supplied to the purchaser's network in accordance with agreements.

Supervision of construction
Revenue from supervision of construction is recognised in the Income Statement, as the services are provided (milestone assessment).

Asset management
Revenue from the sale of services is recognised in the Income Statement, as the services are provided in accordance with agreements.

Other income
Other income comprises items secondary to the activities of the group.

Dividends
Dividends from other investments are recognised as other income, when they have been declared and the Group has the right to receive them.

Direct costs
Direct costs comprise costs incurred in generating the revenue for the year. On disposal of energy projects placed in independent legal entities, direct costs comprise the carrying amount of the equity investment disposed of plus costs directly related to the disposal. Direct costs comprise operating costs related to constructed and operating energy farms.

1.1 Segment information – continued

Operating segments are recognised in the manner that corresponds to the internal reporting to the chief operating decision maker ('CODM'). The CODM is the function responsible for allocating the Group's resources and assessing the performance of the operating segments. The Group's CODM has been identified as the Board of Directors. European Energy's segments are:

Wind
Solar

Segment information has been prepared in accordance with the Group accounting policies. Segment income and segment costs as well as segment assets and liabilities comprise those items that can be directly attributed to each individual segment on a reliable basis.

EUR'000

	Wind	Solar	Total before elimination	Eliminations	2015 Group
Sale of energy farms and projects	20,423	15,986	36,409	–	36,409
Sale of electricity	186	5,635	5,821	–	5,821
Construction	7,480	6,281	13,761	–	13,761
Asset management & other fees	1,434	1,374	2,808	–	2,808
Revenue to external customers	**29,523**	**29,276**	**58,799**	–	**58,799**
Inter-segment revenue	4,740	557	5,297	-5,297	–
Revenue	**34,263**	**29,833**	**64,096**	**-5,297**	**58,799**
Profit after tax from shares in equity accounted investments	1,620	93	1,713	–	1,713
Other Income	269	–	269	–	269
Direct costs	-26,012	-11,963	-37,975	–	-37,975
Staff costs	-2,847	-2,933	-5,780	–	-5,780
Other costs	-739	-1,332	-2,071	–	-2,071
Depreciation	-58	-1,437	-1,495	–	-1,495
Segment profit (Operating profit)	**6,496**	**12,261**	**18,757**	**-5,297**	**13,460**
Finance income	1,571	2,105	3,676	–	3,676
Finance expenses	-2,232	-4,348	-6,580	–	-6,580
Profit/loss before tax	**5,835**	**10,018**	**15,853**	**-5,297**	**10,556**
Tax	-1,761	-2,540	-4,301	–	-4,301
Profit/loss for the year	**4,074**	**7,478**	**11,552**	**-5,297**	**6,255**
Total assets	**116,147**	**118,375**	**234,522**	–	**234,522**
Total liabilities	**67,065**	**103,647**	**170,712**	–	**170,712**

EUR'000

	Wind	Solar	Total before elimination	Eliminations	2014 Group
Sale of energy farms and projects	9,008	43,002	52,010	-	52,010
Sale of electricity	627	5,983	6,610	-	6,610
Construction	584	-	584	-	584
Asset management & other fees	1,306	56	1,362	-	1,362
Revenue to external customers	11,525	49,041	60,566	-	60,566
Inter-segment revenue	2,345	255	2,600	-2,600	-
Revenue	13,870	49,296	63,166	-2,600	60,566
Profit after tax from shares in equity accounted investments	245	228	473	-	473
Direct costs	-7,440	-37,507	-44,947	-	-44,947
Staff costs	-1,736	-1,735	-3,471	-	-3,471
Other costs	-756	-1,186	-1,942	-	-1,942
Depreciation	-187	-1,395	-1,582	-	-1,582
Segment profit (Operating profit)	3,996	7,701	11,697	-2,600	9,097
Finance income	847	177	1,024	-	1,024
Finance expenses	-1,908	-4,015	-5,923	-	-5,923
Profit/loss before tax	2,935	3,863	6,798	-2,600	4,198
Tax	-1,145	677	-468	-	-468
Profit/loss for the year	1,790	4,540	6,330	-2,600	3,730
Total assets	87,431	114,371	201,802	-	201,802
Total liabilities	55,887	88,478	144,365	-	144,365

Information about sale to customers more than 10% of revenue.

	Revenue from material customers	
	2015	2014
Customer #1	-	42,981
Customer #2	9,865	-
Customer #3	12,834	-
Total revenue from material customers	22,699	42,981

Geographic information

	Revenue from external customers		Non-current assets	
	2015	2014	2015	2014
Denmark	43,647	7,577	40,282	25,390
Northern/central Europe	9,896	46,999	27,213	29,873
Southern Europe	5,256	5,990	58,991	52,739
Total revenue	58,799	60,566	126,486	108,002

2.3 Property, plant and equipment

Accounting Policy

Property, plant and equipment comprises wind- and solar-power-generating assets, including those under construction, held by European Energy for electricity production use and expected to be used for more than one period.

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the energy farm if the recognition criteria for a provision are met and is material. All other repair and maintenance costs are recognised in profit or loss as incurred.
Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

- Wind-power generating assets (wind energy farms) - 25 years
- Solar-power generating assets (solar energy farms) - 40 years
- Tools and equipment - 3-5 years

The useful life is tested at the end of every accounting period and adjusted as necessary. The residual value of an asset is considered when determining the depreciable amount of the asset.

The basis of depreciation is calculated with due consideration to the asset's residual value, reduced by any impairment losses. The residual value is determined at the date of acquisition and revalued each year. When the residual value exceeds the carrying amount of the asset, the asset ceases to be depreciated.

If the depreciation period or the residual values are changed, the effect on depreciation going forward is recognised as a change in accounting estimates.

Gains and losses on disposal of Property, plant and equipment amount to the difference between the sales proceeds and the carrying amount of the asset as at the date of disposal.

Gains or losses are recognised in the income statement in the period of disposal within other income or other expenses.

Impairment of non-current assets
Non-current assets are tested for impairment when there is an indication that the carrying amount may not be recoverable. Any impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units).
An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

EUR'000

Assets in operation	Wind power generating assets	Solar power generating assets	Tools and equipment	Total
Cost				
Balance at 1 January 2015	4,130	56,825	703	61,658
Disposals	-3,495	-2,484	–	-5,979
Transfer from inventory	–	17,500	–	17,500
Additions	–	627	98	725
Cost at 31 December 2015	**635**	**72,468**	**801**	**73,904**
Accumulated depreciation and impairment losses				
Balance at 1 January 2015	-984	-8,578	-656	-10,218
Disposals	756	62	–	818
Depreciation	-25	-1,437	-33	-1,495
Accumulated dep/impairment at 31 December 2015	**-253**	**-9,953**	**-689**	**-10,895**
Carrying amount at 31 December 2015	**382**	**62,515**	**112**	**63,009**
Cost				
Balance at 1 January 2014	6,902	54,970	667	62,539
Transfers	4,220	–	–	4,220
Additions	–	1,855	36	1,891
Disposals	-6,992	–	–	-6,992
Cost at 31 December 2014	**4,130**	**56,825**	**703**	**61,658**
Accumulated depreciation and impairment losses				
Balance at 1 January 2014	-1,671	-7,204	-614	-9,489
Depreciation	-166	-1,374	-42	-1,582
Disposals	853	–	–	853
Accumulated dep/impairment at 31 December 2014	**-984**	**-8,578**	**-656**	**-10,218**
Carrying amount at 31 December 2014	**3,146**	**48,247**	**47**	**51,440**

Impairment test on property, plant and equipment and sensitivity analysis

During 2015 management performed an impairment test of the carrying amount of Property, Plant and equipment. The Group assesses at each reporting date whether there is an indication that an asset in operation may be impaired. In 2015 the Group has assessed, that there is an indication regarding Solar. Therefore an impairment test of the carrying amount Spain has been performed. There is no indication for other assets in property, plant and equipment.

Equipment at consolidated level for solar power generating assets in Spain. The book value of the solar power generating assets consist of 99,2% of the total book value of P, P, & E. For the wind power generation assets the value is immaterial and is related to one wind generating asset in Germany with no risk and with no impairment indication. We have only impairment tested the solar power generating assets in Spain and not impairment tested the solar power generating assets in UK because they are new.

For this purpose management has used the following key assumptions in the estimation of value in use with comments below the table:

Solar	2015	2014
Discount rate (WACC)	6.0%	6.0%

The prepared impairment tests are based on budgets for the remaining life for solar power generating assets. When determining budgets unchanged sales price towards the assets are assumed for 40 years for solar power generating assets.

For the solar power generating assets in Spain the settlement price is reduced for the remaining 10 years because of new legislation in Spain introducing lower tariffs than originally anticipated. In addition, budgets are based on the original cost budgets including a change to the cost of 2 % .

The discount rate for the DCF model is the post-tax weighted average Cost of Capital (WACC). Country-specific risk (stability in tariffs, interest rate levels, average risk-free interest rate in order to reduce the volatility, etc.) are taken into consideration. Considering the range of WACC applied by the competitors, a specific risk premium for Spain in the solar power sector has been included.

For 2015 (and 2014), the outcome of the impairment test is that the estimated recoverable amount exceeds its carrying amount.

Sensitivity analysis

The Management performed a sensitivity analysis on the result of the impairment test made at Group level, based on the main assumptions taken one by one. The analysis shows that an increase or decrease of factors and assumptions applied, other things being equal, would lead to an impairment of the group of assets of an amount of EUR 69 thousands for a 1% increase in WACC and an amount of EUR 245 thousands for a 10% decrease in EBITDA, including tariff decreases.

2.4 Inventories

Accounting Policy

Inventories comprise energy farm projects under development and construction as well as energy farms that have been developed with the intention of being sold and thus not retained for the purpose of generating revenue from the sale of electricity production.

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price less estimated costs of completion and the estimated sale costs.

Proceeds received on the sale of energy farms are recognised within revenue.

Borrowing costs directly attributable to the acquisition or construction of an energy farm that takes more than six months to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

EUR'000

Wind farms for sale	2015	2014
Under construction		
Solar farms for sale	4,975	–
Wind farms for sale	26,948	1,439
Under development		
Solar farms for sale	1,166	2,154
Wind farms for sale	8,418	9,191
Total inventory	**41,507**	**12,784**
Total solar farms	6,141	2,154
Total wind farms	35,366	10,630

Change in inventory Write downs	2015	2014
Inventory Write downs at 1 January	-2,695	-2,878
Write down for the year, addition	-4,537	–
Write down for the year, reversal *	–	183
Total inventory Write downs	**-7,232**	**-2,695**

Amount of inventory recognised in profit or loss	2015	2014
Disposals	-10,440	-6,417
Net write-offs	-443	-532
Net Write downs	-4,537	183
Total	**-14,977**	**-6,766**

*The reversal of the EUR 183 thousand in write downs in 2014 relates to offsetting the write down previous made since the project has been written off in 2014.

The inventory is reviewed annually for assessment of any impairment. When an impairment test is performed the percentage of completion of the project is assessed, including the risk of budget overruns, delays, etc. If the project is close to completion and commissioning and the risk of budget overruns is very limited, a similar WACC is applied as for the projects in operation in the same country, although at the high end of the range.

The management has looked at the total portfolio of projects under development and diversified this into segments depending upon maturity of the project and the time elapsed since the project was started. This segment analysis has led to the overall impairment in 2015 of EUR 4,5 million. The management finds the impairment to reflect the risk of the total portfolio very well.

EUR'000

Specification of movement on the inventory	2015	2014
Cost at 1 January	**15,479**	**15,071**
Transferred to JV's	–	- 1,824
Additions for the year	61,643	13,440
Disposal of the year (transferred to PPE)	- 17,500	- 4,220
Disposal of year (recognised as direct cost)	- 10,440	- 6,456
Write offs of the year	- 443	- 532
Cost at 31 December	**48,739**	**15,479**
Write downs at 1 January	- 2,695	- 2,878
Write downs for the year	- 4,537	183
Write downs at 31 December	**- 7,232**	**- 2,695**
Carrying amount at 31 December	**41,507**	**12,784**

2.5 Investments

Accounting Policy
Investments in equity-accounted investments comprise the Group's interests in associates and joint ventures. Investments in associates and joint ventures relate to investments in wind and solar energy farms and are part of European Energy's core business.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but does not constitute control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties jointly controlling the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, it exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The significant considerations and judgments made by Management to determine the classification are described under critical choices and judgments in the accounting policies and critical accounting estimates. Under the equity method, the investment is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or the joint venture since the acquisition date.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income. In addition, when a change has been recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the associate or joint venture. Associates and joint ventures with a negative equity value are measured at nil. If the Group has a legal or constructive obligation to cover the deficit of the associate or joint venture, the obligation is recognised as a liability.

The material associated companies and joint venture companies are shown below. The companies has been chosen from a perspective of which of the companies are material to the contribution of the revenue now and in the future for the Group.

EUR'000

NOTE		2015	2014
	Results in equity-accounted investments		
2.5.1	Results in joint venture	677	127
2.5.2	Results in associates	1,036	346
	Total	1,713	473
	Investments in equity-accounted investments		
2.5.1	Investments in joint venture	8,746	7,509
2.5.2	Investments in associates	10,195	8,590
	Total	18,941	16,099

2.5.1 Investments in joint ventures

EUR'000

	2015	2014
Cost at 1 January	7,118	3,655
Additions for the year	493	3,463
Cost at 31 December	**7,611**	**7,118**
Value adjustments at 1 January	391	855
Share of profit for the year	677	127
Other value adjustments	67	-591
Value adjustments at 31 December	1,135	391
Carrying amount at 31 December	8,746	7,509

Disclosures about material Joint ventures
The following is summarised financial information for each of European Energy's joint ventures that are material to the Group, which are equity accounted. Companies not included below are all below 10% of the total revenue, below 10% of the total asset value and below 10% of the total equity. The figures are corrected in respect of differences in accounting policies.

2015	Jammerland Bay Nearshore A/S	EEA Stormy A/S	EEA Renewables A/S	EEA SWEPOL A/S
	Denmark	Denmark	Denmark	Denmark
Ownership %	50%	50%	50%	50%
Comprehensive income statement				
Revenue	–	–	–	162
Interest income	1	2	195	62
Interest expenses	-2	-231	-333	-30
Income tax	9	51	30	5
Profit for the year (continuing operations)	-32	1,030	13	-82
Total comprehensive income	-32	960	-14	-60
The groups share of comprehensive income	-16	480	-7	-30
Balance sheet				
Non-current assets	–	4,658	4,224	1,460
Current-assets	3,702	67	3,650	2,490
Non-current liabilities	–	1,476	–	–
Current liabilities	104	17	4,910	866
Cash and cash equivalents	560	1	138	97
Non-current financial liabilities (excluding trade and other payables and provisions)	–	1,476	–	–
Equity	3,598	3,232	2,964	3,084
Carrying amount of interest in investee end of period	1,169	1,616	1,482	1,542

EUR'000

2014	Jammerland Bay Nearshore A/S	EEA Stormy A/S	EEA Renewables A/S	EEA SWEPOL A/S
	Denmark	Denmark	Denmark	Denmark
Ownership %	50%	50%	50%	50%
Comprehensive income statement				
Revenue	–	–	–	131
Interest income	–	–	205	62
Interest expenses	-5	-20	-361	-41
Income tax	2	5	35	–
Profit for the year (continuing operations)	6	41	-50	-78
Total comprehensive income	6	41	-50	-78
The groups share of comprehensive income	3	21	-25	-39
Balance sheet				
Non-current assets	–	3,448	7,739	1,537
Current-assets	3,761	16	295	2,488
Non-current liabilities	–	–	4,600	–
Current liabilities	131	1,263	457	883
Cash and cash equivalents	1,625	1	194	679
Non-current financial liabilities (excluding trade and other payables and provisions)	–	–	–	–
Equity	3,630	2,201	2,977	3,142
Carrying amount of interest in investee end of period	1,185	1,101	1,489	1,571

Overall financial information for all joint ventures that are not individually material and that are recognised according to the equity method:

	2015	2014
Carrying amount of interest in joint ventures		
The Group's share of:		
Profit/loss of material JV's	427	-40
Profit/loss for the year of other JV's	250	167
Total comprehensive income	677	127
Investments in joint ventures:		
Investments in material Joint ventures	5,809	5,345
Other Joint ventures	2,937	2,164
Total Investments in joint ventures	8,746	7,509

2.5.2 Investments in associates

EUR'000

	2015	2014
Cost at 1 January	7,941	7,789
Additions for the year	675	9
Transferred from subsidiaries/other investment	59	425
Disposal of year	-41	-282
Cost at 31 December	8,634	7,941
Value adjustments at 1 January	649	488
Share of profit for the year	1,036	346
Reversed value adjustments on disposals and transfers	-51	-146
Other value adjustments	-73	-39
Value adjustments at 31 December	1,561	649
Carrying amount at 31 December	10,195	8,590

Disclosures about material associates

The following is summarised financial information for each of European Energy's associated investments that are material to the Group, which are equity accounted. Companies not included below are all below 10% of the total revenue, below 10% of the total asset value and below 10% of the total equity. The figures are corrected in respect of differences in accounting policies:

	Wriezener Höhe GmbH & Co. KG	Ottenhausen GmbH &Co.KG	Parco Eolico Carpinaccio Srl.	Windpark Unseburg GmbH & Co. KG
	Germany	Germany	Italy	Germany
2015				
Ownership %	15.0%	34.3%	27.0%	20.0%
Comprehensive income statement				
Revenue	8,500	2,787	3,905	2,760
Depreciation	-2,440	-924	-1,059	-968
Profit for the year (continuing operations)	3,394	389	596	460
Total comprehensive income	3,394	389	596	460
The groups share of comprehensive income	509	133	86	92
Balance sheet				
Non-current assets	35,954	15,695	22,749	15,327
Current-assets	6,730	1,772	200	1,994
Non-current liabilities	33,412	10,317	15,392	8,556
Current liabilities	2,157	1,934	500	2,439
Equity	7,116	5,216	7,057	6,326
Carrying amount of interest in investee end of period	1,067	1,789	1,905	1,265

EUR'000

2014	Wriezener Höhe GmbH & Co. KG	Ottenhausen GmbH &Co.KG	Parco Eolico Carpinaccio Srl.	Windpark Unseburg GmbH & Co. KG
	Germany	Germany	Italy	Germany
Ownership %	15.0%	34.2%	27.0%	20.0%
Comprehensive income statement				
Revenue	7,519	2,338	3,731	2,429
Depreciation	-2,440	-924	-1,033	-968
Profit for the year (continuing operations)	1,120	-79	656	165
Total comprehensive income	1,120	-79	656	165
The groups share of comprehensive income	133	-7	178	33
Balance sheet				
Non-current assets	38,395	16,618	23,598	16,295
Current-assets	4,533	1,620	-	1,715
Non-current liabilities	37,372	11,041	16,438	11,192
Current liabilities	1,833	2,529	419	952
Equity	3,723	4,668	6,741	5,866
Carrying amount of interest in investee end of period	558	1,597	1,820	1,173

Overall financial information for all associates that are not individually material and that are recognised according to the equity method:

Carrying amount of interest in associates

	2015	2014
The Group's share of:		
Profit/loss for the year material investments	820	337
Profit/loss for the year of other associates	216	9
Total comprehensive income	**1,036**	**346**
Investments in associates:		
Investments in individually material associates	4,761	3,975
Other associates	5,434	4,615
Total Investments in associated	**10,195**	**8,590**

Joint Ventures and Associated companies are financed with share capital and shareholder loans. The companies will be allocating funds to the owners through repayment of the loans, and subsequently by dividends. Repayments and dividends are restricted to free cash and can only be paid out if the covenants for the project loans are not in breach. There are no other restrictions for taking out free cash of the companies

2.5.3 Subsidiaries with material Non- Controlling Interest's (NCI's)

Financial information related to each of European Energy's subsidiaries that has material non-controlling interests:

	2015			2014		
	European Solar Farms ApS	EE Offshore ApS	NPP P/S	European Solar Farms ApS	EE Offshore ApS	NPP P/S
	Denmark	Denmark	Denmark	Denmark	Denmark	Denmark
Ownership [%]	20.75%	28.00%	49.00%	20.75%	28.00%	49.00%
Comprehensive income statement (100%)						
Revenue	5,284	-	-	6,025	534	-
Depreciation and amortisation	-1,375	-	-1	-1,375	-	-
Interest income	257	103	3	170	-	-
Profit for the year (continuing operations)	-135	4	-116	-323	380	-92
Minorities share of profit for the year	-28	1	-57	-67	106	-45
Balance sheet						
Non-current assets	74,078	1,822	730	49,327	1,810	-
Current-assets	11,674	710	576	12,015	619	762
Non-current liabilities	34,057	-	-	33,502	-	-
Current liabilities	45,850	331	65	21,968	282	64
Equity (incl non-controlling interests)	5,845	2,202	1,241	5,872	2,147	698
Carrying amount of NCI	1,214	617	608	1,228	601	342

	2015	2014
Material non-controlling interests		
Material NCI specified above	2,439	2,172
Other NCI	73	374
Total non-controlling interests	**2,512**	**2,546**

2.6 Other investments in wind and solar farms (power generating assets)

Accounting Policy
Other investments comprise a range of non-controlling investments in wind and solar-power generating assets. The Investments are typically initiated when selling a major part of a power generating company to an investor, and keeping a immaterial part of the shares. The shares is still held for sale, but usually the shares are held for a longer period before a sale of the shares occurs. Other investments are thus classified as available for sale financial assets. Insights into financial forecasts are not always are available. Consequently, due to lack of reliable data, other Investments are in general valued at cost. Where significant deviation between equity value and book value exists some higher level investigations have been performed to substantiate the reasonableness of book values. All in all Management consider the application of book value not material misstated compared to market values.

EUR'000

Other investments	2015	2014
Cost at 1 January	3,551	3,263
Additions for the year	71	296
Disposal of year	–	-8
Cost at 31 December	3,622	3,551
The investments relates to:		
Investment related to solar-power generating assets	2	2
Investments related to wind-power generating assets	3,620	3,549
Other investments at 31 December	3,622	3,551
Dividend received from other investments	88	–

2.7 Receivables

EUR'000

Accounting Policy
Receivables are measured at amortised cost less Write down for bad debt losses. Write down for bad debt losses is based on an individual assessment of each receivable.

	2015	2014
Loans to business partner for the acq of wind parks in Germany	5,920	5,920
Loans to business partners for the acq of solar parks in Spain	2,310	2,461
Total interest-bearing receivable	8,230	8,381
Trade receivables	55,523	70,285
Other receivables (non-interest bearing)	5,323	3,465
Total non-interest bearing receivable	60,846	73,750
Total receivables	69,076	82,131

No impairment losses are recognised relating to doubtful receivables

	2015	2014
Exposure:		
Receivables	69,076	82,131
Receivables not due	68,947	81,522
Receivable past due, but not impaired:		
1-30 days	3	477
31-90 days	7	–
>90 days	119	132
Total receivables	69,076	82,131

Out of this amount EUR 800 thousand (2014: EUR 876 thousands) is expected to be recovered more than 5 years after the balance sheet date.

Credit risk
The Group has not established a policy for credit risk management. Customers consists of major economic solid and not risky customers. At the same time a project is not carried out, unless the financing is in place.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value.

Earn-Out
When selling power plants, some of the proceeds from the sale could be governed via an earn-out model. In this case the receivable is regularly updated with the actual values of the budgeted parameters, and the receivable is impaired according to the result. At the end of 2015 a total of EUR 9,5 million (2014: EUR 10.2 million) of the receivables is part of an earn-out agreement. Of this EUR 6,6 million (2014: EUR 8.2 million) are due after more than one year. None of the amount are due more than 5 years. The earn-out parameters included in these contracts are either revenue obtained by the wind park, or production obtained in a specific period. The earn out receivable could thus differ depending upon the wind and sun.

2.8 Provisions

EUR'000

Accounting Policy

Provisions are recognised when, as a result of past events, the Company has a legal or a constructive obligation, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation. Provisions are determined by discounting the expected future cash flows at pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance costs.

	2015	2014
Provision at 1 January		
Provisions made during the year	2,987	3,245
Amount used during the year	53	-258
Provisions end of year	**3,040**	**2,987**
of which current liabilities	3,040	2,987

The provisions made are regarding the earn out on purchase of shares. The Parent Company bought approx 50% of a company in 2009 . The earn out amount is still being negotiated with the seller, but final payment is expected to be done in FY 2016. The management has no reasons to believe that the final payment will exceed the provision.

2.9 Change in working capital

EUR'000

	2015	2014
Trade receivables	14,687	-39,275
Other receivable	-1,707	-492
Inventories	-28,723	-591
Prepayments	-1,170	-431
Trade payables	-2,796	29,905
Payables to related parties	351	-44
Other payables	4,707	-240
Total change in working capital	**-14,651**	**-11,168**

The changes in trade receivables and trade payables relates primarily to the financial close of the sale of the two solar parks in UK sold to an external investor in 2014. The financial close was concluded during July, with a net payment of more than EUR 8 millions which thus increased the Group's cash position. The sale includes an earn-out due in 2017. This receivable is recognised in trade receivables under non-current assets.

3.1 Financial income and expenses

Accounting Policy

Financial income and expenses comprise interest income and expense, gains and losses on other investments, payables and transactions denominated in foreign currencies as well as surcharges and refunds under the on-account tax scheme, etc.

EUR'000

Finance income	2015	2014
Interest income, on financial assets measured at amortised costs	1,623	467
Other financial income	48	557
Dividends	88	-
Currency gains realised	1,682	-
Currency gains unrealised	235	-
Financial income	**3,676**	**1,024**

Finance expenses		
Interest on bonds	3,742	3,235
Finance expenses from financial liabilities measured at amortised costs	2,294	2,523
Financial expenses that have been capitalised on inventories	-448	-398
Amortisation of debt issue costs	345	233
Other financial expenses	95	11
Currency losses realised	549	53
Currency losses unrealised	3	266
Financial expenses	**6,580**	**5,923**

Capitalised interests on inventories are calculated with an interest of 3%.

The interest is a weighted share of the EUR 45 million bond loan, and the equity, used for financing of the inventories.

3.2 Capital management

The Group and the Parent company consider the combined equity as capital. The parent company European Energy A/S is financed primarily through the bond market in Sweden. The company's policy is to maintain a strong capital base that enables it to maintain investors and other creditors. European Energy A/S shall not pay out dividends until the EUR 45 million in bonds is repaid. The EUR 45 million bond loan must be repaid in March 2018. The Board of Directors and Management expect no problems with refinancing in 2018 and will analyse refinancing opportunities in 2016.

The bond loan of EUR 45.0 million has a covenant of equity/balance that is minimum 25%. The equity ratio is 27.2% in 2015 (down from 28.5% in 2014).

In 2008, the Group issued own bond series with a total nominal value of EUR 7.6 million maturing end of 2017. The issued bonds carry variables interest of 4-11% per year. The interest rate is dependent on the energy generation in certain German wind parks.

Management expects the loan to be refinanced or the underlying assets – two wind parks in Germany – to be sold and the bond repaid with the proceeds of the sale. Management expects no problems with divesting these assets.

The Group and the Parent company are not in general governed by any external requirements on the size of the capital, except from what has to be minimum paid in share capital according to the rules for limited companies under Danish jurisdiction. End of 2015 the free cash in the Group was EUR 9.3 million (2014: EUR 10.9m). The management and the Board of Directors evaluate that the Group has sufficient available cash in order to meet the short term liabilities of the Group.

3.3 Financial risks and financial instruments

Accounting Policy

Financial assets and liabilities
At initial recognition, financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, financial assets available for sale, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group has not designated any financial assets at fair value through profit and loss.

All financial assets are initially recognised at fair value plus, in the case of investments not at fair value through profit and loss, the directly attributable transaction costs. The Group's financial assets include cash and cash equivalents, trade and other receivables, loan and other receivables, unquoted financial instruments and derivative financial instruments.

At initial recognition, financial liabilities are classified as financial liabilities at fair value through profit or loss, at fair value measured at amortised cost or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities except derivatives are initially recognised at fair value and net of directly attributable transaction costs. In subsequent periods, the financial liabilities are measured at amortised costs; any difference between the cost and the redemption value is recognised in the income statement over the period of the borrowings by means of the effective interest (EIR) method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs integral to the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

The Group's financial liabilities include trade and other payables, loans and borrowings, including bank overdrafts and derivative financial instruments.

Derivatives and hedge accounting
Derivative financial instruments are measured at fair value. Derivatives are carried as financial assets when the fair value is positive, and as financial liabilities when the fair value is negative.

The changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

The effective portion of the change in fair value of derivative financial instruments, classified and qualifying as hedging of expected future transactions is recognised in other comprehensive income and presented in the cash flow hedge reserve in equity. Any amounts deferred in equity are transferred to the income statement in the period in which the hedged item affects the income statement. Any ineffective portion of the fair value change is recognised immediately in the statement of profit or loss as financial expenses. If the hedging instrument expires or is sold or terminated or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in other comprehensive remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

Changes in the fair value of derivative financial instruments that do not meet the criteria of hedge accounting are recognised in financial income or financial expenses in the income statement.

3.3.1 Financial risk management objectives and policies

The Groups objectives and policies are unchanged from last year.

The main purpose of the Groups financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group also enters into derivative transactions. The Group is exposed to market risk, credit risk, liquidity risk and also political risks that can effect the Groups earnings. Group management oversees the management of these risks, including overseeing that the Group's financial risk activities are governed by the policies and procedures outlined by Management and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees on policies for managing each of these risks, which are summarised below.

Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

The Credit risks are described in Note 2.7.

3.3.2 Foreign currency risks

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates.

The Group is exposed to currency risk to the extent that transactions are denominated in a different currency than the functional currency. Except from the parent company, all foreign entities' transactions are generally denominated in local currency which is also the foreign entities' functional currency. Consequently, the Group is only exposed insignificantly to foreign currency risks.

The Group is exposed to translation risk from translating the results and financial position of foreign entities into the Group's presentation currency. Currency exposures from net investments in foreign entities are not being hedged. Currency rate adjustments related to the translation into the Group's presentation currency are recognised in other comprehensive income.

The Group's foreign entities are exposed to currency risk to the extent that income and costs are not settled in the functional currency of the individual entity. The foreign entities are primarily exposed to fluctuations in GBP and PLN compared to EUR.

The Group is exposed to currency risk to the extent that transactions are denominated in a different currency than the functional currency. Except from the parent company, all foreign entities' transactions are generally denominated in local currency which is also the foreign entities' functional currency. Consequently, the Group is only exposed insignificantly to foreign currency risks.

The Group is exposed to translation risk from translating the results and financial position of foreign entities into the Group's presentation currency. Currency exposures from net investments in foreign entities are not being hedged. Exchange rate adjustments related to the translation into the Group's presentation currency are recognised in other comprehensive income.

The Group's foreign entities are exposed to currency risk to the extent that income and costs are not settled in the functional currency of the individual entity. The foreign entities are primarily exposed to fluctuations in GBP and PLN compared to EUR.

The table below shows currency exposure to each currency as at the balance sheet date based on the functional currencies of the individual Group companies :

EUR'000

2015 Nominel position

	Cash/equivalents	Receivables	Debt
GBP/EUR	159	4,938	-6,796
PLN/EUR	1	162	-651

Sensitivity
Sensitivity analysis of the currency exposure :

	Change in currency rate	Impact on profit before tax	Impact on equity
GBP/EUR	+- 1%	-17	-14
PLN/EUR	+- 1%	-	-4

2014 Nominel position

	Cash/equivalents	Receivables	Debt
GBP/EUR	-	44,068	-15,382
PLN/EUR	33	193	-595

Sensitivity
Sensitivity analysis of the currency exposure :

	Change in currency rate	Impact on profit before tax	Impact on equity
GBP/EUR	+- 1%	201	157
PLN/EUR	+- 1%	-	-3

A corresponding reduction in the cross rate would have an equivalent opposite effect on profit before tax and equity. The sensitivity analysis has been prepared at the balance sheet date based on the exposure to the listed currencies at the balance sheet date, without taking into account potential effects on interest rate levels, effect on other currencies etc.

3.3.3 Liquidity risk

The Group monitors its risk of a shortage of funds by means of a liquidity planning tool.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and bonds issue. The Management assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available.

The Group is financed primary through issued unsecured bonds with a floating rate and a final maturity date in March 2018. The bond has a total framework amount of EUR 60m of which EUR 45 million was issued in the first trance on the request of European Energy. The bond are listed at NASDAQ, Stockholm. In 2008, the Group issued own bond series with a total nominal value of EUR 7.6 million. The issued bonds carry variable interest of 4-11% per year. The interest rate is dependent on the energy generation in certain German wind parks.

Before year end 2016 the management expects to decide how the bonds will be refinanced in 2018. The Group finances a large part its activities through non-recourse financing with financial institutions. Typically the loans are serial loans with a fixed interest rate for the first 10 years of the financing period. The loans are governed by covenants which the Group monitor closely to ensure compliance with the loan agreements.

The maturity profiles of bond loans, other loans and credit facilities as well as derivatives are provided below:

EUR'000

2015	Contractual cash flow	Maturity within 1 year	Maturity between 1 and 3 year	Maturity between 3 and 5 year	Maturity after 5 years
Issued bonds	60,809	3,687	57,123	-	-
Project financing	73,425	2,789	12,738	7,884	50,015
Credit institutions	6,928	6,928	-	-	-
Interest rate swap	765	126	218	173	249

The maturity profiles are based on undiscounted cashflows including estimated interest payments.

2014	Contractual cash flow	Maturity within 1 year	Maturity between 1 and 3 year	Maturity between 3 and 5 year	Maturity after 5 years
Issued bonds	64,504	3,687	14,973	45,844	-
Project financing	48,577	1,747	7,439	7,514	31,878
Credit institutions	3,995	3,995	-	-	-
Interest rate swap	901	137	240	195	328

The maturity profiles are based on undiscounted cashflows including estimated interest payments.

3.3.4 Interest rate risks

Interest rate risk is the risk that increases in the interest rates that may harm the profitability of individual projects because the majority of the project sum is debt-funded. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into interest rate swaps, in which it agrees to currency, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Bond loans
In 2008, the Group issued own bond series with a total nominal value of EUR 7.6 million. The issued bonds carry variable interest of 4-11% per year. The interest rate is dependent on the energy generation in certain German wind parks.

In 2014, the Group issued own bond series with a total nominal value of EUR 45 million The issued bonds carry variable interest based upon a fixed spread and a variable part related to the Euribor. The bonds has 4 year lifecycle and is noted for trade on Nasdaq, Stockholm.

Other loans and credit facilities
Other loans and credit facilities consists of project financing in different credit institutions.

Sensitivity analyses
An interest increase of 1 % would have the following impact on the results for the year and the equity

EUR'000

	2015 Impact on profit before tax	Impact on equity	2014 Impact on profit before tax	Impact on equity
Bonds	-450	-351	-450	-351
Interest rate swap	-	383	-	450

The impact on equity is net of tax 22% in Denmark. The Project financing is always fixed rate loans, so there will be no additional interests. The interest rate swap in Ocana will be affected by a general interest rate increase. The impact on equity is the estimated value decrease on the swap value.

Interest rate swaps in European Energy at Level 2 in 2015 **EUR'000**

	Interest Rate Swaps	Total
Nominal value	5,678	5,678
maturity 2026-06-15		
Fair value of interest rate swaps	1,174	1,174
Of which is recognised in the statement of other comprehensive income (accumulated)	1,174	1,174

Interest Rate Swaps in European Energy at Level 2 in 2014

	Interest Rate Swaps	Total
Nominal value	6,035	6,035
maturity 2026-06-15		
Fair value of interest rate swaps	1,379	1,379
Of which is recognised in the statement of other comprehensive income (accumulated)	1,379	1,379

3.3.5 Political risks

The Company's investment calculations are based on the laws and settlement terms applying at the time when the individual investment is decided. If the preconditions change at a later time as a result of political decisions, this could impact the profitability of the individual investment. This applies to the solar projects in Spain where subsidiation takes place by way of guaranteed tariffs for the life of the project.

3.4 Financial instruments by category

	Carrying amount 2015	Fair value 2015	Carrying amount 2014	Fair value 2014
Loans and receivables	89,069	89,069	98,453	98,453
Financial liabilities measured at amortised cost	123,982	115,432	98,178	98,178
Trade payables	29,705	29,705	34,785	34,785

3.5 Determination of fair value

The Group uses fair value for certain disclosures and measurement of financial instruments. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, thus maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1
Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2
Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3
Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The fair value of interest-rate swaps in 2015 and 2014 is determined by discounting estimated future cash flows. Discounting takes place on the basis of yield curves based in turn on market rates prevailing at the closing date. Fair value of the issued bonds is equal to the listed bond price at balance sheet date.

4.1 Tax

Accounting Policy

Income tax
Tax expense for the year includes current and deferred tax. Tax is recognised in the income statement, except when the tax relates to items recognised in other comprehensive income or directly in equity, in which case the tax is recognised in the other comprehensive income or directly in equity, respectively.

Current income tax
The parent company and its Danish subsidiaries are subject to the Danish rules on joint taxation.

The current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income. Companies with tax loss carry-forwards receive joint taxation contributions from companies that have used these losses to reduce their own taxable profits (full absorption). Current tax assets and tax liabilities for current or prior periods are recognised at the amounts expected to be received from or paid to the relevant tax authority.

The tax rates applied are those substantively enacted as at the balance sheet date.

Deferred tax
Deferred tax is measured by means of the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are recognised to the extent that future taxable income is likely to be available against which the differences can be used - either as a set-off against tax on future income or as a set-off against deferred tax liabilities.

Deferred tax assets are reviewed at each reporting date and are only recognised to the extent that future taxable profits are likely to allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting data.

Deferred tax assets and tax liabilities are offset if a legal right to offset the current tax assets and current tax liabilities exists, and the deferred tax is attributable to the same tax authority.

EUR'000

Consolidated statement of profit or loss	2015	2014
Current income tax:		
Current income tax charge	719	472
Adjustments previous years' foreign tax see note below table	1,625	–
Deferred tax:		
Relating to origination and reversal of temporary differences	1,957	-4
Income tax expense recognised in the statement of profit or loss	4,301	468
Effective tax rate	41%	11%
Consolidated statement of other comprehensive income		
Deferred tax related to items recognised in other comprehensive income during the year	92	-98
Deferred tax charged to other comprehensive income	92	-98

Tax adjustments previous year:
The adjustment made regarding previous years is related to a tax audit for the years 2006-2009 in Germany. The audit has been ongoing for 3 years, and the Group has been in negotiations with the German tax authorities regarding the proposed changes to the income for the German subsidiaries' for these years.

As per 31 December 2014, the total provision for the Group regarding this tax audit amounted to EUR 0.7 million. The total tax charge with interest for eight years ended however substantially higher. The changes made to the income relate to the fact that the German tax authorities do not accept double tax treaty between Denmark and Germany.

Increase in tax rate:
The significant changes in effective tax rate are due to tax adjustments previous years in Germany.

The change in tax rate in Denmark from 2014 to 2015 has no effect on the Tax for the Group, since the recognition of DTA was made with 22% in 2014.

The tax rate used in Spain for Deferred tax recognition has been changed due to the lowering of the company tax rate from 30 % to 28 % in 2014 and 25% in 2015. The cost of EUR 42 thousand was all taken in 2014, using the tax rate of 25% from this year.25% in 2015. The cost of EUR 42 thousand was all taken in 2014, using the tax rate of 25% from this year.

EUR'000

	2015	2014
Tax on other comprehensive income		
Tax on adjustments of hedging instruments with local tax rate	49	-120
Corrections to tax due to changes to prior years	–	22
Changes in tax on hedging instruments due to change in tax rate	43	–
Total	**92**	**-98**
Tax rate used	25%	28%

The hedging instrument is a SWAP regarding a loan to a solar park in Spain.

Deferred tax

	2015	2014
Deferred tax can be specified as follows:		
Deferred tax start of period	-4,373	-4,128
Deferred tax for the year recognised in the income statement	1,957	-4
Deferred tax for the year recognised in other comprehensive income	92	-98
Adjustments related to the change of control acc IFRS 10	-40	–
Adjustment relating to the disposal/purchase of equity-accounted investments	-15	-159
Other equity regulations / Joint taxation	-125	18
Deferred tax end of period	**-2,504**	**-4,373**
Deferred tax is recognised as follows:		
Deferred tax assets	-4,239	-5,507
Deferred tax liability	1,735	1,134
Total recognised deferred tax in the balance	**-2,504**	**-4,373**

The recognition of deferred tax assets is based on an analysis of future income in the next 3-5 years. The analysis is based on an expectation on a steady development compared with 2015 and in general reasonable assumptions.

Deferred tax assets are substantially attributable to tax losses carried forward.

Deferred tax liabilities are substantially attributable to temporary differences on wind- and solar-power generating assets.

The Group is taxed not only through its companies but also through the many tax-transparent vehicles that are either recognised as joint ventures, associates or other investments.

	2015	2014
Deferred tax not recognised in the balance sheet		
Total value of temporary differences and tax losses	4,170	5,039
Deferred Tax Assets recognised in the balance sheet	-2,504	-4,373
Deferred tax not recognised in the balance sheet	**1,666**	**666**
Split of various temporary differences recognised in the balance sheet		
Tax loss carried forward	-11,257	-12,081
Differences of plant & equipment	8,729	7,677
Dismantling provisions (Germany)	24	31
Total	**-2,504**	**-4,373**

4.2 Staff costs

EUR'000

	2015	2014
Wages, salaries and remuneration	5,519	3,569
Contributions to defined contribution plans	39	28
Other social security costs	59	49
Other staff costs	273	185
Capitalised salaries on inventories	-110	-360
Total	5,780	3,471

Average number of full-time employees	53	46
Number of full-time employees at end of period	57	50

2015	Salary	Bonus	Pension	Benefits	Total
Board of directors	15	-	-	-	15
Executive board	126	104	-	-	230
Other key management personnel	989	557	9	-	1,555

2014	Salary	Bonus	Pension	Benefits	Total
Board of directors	-	-	-	-	-
Executive board	114	-	-	-	114
Other key management personnel	897	25	9	-	931

Bonus agreements for key management personnel are included in the total remuneration and depend on the profit for the period.

4.3 Audit fees

Other external costs include the total fees paid to the auditors appointed at the Annual General Meeting for auditing the financial statements for the financial year under review and for services rendered.

	KPMG	EY
Statutory audit	185	223
Other services	-	160
Total to the auditors appointed by the Annual General Meeting	185	383

4.4 Leases

Accounting Policy

Leases that transfer substantially all risks and rewards incidental to ownership of the asset to the Group are finance leases. All other leases are operating leases. Lease payments under operating leases are recognised in the income statement as an expense on a straight-line basis over the term of the lease. The Group has only leases classified as operating leases.

Minimum lease payments:

0-1 year	547	557
1-5 years	1,607	1,646
After 5 years	2,600	2,800
Total land and buildings	4,754	5,003

Operating leases have been recognised in the income statement for 2015 at the amount of EUR 556 thousands, where contingent rents constitute of EUR 386 thousands (2014: EUR 374 thousands where contingent rents constitute of EUR 374 thousands). The rent contract related to buildings is in 2016 extended to 2021 before it has to be renegotiated. The terms for rental contracts for land are typically 25 years before it has to be extended 6 months before the original lease ends.

4.5 Related parties

EUR'000

Ownership

The shareholder Knud Erik Andersen has controlling interest on the company through European Energy Holding A/S, Gøngemose Parkvej 50, 2860 Søborg. MDP Invest ApS and JPZ Assistance ApS are classified as related parties with significant influence on the Company. The Group is included in the consolidated financial statements of European Energy Holding ApS.

Related parties include, equity-accounted investments, subsidiaries and associates in which European Energy has a controlling or significant interest as well as the Executive Board, other key management, the Board of Directors and companies owned by these.

Related party transactions	2015 Group 2015	2014 Group 2014
Sale of services to Group companies	5,297	2600
Sale of services to joint ventures	988	-
Sale of services to associates	889	1380
Sale of services to other related parties	1,934	-
Sale of services to Owners	149	-
Interest, net to/from Group Companies	870	586
Interest, net to/from JV	225	40
Interest, net (income) to/from Associates	263	424
Interest, net (income) to Owners	326	346
Loans to related parties		
Loans to associates	8,911	5,315
Loans to European Energy Holding ApS	11,082	11,007
Loans from related parties		
Loans from related parties	8,995	7,525
Loans from associates	408	57

The loans to subsidiaries and other related parties has not specific repayment terms. The loans are established as a part of financing for development of wind and solar parks, and will typically be repaid when a project is sold.

Except as set out above, no transactions were made during the period with members of the Board of Directors, Management Board or any other related parties. Reference is made to note 4.10 for an overview of the Group's joint ventures and associates. Remuneration to the Board of Directors and Management is disclosed in note 4.2. Related party transactions are made on arm's length terms. Intra-group transactions have been eliminated in the consolidated financial statements.

Share of ownership to related parties

The table below shows the share of ownership for executive board and key personnel in companies within the EE Group structure. The ownership is either directly by the person, or through a Holding company. The companies listed could have additionally subsidiaries, joint ventures, associated companies or other investments as investments. These indirect ownerships are not listed.

	Knud Erik Andersen	Mikael Dystrup Pedersen	Jens-Peter Zink	Thomas Hvalsø Hansen	Annette Nylander
European Energy A/S	76.0%	14.0%	10.0%	0.0%	0.0%
European Solar Farms A/S	13.9%	1.1%	4.9%	0.0%	0.5%
EEAR Olleria II ApS	0.0%	0.0%	0.0%	10.0%	0.0%
Komplementarselskabet Heidelberg ApS	35.5%	0.0%	15.0%	0.0%	0.0%
Driftsselskabet Heidelberg ApS	35.5%	0.0%	15.0%	0.0%	0.0%
Vindpark Straldja ApS	30.0%	0.0%	20.0%	0.0%	0.0%
European Wind Farms Invest No.2 A/S	5.7%	0.0%	0.0%	0.0%	0.0%

4.6 Contingent liabilities & assets and contractual agreements

EUR'000

Accounting Policy

Contingent liabilities comprise possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities

The Group is party in pending lawsuits regarding the Group's current operations. In Management's opinion, the outcome of these lawsuits will not affect the Group's financial position significantly in addition to what has already been recognised in the assets and liabilities in the Group's balance sheet end of period.

Pledges and guarantees

When selling directly owned subsidiaries, the Company provides guarantees to the purchaser, including warranties related to the corporate status of the subsidiary, taxes, environmental matters, etc. The warranties are often provided for a period of 2-5 years. Furthermore, the Company has in some instances provided similar customary guarantees in favour of the purchaser when indirect subsidiaries have been sold. In these cases, the guarantees are provided in addition to similar guarantees provided by the selling subsidiary itself.

The Company has provided security in order to secure certain subsidiaries' financial obligations towards third parties during construction of facilities related to renewable energy projects. Additionally, the Company has also guaranteed for other loans obtained by certain subsidiaries to the extent permitted by the terms and conditions governing the bonds issued by the Company.

A number of the Company's subsidiaries that act as project vehicles (i.e. subsidiaries in which the development and construction of wind farms and PV plants take place) have provided security to their lenders in order to secure their debt. The securities typically include all assets of the company itself (including pledge over the operating assets, reserve accounts, trade receivables (including insurance pay-outs) and VAT receivables, real estate (if any) and right of subrogation into agreements covering the construction and operation of the project, including agreements regarding land leases, cable rights and grid connection). In some cases, the security provided may be less inclusive and only cover a specific asset or asset class.

Contingent assets

A number of Group companies that own solar photovoltaic plants in Spain have dispatched a notice to the Spanish government under Article 26 of the Energy Charter Treaty, requesting the government to settle an alleged breach amicably. Should the dispute not be settled amicably, the Group companies may submit the dispute for resolution in accordance with the Energy Charter Treaty. The size of the claims has not yet been finally established but will likely be in the range of EUR 40–60 million. However, the anticipated financial impact on the Group will be less than the aggregate size of the claims , if the companies are successful, due to the substantial costs associated with arguing the case, which could reach up to 30-40% of the damages awarded. The notice to the Kingdom of Spain regarding the Group's lost revenue due to retroactive changes in the legislative system for solar PV is not recognised as a asset in the balance sheet at the end of the period.

Contractual obligations

The parent company is jointly taxed with the Danish subsidiaries and the parent company. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes, etc. The corporation tax payable in parent company is EUR 1 million in 2015 (2014: EUR 2 million).

Contingent Liabilities and Other Financial Liabilities

EUR million	Group 2015	Group 2014
Guarantees related to financing agreements	46	16
Guarantees, warranties and other liabilities related to SPA's	43	25
Guarantees, warranties and other liabilities related to vendor contracts	46	47
Total	135	88

Security for debt

Assets provided as security

Wind and solar energy farms with a carrying amount of EUR 45 million (EUR 46 million in 2014) are pledged as security for the Group's debt to credit Institutions, etc., a total of EUR 32 million, (EUR 35 million in 2014). Moreover, investment in associates of EUR 0.5 million and specific cash at bank of EUR 1,7m have been provided as collateral.

The Group has provided pledge in shares of local SPV's for the project financing loan of EUR 63 million (2014: EUR 39 million).

Investment in equity-accounted investments with a carrying amount of EUR 2 million (EUR 2 million in 2014) were pledged as security for second priority financing in German Limited Partnerships.

The parent company and certain subsidiaries have been provided ordinary declarations of subordination to other creditors in the German limited partnerships as equity in the German limited partnerships ordinarily comprises granted loans. In addition, dividends from the German limited partnerships are contingent on adequate account balances in collateral accounts in accordance with concluded agreements with first mortgage financed German credit institutions. Furthermore, the parent company has provided some of the subsidiaries with a letter of subordination.

4.7 Events after the balance sheet date

There have not been any significant events after the balance sheet date besides that Rødby Fjord Project has been divested in Q1 2016 where the revenue will be recognised. The already closed sale of the Rødby project in Denmark in Q1 2016 supports the estimate for 2016.

4.7.1 Outlook for 2016

In terms of revenue and profit we expect our performance in 2016 to resemble that of 2015. It is, however, worth noting that our overall performance will also depend on factors such as environmental impact assessments, building permits and sudden changes in incentive schemes.

4.8 First-time adoption of IFRS

These financial statements for the period ended 31 December 2015 are the first financial statements the Group has prepared in accordance with IFRS as adopted by EU.

The accounting policies set out in the different sections have been applied in preparing the financial statements for the year ended 31 December 2015, the comparative information presented in these financial statements for the year ended 31 December 2014 and in preparation of an opening IFRS Statement of financial position at 1 January 2014 (the Group's date of transition). This note explains the principal adjustments made by the Group in restating its DK GAAP statement of financial position at 1 January 2014 and its previously published DK GAAP financial statements for the year ended 31 December 2014.

Exemptions applied

IFRS 1 First-Time Adoption of International Financial Reporting Standards allows first-time adopters certain exemptions from the retrospective application of certain IFRS.

The Group has not applied IAS 21 retrospectively to fair value adjustments that occurred before the date of transition to IFRS. Such fair value adjustments are treated as assets and liabilities of the parent rather than as assets and liabilities of the acquiree. Therefore, those assets and liabilities are already expressed in the functional currency of the parent or are non-monetary foreign currency items and no further translation differences occur.

Cumulative currency translation differences for all foreign operations are deemed to be zero at 1 January 2014.

The estimates at 1 January 2014 and at 31 December 2014 are consistent with those made for the same dates in accordance with DK GAAP (after adjustments to reflect any differences in accounting policies).
The estimates used by the Group to present these amounts in accordance with IFRS reflect conditions at 1 January 2014, the date of transition to IFRS and as of 31 December 2014.

Borrowing costs

The Group has applied the transitional provisions in IAS 23 Borrowing Costs and capitalises borrowing costs on assets where construction was commenced on or after the date of transition, being 1 January 2014.

4.9 IFRS 1 tables for the Group

EUR'000

The below tables show the results of the transition from DK GAAP to IFRS as from the adoption date January 1 2014.

For all reclassifications and conversions from DK GAAP to IFRS we have in the templates added litra starting from a) and upwards. The specification of all changes are described below the templates.

Group reconciliation of Assets, liabilities and equity at 1 January 2014 (date of transition to IFRS):

Assets

	DK GAAP 01.01.2014	Effect of transition to IFRS 01.01.2014		IFRS at 01.01.2014
Non-current assets				
Goodwill	238	-238	l)	-
Other intangible assets (Inventories)	11,955	-11,955	a)	-
Property, plant and equipment	50,170	2,880	b)	53,050
Joint Venture investments	-	4,977	b)k)h)	4,977
Associated companies investments	13,492	-4,777	c) h)	8,715
Other investments	4,449	-1,186	c)	3,263
Loans to related parties	13,911	722	d)	14,633
Trade receivable	13,515	-		13,515
Other receivable	9,217	-722	d)	8,495
Deferred tax assets	-	5,294	e)	5,294
Total non-current assets	116,947	-5,005		111,942
Current assets				
Inventories	-	12,193	a)	12,193
Trade receivables	17,442	53	b)	17,495
Deferred tax assets	5,294	-5,294	e)	-
Other receivables	2,853	6	b)	2,859
Prepayments	205	4	b)	209
Cash and cash equivalents	5,110	166	b)	5,276
Total current assets	30,904	7,128		38,032
Total assets	147,851	2,123		149,974

Equity and liabilities

	DK GAAP 01.01.2014	Effect of transition to IFRS 01.01.2014		IFRS at 01.01.2014
Equity				
Share capital	1,340	-		1,340
Retained earnings	51,218	-990	c)k)	50,228
Equity attributable to owners of the Company	52,558	-990		51,568
Non-controlling interests	-	1,836	b) f)	1,836
Total equity	52,558	846		53,404
Non-controlling interests	1,636	-1,636	f)	-
Deferred tax liabilities	932	-932	g)	-
Liabilities				
Liabilities related to the issue of bonds	7,600	-		7,600
Project financing	38,101	3,184	b)	41,285
Other debt regarding Inventories	198	-198	p)	-
Other debt to credit institutions	605	-605	p)	-
Other debt relating to the acquisition of companies	4,737	198	p)	4,935
Deferred tax liabilities	-	1,166	b)c)g)	1,166
Total non-current liabilities	51,241	3,745		54,986
Credit institutions	23,163	-		23,163
Other debt relating to the acquisition of companies	4,268	-		4,268
Trade payables	3,345	32	b)	3,377
Payables to related parties	101	-		101
Corporation tax	1,718	-		1,718
Provisions	-	3,245	m)	3,245
Other payables	8,889	-3,177	b)m)	5,712
Total current liabilities	41,484	100		41,584
Total liabilities	92,725	3,845		96,570
Total equity and liabilities	147,851	2,123		149,974

Group reconciliation of total comprehensive income for the year ended 31 December 2014

	DK GAAP 01.01-31.12.2014	Effect of transition to IFRS		IFRS at 01.01 - 31.12.2014
Revenue	60,156	410	b)	60,566
Profit after tax from equity-accounted investments	-	473	c)h)	473
Direct costs	-44,114	-833	b)i)l)	-44,947
Gross profit	16,042	50		16,092
Staff costs	-3,831	360	i)	-3,471
Other external costs	-1,919	-23	b)	-1,942
Depreciation & impairment	-1,458	-124	b)l)	-1,582
Operating profit	**8,834**	**263**		**9,097**
Profit from associates	494	-494	h)	-
Finance income	1,024	-		1,024
Finance expenses	-6,220	297	b)i)	-5,923
Profit before tax	**4,132**	**66**		**4,198**
Tax	-458	-10	b)c)	-468
Profit for the year	**3,674**	**56**		**3,730**
Attributable to:				
Equity holders of the parent	3,536	32	b)c)i)	3,568
Non-controlling interests	138	24	b)	162
Profit/loss for the year	**3,674**	**56**		**3,730**
Statement of comprehensive income				
Profit for the year	**3,674**	**56**		**3,730**
Items that may be reclassified to profit or loss				
Other comprehensive income of equity-accounted interest net of tax	-	1	n)	1
Value adjustments of hedging instruments	-	-430	n)	-430
Tax of value adjustments of hedging instruments	-	98	n)	98
Currency differences on translating foreign operations, net of tax	-	17	n)	17
Other comprehensive income for the year, net of tax	**-**	**-314**		**-314**
Total income	**3,674**	**-258**		**3,416**

Group reconciliation of assets, liabilities and equity at 31 December 2014:

	DK GAAP 31.12.2014	Effect of transition to IFRS		IFRS at 31.12.2014
Assets				
Non-current assets				
Goodwill	199	-199	l)	-
Other intangible assets (Inventories)	12,557	-12,557	a)	-
Property, plant and equipment	48,700	2,740	b)	51,440
Joint Venture investments	-	7,509	b)k)h)	7,509
Associated companies investments	16,388	-7,798	h)	8,590
Other investments	3,551	-		3,551
Loans to related parties	15,598	724	d)	16,322
Trade receivable	6,689	-		6,689
Other receivables	9,117	-723	d)	8,394
Deferred tax assets	-	5,507	e)	5,507
Total non-current assets	**112,799**	**-4,797**		**108,002**
Current assets				
Inventories	-	12,784	a)	12,784
Trade receivables	63,531	65	b)	63,596
Deferred tax assets	5,507	-5,507	e)	-
Other receivables	3,452	-		3,452
Prepayments	636	4	b)	640
Cash and cash equivalents	13,157	171	b)	13,328
Total current assets	**86,283**	**7,517**		**93,800**
Total assets	**199,082**	**2,720**		**201,802**

Equity and liabilities

	DK GAAP 31.12.2014	Effect of transition to IFRS		IFRS at 31.12.2014
Equity				
Share capital	1,340	–		1,340
Retained earnings	53,588	-37	k)	53,551
Equity attributable to owners of the Company	54,928	-37		54,891
Non-controlling interests	–	2,546	b) f)	2,546
Total Equity	**54,928**	**2,509**		**57,437**
Non-controlling interests	2,322	-2,322	f)	–
Deferred tax liabilities	1,094	-1,094	g)	–
Liabilities				
Bond Loan	51,750	–		51,750
Project financing	32,567	2,381	b)	34,948
Other debt relating to the acquisition of companies	1,991	–		1,991
Deferred tax liabilities	–	1,134	b)g)	1,134
Total non-current liabilities	**86,308**	**3,515**		**89,823**
Credit institutions	3,898	–		3,898
Other debt relating to the acquisition of companies	5,534	–		5,534
Trade payables	34,749	36	b)	34,785
Payables to related parties	57	–		57
Corporation tax	1,551	–		1,551
Provisions	–	2,987	m)	2,987
Other payables	8,641	-2,911	b)m)	5,730
Total current liabilities	**54,430**	**112**		**54,542**
Total liabilities	**140,738**	**3,627**		**144,365**
Total equity and liabilities	**199,082**	**2,720**		**201,802**

Group reconciliation of consolidated statement of cash flows at 31 December 2014:

	DK GAAP 31.12.2014	Effect of transition to IFRS		IFRS at 31.12.2014
Cash flow from operating activities				
Profit/loss before tax	4,132	62	b)i)	4,194
Adjustments for:				
Financial income	-1,024	–		-1,024
Financial expenses	6,220	-297	b)i)	5,923
Depreciations, write downs	1,791	124	b)	1,915
Profit from associates	-494	25	b)	-469
Change in networking capital	-10,834	-334	b)	-11,168
Other non-cash items	–	-1,289		-1,289
Cash generated from operation before financial items and tax	**-209**	**-1,709**		**-1,918**
Dividends received				–
Taxes paid	-806	–	b)	-806
Interest paid	-5,679	297	b) i)	-5,382
Interest received	1,024	–		1,024
Cash flow from operating activities	**-5,670**	**-1,412**		**-7,082**
Cash flow from investing activities				
Purchase of Property, plant and equipment	-15,307	13,414	j)	-1,893
Purchase of other investments	-919	–		-919
Proceeds from disposal of subsidiaries, equity-accounted investments	12,760	-11,797	j)	963
Investment in equity-accounted investments	-1,687	-2		-1,689
Net cash flow from investing activities	**-5,153**	**1,615**		**-3,538**
Cash flow from financing activities				
Proceeds from issue of bonds	43,929	1,071	o)	45,000
Transaction costs regarding bond issue	–	-1,071	o)	-1,071
Proceeds from borrowings	567	–		567
Repayment of borrowings	-25,971	-198	b)	-26,169
Changes in payables to associates	-44	–		-44
Non-controlling interests share of capital increase in subsidiary	389	–		389
Cash flow from financing activities	**18,870**	**-198**		**18,672**
Change in cash and cash equivalents	**8,047**	**5**	**b)**	**8,052**
Cash and cash equivalents at 1 January	5,110	166	b)	5,276
Cash and cash equivalents end of period	**13,157**	**171**	**b)**	**13,328**
Of which restricted cash and cash equivalents	**-2,426**	**–**		**-2,426**
Non-restricted cash and cash equivalents end of period	**10,731**	**171**	**b)**	**10,902**

Specification to IFRS 1 tables for the Group:

EUR'000

a) The cost for development activities for the Group for project under development were under DK GAAP recognised as intangible assets and has now under IFRS been classified as inventories under current assets.

b) The German wind park Sieben Null GmbH & Co. KG was as per the date of transition to IFRS January 1st 2014 classified as a subsidiary according to the principles of IFRS 10 (control). The IFRS Financial statement for 2014 has accordingly included Sieben Null line by line in the consolidation. The schedule below includes all the changes made due to this.

Sieben Nulll	2014	1 Jan. 2014
Profit/loss		
Revenue	410	–
Equity accounted investments	-25	–
Direct costs	-87	–
Other external costs	-23	–
Depreciation & impairment	-140	–
Finance expenses	-101	–
Tax	-10	–
Assets/Liabilities		
Property, plant and equipment	2,740	2,880
Equity accounted investments	-224	-200
Trade receivables	65	53
Other receivables	–	6
Prepayments	–	4
Cash and cash equivalents	–	166
Non-controlling interests	224	200
Project financing	2,381	2,579
Deferred tax liabilities	40	30
Trade payables	36	32
Other payables	76	68

EUR'000

	2014	1 Jan. 2014
Cash Flow		
Profit/loss before tax	34	–
Financial expenses	101	–
Depreciations, write downs	140	–
Other non-cash movements	25	–
Change in networking capital	6	–
Interest paid	-101	–
Cash flow from operating activities	**205**	–
Investing in equity accounted investments	-2	–
Cash flow from investing activities:		
Net cash flow from investing activities	**-2**	–
Cash flow from financing activities		
Repayment of borrowings	-198	–
Cash flow from financing activities	**-198**	–
Change in cash and cash equivalents	**5**	–
Cash and cash equivalents at Period start	**166**	–
Cash and cash eq.end of period	**171**	–

Specification to IFRS 1 tables for the Group: EUR'000

The impact on the balance for the Group as per the date of transition was an increase in total assets of EUR 2.909 thousand. Since the Total Equity of the Group under IFRS includes the non-controlling interests, the total equity increases as per date of transition to IFRS with 50% of the net equity of the Sieben Null, equal to EUR 200 thousand.

c) The Windpark Wriezener Höhe GmbH & Co. KG in Germany was until Q4 in 2014 under DK GAAP recognised as an Other investment since the EE-Group had only a 15% ownership in the park.

This was changed as a result of the Group looking through all companies to determine whether the company was a subsidiary, associate or Joint Venture. This company is material for the Group due to the size and since the operation of the park is the Groups responsibility. The Group has significant influence on the results of this park through the operating decisions, why the recognition of the results of the park should be done on an equity basis.

At the date of transition to IFRS January 1st 2014 the company was recognised as an Other investment according to DKGAAP, why changes have been made to 2014.

It is then important to notice that this correction is not an IFRS correction, but an error correction to the local GAAP annual report for 2013.

The corrections are:

Wriezener Höhe	2014	1. Jan 2014
Assets/Liabilities		
Equity accounted investments	–	469
Other investments	–	-1,186
Retained earnings	–	-921
Deferred tax liabilities	–	204
Assets		
Loans to related parties	–	723
Trade receivable from related parties	–	-723
Total assets	–	–

d) As a consequence of the reclassification made in c) the shareholder loans to Wriezener Höhe EUR 723 thousand has been reclassified from other receivables to Loans to related parties

e) Deferred tax assets has been reclassified from current to non-current assets

f) Non-controlling interests have been reclassified and is now a part of the total equity of the Group.

g) Deferred tax liabilities has been reclassified to non-current Liabilities

h) The profit from associates under financial income has been reclassified to profit after tax from equity accounted investments in the income section. The investment in associated companies has been reclassified into joint ventures and associated companies investments.

i) Development costs are capitalised in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgment that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The interests added from investing in inventories, and direct labor used to develop the projects has been capitalised on inventories. For sold projects the capitalised costs is then recognised in the direct cost. For the local GAAP report the direct labor and borrowing costs have not been added to the development costs so adjustment has been made. For 2014 the total effect on retained earnings is an addition of EUR 28t, and a reclassification in the PL between direct costs with EUR -730t and staff costs with EUR 360t and finance expenses with 398t.

j) In the cash flow statement the purchase of project portfolio has been reclassified from purchase of intangible assets to change in networking capital, with specification in disclosure note 2.9 .

k) In the 4 Bulgarian associates (The Krupen Wind Park) the co-owner of the park, an Italian utility company, has a call-option for a small part of the shares in the companies.

The management has evaluated the risk on this option and has decreased the value of the Groups shares in these companies with a total of EUR 69t at the date of transition January 1st 2014.

l) The goodwill related to investments in 2 Polish companies has according to DK GAAP been classified as goodwill, and has now been reclassified to inventories.

m) The 2014 DK GAAP annual report did not reflect provisions as a separate line in the Liabilities sheet. This has now been added in the IFRS 1 schedule. The reclassification is not an IFRS correction but an error correction to the 2013 and 2014 annual report.

n) Other comprehensive income is not a part of the reporting after DK GAAP. It has now been established in the IFRS conversion. The amounts was under DK GAAP a part of the equity disclosure.

o) The transaction costs, or (debt issue costs) has been reclassified from part of the proceeds from issue of bonds to show the costs separately from the face value of the bonds.

p) Other debt to credit institutions has been reclassified to project financing, and other debt regarding inventories has been reclassified to other debt related to the acquisition of companies.

Basis for preparation

Parent Company

General information

The parent company's financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union and additional Danish disclosure requirements for annual reports.

European Energy has early adopted Equity Method in Separate Financial Statements (Amendments to IAS 27) which allows the equity method as a measurement option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.

Compared to the accounting policies applied in the consolidated financial statement (see Note 1.0) to the consolidated financial statements) the parent company's accounting policies only deviate in the following items:

Investment in subsidiaries

Subsidiaries are measured at the proportionate share of the entities' net asset value calculated in accordance with the Group's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method. The proportionate share of the individual subsidiaries' profit/loss after tax is recognised in the Parent Company's income statement after full elimination of intra-group gains/losses. Dividends are recognised as a reduction from the carrying amount of the investment in the entity.

Equity investments in group entities with negative net asset values are measured at DKK 0, and any receivables from these entities are written down by an amount equivalent to the negative net asset value. To the extent that the negative net asset value exceeds the receivable, the residual amount is recognised under provisions.

Statement of comprehensive income

EUR'000

For the year ended 31 December 2015

NOTE	Parent Company	2015	2014
	Revenue	41,265	47,977
2.5.0	Profit after tax from subsidiaries	-4,470	-197
2.5.3	Profit after tax from associates and JV's	1,365	245
	Other income	269	-
	Direct costs	-22,195	-37,528
	Gross profit	**16,234**	**10,497**
4.2	Staff costs	-5,762	-3,407
	Other external costs	-1,082	-1,374
	EBITDA	**9,390**	**5,716**
2.3	Depreciation & impairment	-32	-42
	Operating profit	9,358	5,674
3.1	Finance income	3,255	1,036
3.1	Finance expenses	-4,471	-3,498
	Profit/loss before tax	**8,142**	**3,212**
4.1	Tax	-1,704	356
	Profit/loss for the year	**6,438**	**3,568**

		2015	2014
	Statement of comprehensive income		
	Profit/loss for the year	6,438	3,568
	Items that may be reclassified to profit or loss		
	Other comprehensive income of equity-accounted interest net of tax	-8	1
	Value adjustments of hedging instruments	163	-435
4.1	Tax of value adjustments of hedging instruments	-73	126
	Currency differences on translating foreign operations	-11 3	63
	Other comprehensive income for the period	-31	-245
	Comprehensive income for the year	6,407	3,323

Statement of financial position

EUR'000

For the year ended 31 December 2015

NOTE	Parent company	2015	2014	1 Jan 2014
	Assets			
	Non-current assets			
2.3	Property, plant and equipment	99	47	53
2.5.0	Investment in subsidiaries	26,570	29,654	32,484
2.5.1	Joint Venture investments	7,125	6,223	4,413
2.5.2	Associated companies investments	4,515	3,826	3,840
2.6	Other investments	448	448	160
4.5	Loans to subsidiaries	37,122	21,418	16,819
4.5	Loans to related parties	16,438	14,630	13,803
2.7	Trade receivable	5,099	–	–
4.1	Deferred tax	1,496	2,876	2,622
	Total non-current assets	**98,912**	**79,122**	**74,194**
	Current assets			
2.4	Inventories	57	66	–
2.7	Trade receivables	35,526	54,804	13,461
2.7	Other receivables	353	1,214	172
	Prepayments	1,523	182	120
	Cash and cash equivalents	4,638	6,424	1,275
	Total current assets	**42,097**	**62,690**	**15,028**
	Total assets	**141,009**	**141,812**	**89,222**
	Equity and liabilities			
	Equity			
	Share capital	1,340	1,340	1,340
	Reserves (equity methods)	16,292	19,625	22,263
	Retained earnings	43,666	33,926	27,965
	Total Equity	**61,298**	**54,891**	**51,568**
	Liabilities			
3.3	Bond loan	44,440	44,150	–
3.3	Project financing			605
4.1	Deferred tax	659	621	532
	Total non-current liabilities	**45,099**	**44,771**	**1,137**
	Credit institutions		–	18,423
	Other debt relating to the acquisition of companies	–	296	–
	Trade payables	11,321	32,437	1,308
4.5	Payables to subsidiaries	15,983	6,298	13,595
4.5	Payables to related parties	57	57	56
	Corporation tax	679		1,597
	Other payables	6,572	3,062	1,538
	Total current liabilities	**34,612**	**42,150**	**36,517**
	Total liabilities	**79,711**	**86,921**	**37,654**
	Total equity and liabilities	**141,009**	**141,812**	**89,222**

Statement of cash flow

EUR'000

For the year ended 31 December 2015

NOTE	Parent Company	2015	2014
	Cash flow from operating activities		
	Profit/loss before tax	8,142	3,212
	Adjustments for:		
	Financial income	-3,255	-1,036
	Financial Expenses	4,471	3,498
	Depreciations	32	42
	Other non-cash movements	-1,365	-245
2.9	Change in networking capital	-2,347	-9,440
	Cash generated from operation before financial items and tax	5,678	-3,969
	Taxes paid	-763	-413
	Interest paid and realised currency losses	-4,471	-3,277
	Interest received and realised currency gains	3,039	1,036
	Cash flow from operating activities	**3,483**	**-6,623**
	Cash flow from investing activities		
	Purchase Property, plant and equipment	-84	-27
	Proceeds from disposal of subsidiaries, equity-accounted investments	-32	5,888
	Purchase of other investments	–	-288
	Investment/loans in equity-accounted investments	-5,197	-18,702
	Dividends	41	–
	Cash flow from investing activities	**-5,269**	**-13,129**
	Cash flow from financing activities		
	Proceeds from issue of bonds	–	45,000
	Transaction costs regarding bond issue	–	-1,071
	Repayment of borrowings	–	-19,028
	Cash flow from financing activities	**–**	**24,901**
	Change in cash and cash equivalents	**-1,786**	**5,149**
	Cash and cash equivalents at beginning of period	6,424	1,275
	Cash and cash equivalents end of period	**4,638**	**6,424**
	Of which restricted cash and cash equivalents	-1,167	-1,166
	Non-restricted cash and cash equivalents end of year	**3,471**	**5,258**

Statement of changes in equity

For the year ended 31 December 2015

EUR'000

NOTE Parent company

	Share capital	Reserves (equity methods)	Retained earnings	Total
Equity at 1 January 2015	1,340	19,625	33,926	54,891
Profit/loss for the year	–	-3,105	9,543	6,438
Other comprehensive income in equity-accounted investments	–	-8	–	-8
Value adjustments of hedging instruments	–	163	–	163
Tax of value adjustments of hedging instruments	–	-73	–	-73
Currency differences on translating foreign operations	–	-150	37	-113
Other comprehensive income	–	-68	37	-31
Total comprehensive income	–	-3,173	9,580	6,407
Regulation on disposal of companies	–	-160	160	–
Equity at 31 December 2015	1,340	16,292	43,666	61,298
Equity at 1 January 2014	1,340	22,263	27,965	51,568
Profit/loss for the year		48	3,520	3,568
Other comprehensive income in equity-accounted investments	–	1	–	1
Value adjustments of hedging instruments	–	-375	–	-375
Tax of value adjustments of hedging instruments	–	112	–	112
Currency differences on translating foreign operations	–	17	–	17
Other comprehensive income	–	-245	–	-245
Total comprehensive income	–	-197	3,520	3,323
Regulation for disposal of companies	–	-1,168	1,168	–
Dividends received	–	-1,273	1,273	–
Total other regulation on equity	–	-2,441	2,441	–
Equity at 31 December 2014	1,340	19,625	33,926	54,891

The share capital consists of nom. 10,000,000 shares of DKK 1 each, corresponding to EUR 1,340 thousand. The share capital has remained unchanged for the last five years. The share capital is fully paid in.

Note structure

NOTE Parent company

1.1 Segment information

EUR'000

Accounting Policy

Please refer to note 1.1 for the Group.

	Wind	Solar	2015 Total
Sale of energy farms and projects	13,142	15,986	29,128
Construction	4,153	6,281	10,434
Asset management & other fees	1,537	166	1,703
Revenue	18,832	22,433	41,265

	Wind	Solar	2014 Total
Sale of energy farms and projects	1,431	42,998	44,429
Construction	362	–	362
Asset management & other fees	2,913	273	3,186
Revenue	4,706	43,271	47,977

2.3 Property, plant and equipment

Accounting Policy

Please refer to note 2.3 for the Group.

	Tools and equipment
Cost	
Balance at 1 January 2015	703
Additions	84
Cost at 31 December 2015	787
Accumulated depreciation and impairment losses	
Balance at 1 January 2015	-656
Depreciation	-32
Accumulated depreciation at 31 December 2015	-688
Carrying amount at 31 December 2015	99
Cost	
Balance at 1 January 2014	667
Additions	37
Disposals	-1
Cost at 31 December 2014	703
Accumulated depreciation and impairment losses	
Balance at 1 January 2014	-614
Depreciation	-42
Accumulated depreciation at 31 December 2014	-656
Carrying amount at 31 December 2014	47

2.4 Inventories

EUR'000

Accounting Policy

Please refer to note 2.4 for the Group.

Wind farms for sale	2015	2014
Under development		
Wind farms for sale	57	66
Total inventory	57	66
Change in inventory Write downs		
Inventory Write downs at 1 January	–	–
Write down for the year, addition	-150	–
Total inventory Write downs	-150	–
Amount of inventory recognised in profit or loss		
Disposals	–	–
Net Write downs	-150	–
Total	-150	–

The management has looked at the total portfolio of projects under development and diversified this into segments depending upon maturity of the project and the time elapsed since the project was started. This segment analysis has led to the overall impairment in 2015 of EUR 150 thousand. The management finds the impairment to reflect the risk of the total portfolio very well.

Specification of movement on the inventory

	2015	2014
Cost at 1 January	66	–
Additions for the year	141	66
Cost at 31 December	207	66
Value adjustments at 1 January	–	–
Value adjustment for the year	-150	–
Value adjustments at 31 December	-150	–
Carrying amount at 31 December	57	66

2.5 Investments

EUR'000

2.5.0 Investment in subsidiaries

Accounting Policy

Initially investments in subsidiaries are recognised at cost. Subsequently investments in subsidiaries are measured in accordance with the equity method with the addition of any excess value identified at the acquisition date.

	2015	2014
Cost at 1 January	10,500	10,535
Additions for the year	1,840	5,873
Transferred to associates	-390	-1,288
Disposal of year	30	-4,620
Cost at 31 December	**11,980**	**10,500**
Value adjustments at 1 January	19,043	21,897
Share of profit for the year	-4,470	-197
Hedges net of tax	89	-263
Dividends received from subsidiaries	–	-1,268
Reversed value adj. on disposals and transfers	–	-448
Other value adj	-153	-678
Value adjustments at 31 December	**14,509**	**19,043**
Carrying amount at 31 December	**26,489**	**29,543**
Investments in subsidiaries at 31 December	26,570	29,654
Set-off against receivables from subsidiaries	-81	-111
Total	**26,489**	**29,543**

2.5.0 Investment in subsidiaries

EUR'000

Ownership shares in subsidiaries can be specified as follows:

Name	2015 Ownership share at 31 Dec	2014 Ownership share at at 31 Dec
Vindtestcenter Kappel ApS, Denmark	67%	0%
Ejendomsselskabet Kappel ApS, Denmark	67%	0%
European Wind Farms A/S, Denmark	100%	100%
European Wind Farm Denmark A/S, Denmark	100%	100%
European Wind Farm No. 2 A/S, Denmark	100%	100%
European Energy Systems I ApS, Denmark	100%	100%
European Energy Systems II ApS, Denmark	100%	100%
European Solar Farms A/S, Denmark	79%	79%
Sydlolland Vindmøllelaug K/S , Denmark	100%	0%
Enerteq ApS, Denmark	56%	56%
EWF Deutschland GmbH, Germany	100%	100%
EWF Vier Sechs GmbH & Co. KG, Germany	100%	100%
Komp Sydlolland Vindmøllelaug K/S , Søbirg	100%	0%
Bond II Erste GmbH & Co. KG, Germany	100%	100%
Bond II Zweite GmbH & Co. KG, Germany	100%	100%
EWF Verwaltung GmbH, Germany	100%	100%
EE Sieben Fünf GmbH & Co. KG, Germany	100%	100%
EE Construction GmbH & Co. KG, Germany	100%	100%
WP Badningen, Germany	100%	100%
European Energy III, Denmark	100%	100%
Nordic Power Partners P/S, Denmark	51%	51%
NPP Komplementar , Denmark	51%	51%
Vores Sol Nakskov, Denmark	0%	100%
Komplementarselskabet Rødby Fjord WTG 3 ApS , Denmark	100%	0%
EE Offshore, Denmark	72%	72%
Omnia Vind, Denmark	100%	0%
EE Construction Germany GmbH & Co. KG, Germany	100%	0%
Zweite WEA Vetschau GmbH, Germany	100%	0%
EWF Kåre 1 AB, Sweden	100%	0%
Våstanby Vindbruksgrupp i Fjelie 2 AB, Sweden	100%	0%
EE Finland OY, Finland	100%	0%
EE Offshore Wind A/S, Denmark	100%	0%
BS Windertrag Nr. 6 GmbH & Co. KG, Germany	100%	0%
Windpark Gilmerdingen GmbH & Co. KG, Germany	100%	0%
Windpark Werneuchen GmbH & CO. KG, Germany	100%	0%
Windpark Tornitz GmbH & CO. KG, Germany	100%	0%
EE Sieben Vier GmbH & Co. KG,, Germany	0%	100%

2.5.1 Investments in joint ventures

EUR'000	2015	2014
Cost at 1 January	4,960	3,349
Additions for the year	494	1,611
Transferred to subsidiaries/other investment	-180	–
Cost at 31 December	**5,274**	**4,960**
Value adjustments at 1 January	1,263	1,064
Share of profit for the year	633	199
Other value adjustments	-45	–
Value adjustments at 31 December	**1,851**	**1,263**
Carrying amount at 31 December	**7,125**	**6,223**

Ownership shares in joint ventures can be specified as follows:

Name	2015 Ownership share at 31 Dec	2014 Ownership share at at 31 Dec
EEA Renewables A/S, Denmark	50%	50%
EEGW Persano ApS, Denmark	50%	50%
EWF Fünf Vier GmbH & Co. KG, Germany	50%	50%
Windpark Hellberge GmbH & Co. KG, Germany	50%	50%
EE Sieben Null GmbH & Co. KG, Germany	50%	50%
EEA Verwaltungs GmbH, Germany	50%	50%
EEA Stormy ApS, Denmark	50%	50%
EE Sieben Zwei GmbH & Co. KG, Germany	50%	50%
EE Sieben Drei GmbH & Co. KG , Germany	50%	50%
WP Timpberg GmbH & Co. Zehnte, Germany	0%	50%
Solarpark Vandel GmbH, Germany	50%	0%
EEA SWEPOL A/S, Denmark	50%	50%

2.5.2 Investments in associates

EUR'000	2015	2014
Cost at 1 January	3,812	3,378
Additions for the year	32	9
Transferred to subsidiaries/other investment	–	425
Disposal of year	-22	–
Cost at 31 December	**3,822**	**3,812**
Value adjustments at 1 January	14	-4
Share of profit for the year	732	46
Reversed value adjustments on disposals and transfers	-51	–
Other value adjustments	-2	-28
Value adjustments at 31 December	**693**	**14**
Carrying amount at 31 December	4,515	3,826

Ownership shares in associates can be specified as follows:

Name	2015 Ownership share at 31 Dec	2014 Ownership share at at 31 Dec
Windpark Wriezener Höhe GmbH & Co. KG, Germany	15%	15%
WK Ottenhausen GmbH & Co. KG, Germany	8%	8%
Wind Systems EOOD, Bulgaria	49%	49%
Wind Stream EOOD, Bulgaria	49%	49%
Wind Power 2 EOOD, Bulgaria	49%	49%
Wind Energy EOOD, Bulgaria	49%	49%
EWF Fünf Eins GmbH & Co. KG, Germany	25%	25%
European Energy Sales & Adm. ApS, Denmark	23%	23%
EE Repowering GmbH & Co. KG, Germany	30%	30%
Driftsselskabet Heidelberg ApS, Denmark	49.5%	49.5%

2.5.3 Investments in Joint Ventures and Associated companies

Accounting policy

Please refer to note 2.5 for the Group.

NOTE		2015	2014
2.5.1	Results in joint ventures	633	199
2.5.2	Results in associates	732	46
Total		1,365	245

2.6 Other investments in wind- and solar-power generating assets

EUR'000

Accounting policy

Please refer to note 2.6 for the Group.

Other investments	2015	2014
Cost at 1 January	448	160
Additions for the year	–	288
Cost at 31 December	**448**	**448**
Investments related to wind-power generating assets	448	448

2.7 Receivables

Accounting policy

Please refer to note 2.7 for the Group.

Trade receivables	40,625	54,804
Other receivables (non-interest bearing)	353	1,214
Total receivables	**40,978**	**56,018**

No impairment losses are recognised relating to doubtful receivables

Exposure:		
Receivables less , not due	40,849	55,409
Receivables past due, but not impaired:		
1-30 days	3	477
31-90 days	7	–
>90 days	119	132
Total Receivables	**40,978**	**56,018**

No receivables are due more than 5 years after the balance sheet date.

2.9 Change in working capital

EUR'000

	2015	2014
Trade receivables	16,026	-41,343
Other receivable	861	-1,042
Inventories/project portfolio	9	-66
Prepayments	-1,341	62
Trade payables	-21,412	31,425
Other payables	3,510	1,524
Total change in working capital	**-2,347**	**-9,440**

The changes in trade receivables and trade payables relates primarily to the financial close of the sale of the two solar parks in UK sold to an external investor in 2014. The financial close was concluded during July, with a net payment of more than EUR 8 million which thus increased the cash position. The sale includes an earn-out due in 2017. This receivable is recognised in trade receivables under Non-current assets.

3.1 Financial income and expenses

EUR'000

Accounting policy

Please refer to note 3.1 for the Group.

	2015	2014
Finance income		
Interest income, on financial assets measured at amortised costs	1,366	1,035
Dividends, other investments	41	–
Other financial income	1	1
Currency gains realised	1,631	–
Currency gains unrealised	216	–
Financial income	**3,255**	**1,036**
Finance expenses		
Finance expenses from financial liabilities measured at amortised cost	3,819	3,621
Capitalised interests on project development	–	-398
Debt issue costs	306	–
Other financial expenses	–	9
Currency losses realised	346	44
Currency losses unrealised	–	222
Financial expenses	**4,471**	**3,498**

3.3 Financial risks and financial instruments

EUR'000

Accounting policy

For capital management and financial risk management objectives and policies please refer to note 3.2 and 3.3 for the Group.

The parent company's exposure to currency risk arises from transactions with its subsidiaries that are not made in EUR (the parent's functional currency). The parent company provides funding and services to its subsidiaries which are generally provided in the local currency of the subsidiary.

The parent's exposure to currency risk is as follows :

2015 Nominel position

	Cash/ equivalents	Receivables	Debt
GBP/EUR	–	3,099	–
PLN/EUR	–	–	–

Sensitivity analysis of the currency exposure :

	Change in currency rate	Impact on profit before tax	Impact on equity
GBP/EUR	+- 1%	31	25
PLN/EUR	+- 1%	–	–

2014 Nominel position

	Cash/ equivalents	Receivables	Debt
GBP/EUR	–	43,752	-15,382
PLN/EUR	–	–	–

Sensitivity analysis of the currency exposure :

	Change in currency rate	Impact on profit before tax	Impact on equity
GBP/EUR	+- 1%	199	155
PLN/EUR	+- 1%	–	–

A corresponding reduction in the cross rate would have an equivalent opposite effect on profit before tax and equity. The sensitivity analysis has been prepared at the balance sheet date based on the exposure to the listed currencies at the balance sheet date, without taking into account potential effects on interest rate levels, effect on other currencies etc. Please refer to note 3.3 for the Group for other information.

Liquidity risk

EUR'000

2015	Contractual cash flow	Maturity within 1 year	Maturity between 1 and 3 year	Maturity between 3 and 5 year	Maturity after 5 years
Issued bonds	52,594	3,375	49,219	–	–

2014	Contractual cash flow	Maturity within 1 year	Maturity between 1 and 3 year	Maturity between 3 and 5 year	Maturity after 5 years
Issued bonds	55,969	3,375	6,750	45,844	–

Interest rate risks

Interest rate risk is the risk that rises in the interest rates that may harm the profitability of individual projects because the most significant part of the project sum is debt-funded. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into interest rate swaps, in which it agrees to currency, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Sensitivity analyses

An interest increase of 1 % would have the following impact on the results for the year and the equity:

	2015 Impact on profit before tax	Impact on equity	2014 Impact on profit before tax	Impact on equity
Bonds	-450	-351	-450	-351

The impact on equity is net of tax 22% in Denmark.

3.4 Financial instruments by category

	Carrying amount 2015	Fair value 2015	Carrying amount 2014	Fair value 2014
Loans and receivables	94,538	94,538	92,066	92,066
Financial liabilities measured at amortised cost	60,480	51,930	50,505	50,505
Trade payables	11,321	11,321	32,437	32,437

4.1 Tax

EUR'000

Accounting policy

Please refer to note 4.1 for the Group.

Parent company	2015	2014
Statement of profit or loss		
Current income tax:		
Current income tax charge	546	–
Adjustments in respect of current tax in previous year	–108	–73
Deferred tax:		
Relating to origination and reversal of temporary differences	1,266	–283
Income tax expense recognised in the statement of profit or loss	1,704	–356
Tax on profit/loss can be explained as follows:		
Income tax expense reported in the statement of profit or loss	1,704	–356
Effective tax rate	21%	–11%

The negative tax rate in 2014 is related to a greater part of divestment of companies in this year.

Tax on other comprehensive income		
Fair value adjustments of hedging instruments	73	–126
Total	**73**	**–126**

Deferred tax

Deferred tax can be specified as follows:		
Deferred tax at 1 January	–2,255	–2,090
Foreign Currency adjustments	–	–12
Deferred tax regarding reclass of equity-accounted investee	–	203
Deferred tax for the year recognised in the income statement	1,266	–283
Adjustments regarding prior years recognised in the income statement	152	–73
Deferred tax at 31 December	**–837**	**–2,255**

Deferred tax assets not recognised in the balance sheet		
Value of tax losses not recognised in the balance sheet	1,666	412

We expect to utilise the tax loss carry forward within 5 years.
The recognition of deferred tax assets is based on an analysis of future income in the next 3-5 years. The analysis is based on an expectation on a steady development compared with 2015 and in general reasonable assumptions.

Deferred tax specification

EUR'000

Accounting policy

	2015	2014
The Deferred tax assets and liabilities recognised are allocated to the following items		
Split of Deferred tax assets recognised in the balance sheet		
Tax loss carried forward	–1,787	–2,999
Differences of plants & equipment	928	719
Dismantling provisions (Germany)	22	25
Total	**–837**	**–2,255**

Deferred tax assets are substantially attributable to tax losses carried forward.

Deferred tax liabilities are substantially attributable to temporary differences on wind- and solar-power generating assets.

The Group is taxed not only through its companies but also through the many tax-transparent vehicles that are either recognised as joint ventures, associates or other investments.

4.2 Staff costs

EUR'000

Accounting policy

Please refer to note 4.2 for the Group.

	2015	2014
Wages, salaries and remuneration	5,409	3,518
Contributions to defined contribution plans	33	25
Other social security costs	57	48
Other staff costs	263	176
Capitalised salaries on inventories	–	-360
Total	**5,762**	**3,407**
Average number of full-time employees	51	44
Number of full-time employees at end of period	54	47

2015	Salary	Bonus	Pension	Total
Board of directors	15	–	–	15
Executive board	126	104	–	230
Other key management personnel	989	557	9	1,555

2014	Salary	Bonus	Pension	Total
Board of directors	–	–	–	–
Executive board	114	–	–	114
Other key management personnel	897	25	9	931

Bonus agreements for key management personnel are included in the total remuneration and depend on the profit for the period.

4.3 Audit fee

Accounting policy

Other external costs include the total fees paid to the auditors appointed at the Annual General Meeting for auditing the financial statements for the financial year under review and for services rendered.

	KPMG	EY
Statutory audit	34	74
Other services	–	160
Total to the auditors appointed by the Annual General Meeting	**34**	**234**

4.4 Leases

Accounting policy

Please refer to note 4.4 for the Group.

	2015	2014
0-1 year	347	357
1-5 years	807	846
Total Buildings	**1,154**	**1,203**

Operating leases have been recognised in the income statement for 2015 at the amount of EUR 356 thousands, where contingent rents constitute of EUR 356 thousands (2014: EUR 344 thousands where contingent rents constitute of EUR 344 thousands). The rent contract related to buildings is in 2016 extended to 2021 before it has to be renegotiated.

4.5 Related parties

EUR'000

Accounting policy

Please refer to note 4.5 for the Group.

Related party transactions	Group 2015	Group 2014
Sale of services to subsidiaries	3,810	1,393
Sale of services to associates	889	1,380
Sale of services to other related parties	1,934	2
Sale of services to Owners	149	–
Interest, net (income) to/from Associates	283	464
Interest, net (income) to Owners	326	346
Loans to related parties		
Loans to subsidiaries	37,122	21,418
Loans to European Energy Holding ApS	11,082	11,007
Loans to other related parties	5,356	3,623
Total loans to related parties	**53,560**	**36,048**

The loans to subsidiaries and other related parties has not specific repayment terms. The loans are established as a part of financing for development of wind and solar parks, and will typically be repaid when a project is sold.

Loans from related parties		
Loans from subsidiaries	15,983	6,298
Loans from associates	57	57
Total loans to related parties	**16,040**	**6,355**

4.6 Contingent liabilities & assets and contractual agreements

Accounting policy

Please refer to note 4.6 for the Group.

4.8 First-time adoption of IFRS

Accounting policy

Please refer to note 4.8 for the Group.

4.9 IFRS 1 tables for the parent company

The below tables shows the results of the transition from DK GAAP to IFRS as from the adoption date January 1st 2014.

In the transition to IFRS, European Energy has early adopted Equity Method in Separate Financial Statements (Amendments to IAS 27) which allows the equity method as a measurement option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.

Previously, pursuant to section 86(4) of the Danish Financial Statement Act, the company has not prepared a cash flow statement for the parent company. Therefore the effect of the transition to IFRS on the cash flow statement is not shown. For all reclassifications and conversions from DK GAAP to IFRS we have in the templates added litra starting from a) and upwards. Below the templates the specification of all changes are described.

Reconciliation of Assets, liabilities and equity at 1 January 2014 (date of transition to IFRS): **EUR'000**

	DK GAAP 01.01.2014	Effect of transition to IFRS 01.01.2014		IFRS at 01.01.2014
Assets				
Non-current assets				
Property, plant and equipment	53	–		53
Investment in subsidiaries	32,484	–		32,484
Joint Venture investments	–	4,413	b) k)	4,413
Associated companies investments	7,853	-4,013	c)	3,840
Other investments	1,346	-1,186	c)	160
Loans to subsidiaries	16,819	–		16,819
Loans to related parties	13,803	–	d)	13,803
Deferred tax assets	–	2,622	e)	2,622
Total non-current assets	**72,358**	**1,836**		**74,194**
Current assets				
Trade receivables	13,461	–		13,461
Deferred tax assets	2,622	-2,622	e)	–
Other receivables	172	–		172
Prepayments	120	–		120
Cash and cash equivalents	1,275	–		1,275
Total current assets	**17,650**	**-2,622**		**15,028**
Total assets	**90,008**	**-786**		**89,222**
Equity and liabilities				
Equity				
Share capital	1,340	–		1,340
Reserves	23,023	-760		22,263
Retained earnings	28,195	-230	c)k)	27,965
Total Equity	**52,558**	**-990**		**51,568**
Deferred tax liabilities	328	-328	g)	–
Liabilities				
Other debt to credit institutions	605	–		605
Deferred tax liabilities	–	532	c)g)	532
Total non-current liabilities	**605**	**532**		**1,137**
Credit institutions	18,423	–		18,423
Trade payables	1,308	–		1,308
Payables to subsidiaries	13,595	–		13,595
Payables to related parties	56	–		56
Corporation tax	1,597	–		1,597
Other payables	1,538	–		1,538
Total current liabilities	**36,517**	**–**		**36,517**
Total liabilities	**37,122**	**532**		**37,654**
Total equity and liabilities	**90,008**	**-786**		**89,222**

Reconciliation of total comprehensive income for the year ended 31 December 2014

EUR'000

	DK GAAP 01.01-31.12.2014	Effect of transition to IFRS		IFRS at 01.01 at 31.12.2014
Revenue	47,977	–		47,977
Profit from subsidiaries	–	-197	h)	-197
Profit after tax from associates and JV's	–	245	h)	245
Direct costs	-36,798	-730	i)	-37,528
Gross profit	**11,179**	**-682**		**10,497**
Staff costs	-3,767	360	i)	-3,407
Other external costs	-1,374	–		-1,374
Depreciation & impairment	-42	–		-42
Operating profit	**5,996**	**-322**		**5,674**
Profit from subsidiaries	-197	197	h)	–
Profit from associates	241	-241	h)	–
Finance income	1,036	–		1,036
Finance expenses	-3,896	398	i)	-3,498
Profit before tax	**3,180**	**32**		**3,212**
Tax	356	–		356
Profit for the year	**3,536**	**32**		**3,568**
Statement of comprehensive income				
Profit for the year	3,536	32		3,568
Items that may be reclassified to profit or loss				
Other comprehensive income in equity-accounted investments	–	1	n)	1
Value adjustments of hedging instruments	–	-435	n)	-435
Tax of value adjustments of hedging instruments	–	126	n)	126
Currency differences on translating foreign operations	–	63	n)	63
Other comprehensive income for the period	**–**	**-218**		**-245**
Comprehensive income for the year	**3,536**	**-162**		**3,323**

Reconciliation of equity at 31 December 2014:

EUR'000

	DK GAAP 31.12.2014	Effect of transition to IFRS		IFRS at at 31.12.2014
Assets				
Non-current assets				
Other intangible assets (Inventories)	38	-38	a)	–
Property, plant and equipment	47	–		47
Investment in subsidiaries	29,654	–		29,654
Joint Venture investments		6,223	h)	6,223
Associated companies investments	10,114	-6,288	h)k)	3,826
Other investments	448	–		448
Loans to subsidiaries	21,418	–		21,418
Loans to related parties	14,630	–		14,630
Deferred tax assets	–	2,876	e)	2,876
Total non-current assets	**76,349**	**2,773**		**79,122**
Current assets				
Inventories	–	66	a)i)	66
Trade receivables	54,804	–		54,804
Deferred tax assets	2,876	-2,876	e)	–
Other receivables	1,214	–		1,214
Prepayments	182	–		182
Cash and cash equivalents	6,424	–		6,424
Total current assets	**65,500**	**-2,810**		**62,690**
Total assets	**141,849**	**-37**		**141,812**
Equity and liabilities				
Equity				
Share capital	1,340	–		1,340
Reserves	19,625	–		19,625
Retained earnings	33,963	-37	k)i)	33,926
Total Equity	**54,928**	**-37**		**54,891**
Deferred tax liabilities	621	-621	g)	–
Liabilities				
Liabilities related to the issue of bonds	44,150	–		44,150
Deferred tax liabilities	–	621	g)	621
Total non-current liabilities	44,150	621		44,771
Other debt relating to the acquisition of companies	296	–		296
Trade payables	32,437	–		32,437
Payables to subsidiaries	6,298	–		6,298
Payables to related parties	57	–		57
Other payables	3,062	–		3,062
Total current liabilities	**42,150**	**–**		**42,150**
Total liabilities	**86,300**	**621**		**86,921**
Total equity and liabilities	**141,849**	**-37**		**141,812**

Reconciliation of statements of cash flows at 31 December 2014

EUR'000

	DK GAAP 31.12.2014	Effect of transition to IFRS		IFRS at at 31.12.2014
Cash flow from operating activities				
Profit/loss before tax	3,180	32	c)i)	3,212
Adjustments for:				
Financial income	-1,036	-		-1,036
Financial Expenses	3,896	-398	i)	3,498
Depreciations, write downs	42	-		42
Profit from associates	-241	-4	c)	-245
Change in networking capital	-9,412	-28	i)	-9,440
Cash generated before financial items	-3,571	-398		-3,969
Taxes paid	-413	-		-413
Interest paid	-3,675	398	i)	-3,277
Interest received	1,036	-		1,036
Cash flow from operating activities	-6,623	-		-6,623
Cash flow from investing activities				
Purchase of assets and Property, plant and equipment	-27	-		-27
Purchase of other investments	-288	-		-288
Proceeds from disposal of subsidiaries, equity accounted investments	5,888	-		5,888
Investment in equity accounted investments	-18,702	-		-18,702
Net cash flow from investing activities	-13,129	-		-13,129
Cash flow from financing activities				
Proceeds from issue of bonds	43,929	1,071	o)	45,000
Transaction costs regarding bond issue	-	-1,071	o)	-1,071
Repayment of borrowings	-19,028	-		-19,028
Cash flow from financing activities	24,901	-		24,901
Change in cash and cash equivalents	5,149	-		5,149
Cash and cash equivalents at 1 January	1,275	-		1,275
Cash and cash equivalents end of period	6,424	-		6,424
Of which restricted cash and cash equivalents	-1,166	-		-1,166
Non-restricted cash and cash equivalents end of period	5,258	-		5,258

Specification to IFRS 1 tables for the Parent company: EUR'000

c) The Windpark Wriezener Höhe GmbH & Co. KG in Germany was until Q4 in 2014 under DK GAAP recognised as an Other investment since the Parent company had only a 15% ownership in the park.

This company is material for the result of the Parent company due to the size and since the operation of the park s responsibility of the management of the Parent company. The Management has significant influence on the results of this park through the operating decisions why the recognition of the results of the park should be done on an equity basis.

At the date of transition to IFRS January 1st 2014 the company was recognised as an Other investment after DKGAAP, why changes have been made to 2014.

It is then important to notice that this correction is not an IFRS correction, but an error correction to the local GAAP annual report for 2013.

The corrections are:

Wriezener Höhe	1 Jan. 2014
Assets/Liabilities	
Equity accounted investments	469
Other investments	-1,186
Retained earnings	-921
Deferred tax liabilities	204
Assets	
Loans to related parties	723
Trade receivable from related parties	-723
Total assets	-

d) As a consequence of the reclassification made in c) the shareholder loans to Wriezener Höhe EUR 723 thousand has been reclassified from other receivables to loans to related parties.

e) Deferred tax assets has been reclassified from current to non-current assets.

g) Deferred tax liabilities has been reclassified to non-current Liabilities.

h) The profit from associates under financial income has been reclassified to profit after tax from equity accounted investments in the income section. the investment in associated companies has been reclassified into joint ventures and associated companies investments. The profit from subsidiaries has been reclassified from financial income section to the gross profit section.

i) Development costs are capitalized in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgment that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The interests added from investing in inventories, and direct labor used to develop the projects has been capitalized on inventories. For sold projects the capitalized costs is then recognised in the direct cost. For the local GAAP report the direct labor and borrowing costs have not been added to the development costs so adjustment has been made.

For 2014 the total effect on retained earnings is an addition of EUR 28 thousands, and a reclassification in the PL between direct costs with
EUR -730 thousands and staff costs with EUR 360 thousands and
finance expenses with 398 thousands.

j) In the cash flow statement the purchase of project portfolio has been reclassified from Purchase of intangible assets to change in networking capital, with specification in disclosure note 2.9. The part of cash flow used during the year which has been sold has been offset against proceeds from disposal of subsidiaries and equity accounted investments.

k) In the 4 Bulgarian associates (The Krupen Wind Park) the co-owner of the park, an Italian utility company, has a call-option for a small part of the shares in the companies.

The management has evaluated the risk on this option and has decreased the value of the Groups shares in these companies with a total of EUR 69t at the date of transition January 1st 2014.

n) Other comprehensive income is not a part of the reporting after DK GAAP. It has now been established in the IFRS conversion. The amounts was under DK GAAP a part of the equity disclosure.

o) The transaction costs, or (debt issue costs) has been reclassified from part of the proceeds from issue of bonds to show the costs separately from the face value off the bonds.

4.10 Group Structure in European Energy A/S according to IFRS and Executive functions for the board members:

Key
S = Subsidiaries
A = Associates
JV = Joint Ventures
NC=Non-consolidated

KEA = Knud-Erik Andersen
JPZ = Jens-Peter Zink
MDP = Mikael Dystrup Pedersen
CDY = Claus Dyhr
JHE = Jesper Helmuth

Parent company and subsidiaries, joint ventures or associates owned by parent

No.	Group Structure	Name	Country of place of business	Principal activity	Ownership 2015	Ownership 2014	Chairman	Other boardmember	Directorships
1	Parent	European Energy A/S	DK	Parent company			JPZ	KEA, MDP, JHE, CDY	KEA
2	S	European Energy Systems I ApS	DK	Adminstration	100.00%	100.00%			KEA/JPZ
3	S	European Energy Systems II ApS	DK	Adminstration	100.00%	100.00%			KEA/JPZ
4	S	European Energy III	DK	Adminstration	100.00%	100.00%			JPZ
5	S	European Wind Farms A/S	DK	Adminstration	100.00%	100.00%	JPZ	KEA, MDP	KEA
6	S	European Solar Farms A/S	DK	Adminstration	79.25%	79.25%	KEA	JPZ	JPZ
7	S	Nordic Power Partners P/S	DK	Adminstration	51.00%	51.00%	KEA	JPZ	JPZ
8	S	NPP Komplementar ApS	DK	Adminstration	51.00%	51.00%	KEA	JPZ	JPZ
9	JV	EEGW Persano ApS	DK	Adminstration	50.00%	50.00%		KEA, JPZ	KEA
10	JV	EEA Renewables A/S	DK	Adminstration	50.00%	50.00%		KEA, JPZ	KEA
11	JV	EEA Stormy ApS	DK	Adminstration	50.00%	50.00%			KEA
12	JV	EEA SWEPOL A/S	DK	Adminstration	50.00%	50.00%		KEA	KEA
13	S	ESF Spanien 01 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
14	S	ESF Spanien 0101 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
15	S	ESF Spanien 0102 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
16	S	ESF Spanien 0103 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
17	S	ESF Spanien 0104 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
18	S	ESF Spanien 0105 S.L.U	ES	Solar Power	79.25%	79.25%			KEA
19	S	ESF Spanien 0106 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
20	S	ESF Spanien 0107 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
21	S	ESF Spanien 0108 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
22	S	ESF Spanien 0109 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
23	S	ESF Spanien 0110 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
24	S	ESF Spanien 0111 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
25	S	ESF Spanien 0112 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
26	S	ESF Spanien 0113 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
27	S	ESF Spanien 0114 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
28	S	ESF Spanien 0115 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
29	S	ESF Spanien L´Olleria I C.B.	ES	Solar Power	79.25%	79.25%			KEA
30	S	ESF Spanien 0901 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
31	S	ESF Spanien 0902 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
32	S	ESF Spanien 0903 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA

Parent company and subsidiaries, joint ventures or associates owned by parent

No.	Group Structure	Name	Country of place of business	Principal activity	Ownership 2015	Ownership 2014	Chairman	Other boardmember	Directorships
33	S	ESF Spanien 0904 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
34	S	ESF Spanien 0905 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
35	S	ESF Spanien 0906 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
36	S	ESF Spanien 0907 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
37	S	ESF Spanien 0908 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
38	S	ESF Spanien 0909 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
39	S	ESF Spanien 0910 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
40	S	ESF Spanien 0911 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
41	S	ESF Spanien 0912 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
42	S	ESF Spanien 0913 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
43	S	ESF Spanien 0914 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
44	S	ESF Spanien 0915 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
45	S	ESF Spanien 0916 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
46	S	ESF Spanien 0917 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
47	S	ESF Spanien 0918 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
48	S	ESF Spanien 0919 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
49	S	ESF Spanien 0920 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
50	S	Reese Solar S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
51	S	ESF Rooftop Ltd.	UK	Solar Power	79.25%	79.25%			KEA/JPZ
52	S	European Solar Farms Italy ApS	DK	Solar Power	79.25%	79.25%			KEA/JPZ
53	S	European Solar Farms Greece ApS	DK	Solar Power	79.25%	79.25%			KEA/JPZ
54	S	European Solar Farms Spain ApS	DK	Solar Power	79.25%	79.25%			KEA/JPZ
55	S	European Solar Farms Development ApS	DK	Solar Power	79.25%	79.25%			KEA/JPZ
56	S	High Leas PV Ltd	UK	Solar Power	79.25%	0.00%			KEA/JPZ
57	S	Claydon Farm PV Ltd.	UK	Solar Power	79.25%	0.00%			KEA/JPZ
58	S	European Energy Photovoltaics Limited	UK	Solar Power	79.25%	79.25%			KEA/JPZ
59	S	Lidegaard ApS	DK	Solar Power	79.25%	79.25%			KEA/JPZ
60	S	West End Farm PV Ltd	UK	Solar Power	79.25%	0.00%			KEA/JPZ
61	S	West End Farm cic	UK	Solar Power	79.25%	0.00%			KEA/JPZ
62	S	Alcor LSPV Ltd.	UK	Solar Power	79.25%	0.00%			KEA/JPZ
63	S	Pobail C.I.C	UK	Solar Power	79.25%	0.00%			KEA/JPZ
64	S	Woodhouse Farm PV Limited	UK	Solar Power	79.25%	0.00%		KEA, JPZ	KEA/JPZ
65	S	ESF Italy 1,0 Srl	IT	Solar Power	79.25%	79.25%	KEA		JPZ
66	S	ESF Italy 1,1 Srl	IT	Solar Power	79.25%	79.25%	KEA		JPZ
67	S	ESF Italy 1,4 Srl	IT	Solar Power	79.25%	79.25%	KEA		JPZ
68	S	ESF Italy 1,5 Srl	IT	Solar Power	79.25%	79.25%	KEA		JPZ
69	S	ESF Italy 1,6 Srl	IT	Solar Power	79.25%	79.25%	KEA		JPZ
70	S	ESF Italy 1,8 Srl	IT	Solar Power	79.25%	79.25%	KEA		JPZ
71	S	ESF Italy 1,9 Srl	IT	Solar Power	79.25%	79.25%	KEA		JPZ
72	S	ESF Italy 2,0 Srl	IT	Solar Power	79.25%	79.25%	KEA		JPZ
73	S	ESF Spanien 01 GmbH	DE	Solar Power	79.25%	79.25%			KEA
74	S	ESF Spanien 02 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
75	S	ESF Spanien 0201 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
76	S	ESF Spanien 0202 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
77	S	ESF Spanien 0203 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
78	S	ESF Spanien 0204 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
79	S	ESF Spanien 0205 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
80	S	ESF Spanien 0206 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
81	S	ESF Spanien 0207 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
82	S	ESF Spanien 0208 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA

Parent company and subsidiaries, joint ventures or associates owned by parent

No.	Group Structure	Name	Country of place of business	Principal activity	Ownership 2015	Ownership 2014	Chairman	Other boardmember	Directorships
83	S	ESF Spanien 03 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
84	S	ESF Spanien 0301 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
85	S	ESF Spanien 0302 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
86	S	ESF Spanien 0303 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
87	S	ESF Spanien 0304 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
88	S	ESF Spanien 0305 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
89	S	ESF Spanien 0306 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
90	S	ESF Spanien 0307 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
91	S	ESF Spanien 0308 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
92	S	ESF Spanien 0309 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
93	S	ESF Spanien 0310 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
94	S	ESF Spanien 0311 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
95	S	ESF Spanien 04 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
96	S	ESF Spanien 0401 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
97	S	ESF Spanien 0402 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
98	S	ESF Spanien 0403 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
99	S	ESF Spanien 0404 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
100	S	ESF Spanien 0405 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
101	S	ESF Spanien 0406 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
102	S	ESF Spanien 0407 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
103	S	ESF Spanien 0408 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
104	S	ESF Spanien 0409 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
105	S	ESF Spanien 0410 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
106	S	ESF Spanien 0411 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
107	S	ESF Spanien 0412 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
108	S	ESF Spanien 0413 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
109	S	ESF Spanien 0414 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
110	S	ESF Spanien 0415 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
111	S	ESF Spanien 0416 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
112	S	ESF Spanien 0417 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
113	S	ESF Spanien 0418 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
114	S	ESF Spanien 0419 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
115	S	ESF Spanien 0420 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
116	S	ESF Spanien 09 GmbH	DE	Solar Power	79.25%	79.25%			KEA
117	S	SF La Pobla ApS	DK	Solar Power	79.25%	79.25%			KEA/JPZ
118	S	SF Ibiza ApS	DK	Solar Power	79.25%	79.25%			KEA/JPZ
119	S	ESF Spanien 05 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
120	S	Solar Power 7 Islas S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
121	S	Villanueva A/S	DK	Solar Power	79.25%	79.25%			KEA
122	S	ESF Spanien 0428 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
123	S	ESF Spanien 0423 S.L.U.	ES	Solar Power	79.25%	79.25%			KEA
124	S	Parco Fotovoltaico Vicopisano Srl	IT	Solar Power	79.25%	55.48%	KEA		
125	S	Parco Fotovoltaico Chianni 1 Srl	IT	Solar Power	79.25%	55.48%	KEA		JPZ
126	S	European Solar Farms Toscana Srl	IT	Solar Power	79.25%	55.48%			KEA
127	S	European Solar Farms Polska Sp.z.o.o.	PL	Solar Power	78.46%	78.46%	JPZ	KEA, MDP	JPZ/KEA/MDP
128	S	European Solar Farms Polska Bialogard Sp.z.o.o. Sp.k.	PL	Solar Power	78.46%	78.46%	JPZ	KEA, MDP	JPZ
129	S	Doras Production EPE	GR	Solar Power	76.87%	76.87%			KEA
130	S	Iridanos Production EPE	GR	Solar Power	76.87%	76.87%			KEA
131	S	Kipheus Production EPE	GR	Solar Power	76.87%	76.87%			KEA
132	S	Sol-Teq Srl	IT	Solar Power	71.33%	71.33%	KEA		

Parent company and subsidiaries, joint ventures or associates owned by parent

No.	Group Structure	Name	Country of place of business	Principal activity	Ownership 2015	Ownership 2014	Chairman	Other boardmember	Directorships
133	S	Botein LSPV Ltd	UK	Solar Power	62.61%	0.00%			KEA
134	S	Parco Fotovoltaico Cascina 2 Srl	IT	Solar Power	55.48%	55.48%	KEA		JPZ
135	S	NPP Maldives Private Ltd.	MV	Solar Power	52.00%	52.00%		JPZ	
136	S	Solarpark Vandel GmbH	DE	Solar Power	50.00%	0.00%			KEA
137	A	ESF Spanien 0424 GmbH	DE	Solar Power	16.50%	16.50%			KEA
138	S	Rødby Fjord Vindkraft I/S	DK	Wind Power	100.00%	0.00%			KEA/JPZ
139	S	European Wind Farms Sverige ApS	DK	Wind Power	100.00%	100.00%		KEA, JPZ	JPZ
140	S	Parco Eolico Badia Tedalda Srl	IT	Wind Power	100.00%	80.00%	KEA		JPZ
141	S	Parco Eolico Barberino di Mugello Srl	IT	Wind Power	100.00%	80.00%	KEA		JPZ
142	S	Parco Eolico Sestino Srl	IT	Wind Power	100.00%	80.00%	KEA		JPZ
143	S	European Wind Farms Italy II Srl	IT	Wind Power	100.00%	100.00%			KEA
144	S	Rødby Fjord WTG 3 K/S	DK	Wind Power	100.00%	0.00%			KEA
145	S	EE Primus OY	FI	Wind Power	100.00%	0.00%	JPZ	KEA	
146	S	Komplementarselskabet Rødby Fjord WTG 3 ApS	DK	Wind Power	100.00%	100.00%			KEA
147	S	Komplementarselskabet Sydlolland Vindmøllelaug ApS	DK	Wind Power	100.00%	100.00%			KEA
148	S	European Wind Farms Kåre 1 AB	SE	Wind Power	100.00%	0.00%		KEA, JPZ	JPZ
149	S	EWF Vier Sechs GmbH & Co. KG	DE	Wind Power	100.00%	100.00%			KEA
150	S	Bond II Erste GmbH & Co. KG	DE	Wind Power	100.00%	100.00%			KEA
151	S	Bond II Zweite GmbH & Co. KG	DE	Wind Power	100.00%	100.00%			KEA
152	S	European Wind Farms Deutschland GmbH	DE	Wind Power	100.00%	100.00%			KEA
153	S	European Wind Farms Verwaltungsgesellschaft mbH	DE	Wind Power	100.00%	100.00%			KEA
154	S	European Wind Farms No.2 A/S	DK	Wind Power	100.00%	100.00%	JPZ	KEA, MDP	KEA
155	S	EE Sieben Fünf GmbH & Co. KG	DE	Wind Power	100.00%	100.00%			KEA
156	S	EE Construction GmbH & Co. KG	DE	Wind Power	100.00%	100.00%			KEA
157	S	EE Construction Germany GmbH & Co. KG	DE	Wind Power	100.00%	0.00%			KEA
158	S	Sydlolland Vindmøllelaug KS	DK	Wind Power	100.00%	100.00%			KEA
159	S	Västanby Vindbruksgrupp i Fjelie 2 AB	SE	Wind Power	100.00%	0.00%		KEA, JPZ	
160	S	European Energy Offshore Wind A/S	DK	Wind Power	100.00%	0.00%		KEA	KEA
161	S	EE Finland OY	FI	Wind Power	100.00%	0.00%	JPZ	KEA	
162	S	BS Windertrag Nr. 6 GmbH & Co KG	DE	Wind Power	100.00%	0.00%			KEA
163	S	Windpark Gilmerdingen GmbH & Co. KG	DE	Wind Power	100.00%	0.00%			KEA
164	S	Windpark Werneuchen GmbH & CO. KG	DE	Wind Power	100.00%	0.00%			KEA
165	S	Windpark Tornitz GmbH & CO. KG	DE	Wind Power	100.00%	0.00%			KEA
166	S	European Wind Farms Denmark A/S	DK	Wind Power	100.00%	100.00%	JPZ	KEA	KEA
167	S	Omnia Vind ApS	DK	Wind Power	100.00%	0.00%			KEA
168	S	European Wind Farms Bulgaria ApS	DK	Wind Power	100.00%	100.00%			KEA/JPZ
169	S	European Wind Farms Greece ApS	DK	Wind Power	100.00%	100.00%			KEA/JPZ
170	S	European Wind Farms Italy ApS	DK	Wind Power	100.00%	100.00%			KEA/JPZ
171	S	European Wind Farms SEE ApS	DK	Wind Power	100.00%	100.00%			KEA/JPZ
172	S	Bad Iburg Verwaltung ApS	DK	Wind Power	100.00%	100.00%			KEA/JPZ
173	S	UW Vier GmbH & Co. KG	DE	Wind Power	100.00%	100.00%			KEA
174	S	European Wind Farms Komp GmbH	DE	Wind Power	100.00%	100.00%			KEA
175	S	Enerteq ApS	DK	Wind Power	100.00%	100.00%			KEA
176	S	EWF Energy Hellas Epe	GR	Wind Power	97.00%	97.00%			JPZ
177	S	REEWF SrL	IT	Wind Power	90.00%	90.00%	KEA		
178	S	Windcom Sp. z o.o.	PL	Wind Power	80.00%	80.00%	KEA		KEA
179	S	European Energy Offshore A/S	DK	Wind Power	72.00%	72.00%		KEA	KEA
180	S	European Wind Farms DOO	HR	Wind Power	70.00%	70.00%			KEA
181	S	Vindtestcenter Kappel A/S	DK	Wind Power	67.00%	67.00%	KEA	JPZ	JPZ
182	S	Ejendomsselskabet Kappel ApS	DK	Wind Power	67.00%	0.00%	JPZ	KEA	KEA

Parent company and subsidiaries, joint ventures or associates owned by parent

No.	Group Structure	Name	Country of place of business	Principal activity	Ownership 2015	Ownership 2014	Chairman	Other boardmember	Directorships
183	S	Horskær Wind Park ApS	DK	Wind Power	67.00%	67.00%			KEA
184	S	Trædeskov Bøge Wind Park ApS	DK	Wind Power	67.00%	67.00%			KEA
185	S	Tvis Wind Park ApS	DK	Wind Power	67.00%	67.00%			KEA
186	JV	EWF Fünf Vier GmbH & Co. KG	DE	Wind Power	50.00%	50.00%			KEA
187	JV	EE Sieben Null GmbH & Co. KG	DE	Wind Power	50.00%	50.00%			KEA
188	JV	Windpark Hellberge GmbH & CO KG	DE	Wind Power	50.00%	50.00%			KEA
189	JV	EEA Verwaltungs GmbH	DE	Wind Power	50.00%	50.00%			KEA
190	JV	EE Sieben Zwei GmbH & Co. KG	DE	Wind Power	50.00%	50.00%			KEA
191	JV	EE Sieben Drei GmbH & Co. KG	DE	Wind Power	50.00%	50.00%			KEA
192	JV	EWF Eins Sieben GmbH & Co. KG	DE	Wind Power	50.00%	50.00%			KEA
193	JV	Windpark Mönchsroth Betriebsgesellschaft mbH	DE	Wind Power	50.00%	0.00%			KEA
194	JV	Windkraft Ottenhausen GmbH & Co. KG	DE	Wind Power	50.00%	50.00%			KEA
195	A	Komplementarselskabet Heidelberg ApS	DK	Wind Power	49.50%	49.50%			KEA
196	A	Driftsselskabet Heidelberg ApS	DK	Wind Power	49.50%	49.50%			KEA
197	A	Wind Systems OOD	BG	Wind Power	49.00%	49.00%			JPZ
198	A	Wind Energy OOD	BG	Wind Power	49.00%	49.00%			JPZ
199	A	Wind Power 2 OOD	BG	Wind Power	49.00%	49.00%			JPZ
200	A	Wind Stream OOD	BG	Wind Power	49.00%	49.00%			JPZ
201	A	Måde Wind Park ApS	DK	Wind Power	47.00%	0.00%			KEA
202	A	Västanby Vindbruksgrupp i Fjelie AB	SE	Wind Power	40.00%	0.00%			KEA
203	JV	Omø South Nearshore A/S	DK	Wind Power	36.00%	36.00%			KEA
204	JV	Jammerland Bay Nearshore A/S	DK	Wind Power	36.00%	36.00%			KEA
205	A	EE Repowering GmbH & Co. KG	DE	Wind Power	30.00%	30.00%			KEA
206	A	Parco Eolico Carpinaccio Srl	IT	Wind Power	27.00%	27.00%			KEA
207	A	Energy 3 DOO	BA	Wind Power	25.50%	0.00%			KEA
208	A	EWF Fünf Eins GmbH & Co. KG	DE	Wind Power	25.00%	25.00%			KEA
209	A	Windpark Unseburg Nord GmbH & Co. KG	DE	Wind Power	20.00%	20.00%			KEA
210	A	Windpark Wriezener Höhe GmbH & Co. KG	DE	Wind Power	15.00%	15.00%			KEA

Associated, JV's and Other Investments not owned directly by the parent

No.	Group Structure	Name	Country of place of business	Principal activity	Ownership 2015	Ownership 2014	Chairman	Other boardmember	Directorships
1	JV	Komplementarselskabet EEAR ApS	DK	Adminstration:	50.00%	50.00%			KEA
2	NC	European Energy Sales and Administration ApS under liquidation	DK	Adminstration:	22.60%	22.60%			KEA
3	JV	Parco Fotovoltaico Bientina SRL	IT	Solar Power:	50.00%	50.00%	KEA		
4	JV	Parco Fotovoltaico Toscana SRL (Pontedera)	IT	Solar Power:	50.00%	50.00%	KEA		
5	JV	Parco Fotovoltaico Fauglia SRL	IT	Solar Power:	50.00%	50.00%	KEA		
6	JV	Parco Fotovoltaico Cascina 1 SRL	IT	Solar Power:	50.00%	50.00%	KEA		
7	JV	Parco Fotovoltaico Peccioli 1 srl	IT	Solar Power:	50.00%	50.00%	KEA		JPZ
8	JV	Elios 102 Srl Soleto	IT	Solar Power:	50.00%	50.00%	KEA		
9	JV	ESF Italy 2,1 Srl	IT	Solar Power:	50.00%	50.00%	KEA		JPZ
10	A	EEAR Olleria II ApS	DK	Solar Power:	45.00%	45.00%		KEA	
11	A	ESF Spanien 0427 S.L.	ES	Solar Power:	45.00%	45.00%			KEA
12	A	ESF Spanien 0424 S.L.U.	ES	Solar Power:	16.50%	16.50%			KEA
13	A	Herrera Solar Fotovoltaica num. 29, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
14	A	Herrera Solar Fotovoltaica num. 30, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
15	A	Herrera Solar Fotovoltaica num. 31, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
16	A	Herrera Solar Fotovoltaica num. 32, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
17	A	Herrera Solar Fotovoltaica num. 33, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
18	A	Herrera Solar Fotovoltaica num. 34, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
19	A	Herrera Solar Fotovoltaica num. 35, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
20	A	Herrera Solar Fotovoltaica num. 38, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
21	A	Sun Invest Iberia Cincuenta , S.L.	ES	Solar Power:	16.50%	16.50%			KEA
22	A	Sun Invest Iberia Cincuenta Y Cuatro, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
23	A	Sun Invest Iberia Cincuenta Y Dos, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
24	A	Sun Invest Iberia Cincuenta Y Tres, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
25	A	Sun Invest Iberia Cincuenta Y Uno,S.L.	ES	Solar Power:	16.50%	16.50%			KEA
26	A	Sun Invest Iberia Cuarenta Y Cinco, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
27	A	Sun Invest Iberia Cuarenta Y Cuatro, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
28	A	Sun Invest Iberia Cuarenta Y Nueve, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
29	A	Sun Invest Iberia Cuarenta Y Ocho, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
30	A	Sun Invest Iberia Cuarenta Y Seis, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
31	A	Sun Invest Iberia Cuarenta Y Siete, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
32	A	Sun Invest Iberia Cuarenta Y Tres, S.L.	ES	Solar Power:	16.50%	16.50%			KEA
33	JV	European Wind Farms Sverige AB	SE	Wind Power:	50.00%	50.00%		KEA, JPZ	JPZ
34	JV	European Wind Farms Polen ApS	DK	Wind Power:	50.00%	50.00%			KEA/JPZ
35	JV	European Wind Farms Polska Sp. z o.o.	PL	Wind Power:	50.00%	50.00%	JPZ	KEA, MDP	JPZ
36	A	Windpark Losheim Nr. 30 ApS & Co. KG	DE	Wind Power:	25.00%	0.00%			KEA
37	A	Swapselskab Heidelberg K/S	DK	Wind Power:	49.50%	49.50%	KEA	JPZ	JPZ
38	A	FWE Windpark Wulfshagen K/S	DK	Wind Power:	49.50%	49.50%		KEA, JPZ	
39	A	FWE WindparkWittstedt K/S	DK	Wind Power:	49.50%	49.50%		KEA, JPZ	
40	A	FWE Windpark Scheddebrock K/S	DK	Wind Power:	49.50%	49.50%		KEA, JPZ	
41	A	FWE Windpark Westerberg K/S	DK	Wind Power:	49.50%	49.50%		KEA, JPZ	
42	A	FWE Windpark TIS K/S	DK	Wind Power:	49.50%	49.50%		KEA, JPZ	
43	A	FWE Windpark Kranenburg K/S	DK	Wind Power:	49.50%	49.50%		KEA, JPZ	
44	A	FWE Windpark 3 Standorte K/S	DK	Wind Power:	49.50%	49.50%		KEA, JPZ	
45	A	MBBF windpark Letchin GmbH KG Betriebs I	DE	Wind Power:	49.50%	0.00%			KEA
46	A	MBBF windpark Letchin GmbH KG Betriebs II	DE	Wind Power:	49.50%	0.00%			KEA
47	A	MBBF windpark Letchin GmbH KG Betriebs III	DE	Wind Power:	49.50%	0.00%			KEA
48	JV	European Wind Farms Polska Sp. z o.o. Rabino Sp. k	PL	Wind Power:	50.00%	50.00%	JPZ	KEA, MDP	JPZ
49	JV	European Wind Farms Polska Sp. z o.o. Grzmiaca Sp. k	PL	Wind Power:	50.00%	50.00%	JPZ	KEA, MDP	JPZ

Associated, JV's and Other Investments not owned directly by the parent

No.	Group Structure	Name	Country of place of business	Principal activity	Ownership 2015	Ownership 2014	Chairman	Other boardmember	Directorships
50	JV	European Wind Farms Polska Sp. z o.o. Bialogard Sp. k	PL	Wind Power:	50.00%	50.00%	JPZ	KEA, MDP	JPZ
51	A	Vento Erste Windparkbeteiligungsgesellschaft GmbH & Co. KG (Wernikow II)	DE	Wind Power:	47.37%	47.37%			KEA
52	A	Komplementarselskabet Vindtestcenter Måde ApS	DK	Wind Power:	47.00%	0.00%			KEA
53	A	Vindtestcenter Måde K/S	DK	Wind Power:	46.91%	0.00%			KEA
54	A	Windkraft Gommern GmbH & Co. KG	DE	Wind Power:	44.00%	44.00%			KEA
55	A	Netzanbindung Tewel OHG	DE	Wind Power:	36.14%	0.00%			KEA
56	A	EE Repowering Verwaltungs GmbH	DE	Wind Power:	30.00%	30.00%			KEA
57	A	Wind Pro Energy Sp. z o.o.	PL	Wind Power:	25.05%	25.05%	JPZ	KEA, MDP	JPZ
58	A	Windpark Emskirchen GmbH & Co KG	DE	Wind Power:	25.00%	0.00%			KEA
59	A	Windpark Brauel II GmbH & Co. WP BR II KG	DE	Wind Power:	25.00%	0.00%			KEA
60	A	Windpark Prignitz GmbH & Co. KG	DE	Wind Power:	25.00%	0.00%			KEA
61	A	WHP Windpark Hurrel/Plietenberg GmbH & Co. KG	DE	Wind Power:	25.00%	0.00%			KEA
62	A	GWE Verwaltungs GmbH	DE	Wind Power:	25.00%	0.00%			KEA
63	A	Green Wind Energi A/S	DK	Wind Power:	25.00%	25.00%			KEA
64	A	WP Vormark Generalunternehmer GmbH & Co. KG	DE	Wind Power:	25.00%	0.00%	KEA		
65	A	Vindpark Straldja ApS	DK	Wind Power:	25.00%	25.00%			KEA
66	A	GWE Holding af 14. November 2011 ApS	DK	Wind Power:	25.00%	25.00%		KEA	KEA
67	A	K/S Losheim	DK	Wind Power:	25.00%	0.00%		KEA	
68	A	Komplementarselskabet Losheim ApS	DK	Wind Power:	25.00%	0.00%			KEA
69	A	WP Vormark GmbH	DE	Wind Power:	25.00%	0.00%			KEA
70	A	UW Westerberg GmbH & Co OHG	DE	Wind Power:	22.28%	0.00%			KEA
71	A	Prittitz GmbH & Co KG	DE	Wind Power:	49.50%	0.00%			KEA
72	A	Windpark Prittitz Verwaltungsgesellschaft GmbH & Co. KG	DE	Wind Power:	49.50%	0.00%			KEA
73	A	Infrastrukturgesellschaft Vindfeld 19/24 GmbH & Co. KG	DE	Wind Power:	21.04%	0.00%			KEA
74	A	Infrastrukturgesellschaft Windfeld 19/24 Verwaltungs-GmbH	DE	Wind Power:	21.04%	0.00%			KEA
75	NC	Windpark Wittstock-Papenbruch GbR	DE	Wind Power:	16.67%	0.00%			KEA
76	NC	TEN Verwaltungs GmbH	DE	Wind Power:	15.00%	15.00%			KEA
77	A	ASPI Energy EOOD	DK	Wind Power:	12.50%	12.50%			KEA
78	NC	Parco Eolico Riparbella Srl	IT	Wind Power:	11.10%	0.00%			KEA
79	NC	EWF Fünf Fünf GmbH & Co. KG, Wittstock	DE	Wind Power:	10.00%	10.00%			KEA
80	NC	Windpark Mildenberg GbR	DE	Wind Power:	8.76%	0.00%			KEA
81	NC	UW Eichow GmbH & Co. KG	DE	Wind Power:	8.33%	0.00%			KEA
82	NC	Søllested Vindkraft I/S	DK	Wind Power:	7.38%	7.38%			KEA
83	NC	UW Schäcksdorf GmbH & Co. KG	DE	Wind Power:	6.25%	0.00%			KEA
84	NC	European Wind Farms Invest No.2 A/S	DK	Wind Power:	5.74%	5.74%	JPZ	KEA	KEA
85	NC	Netzanschluss Badingen GbR	DE	Wind Power:	3.32%	0.00%			KEA

Companies outside European Energy Group

No.	Group Structure	Name	Country of place of business	Principal activity	Ownership 2015	Ownership 2014	Chairman	Other boardmember	Directorships
1	NC	Vores Sol A/S	DK		0%	0%	KEA	JPZ	JPZ
2	NC	Komplementarselskabet Vores Sol ApS	DK		0%	0%			KEA
3	NC	Vores Sol Nakskov XIX K/S	DK		0%	0%	JPZ	KEA	KEA
4	NC	Vores Sol Nakskov XX K/S	DK		0%	0%	JPZ	KEA	KEA
5	NC	Vores Sol A11 K/S	DK		0%	0%			KEA
6	NC	Vores Sol A12 K/S	DK		0%	0%			KEA
7	NC	Vores Sol A13 K/S	DK		0%	0%			KEA
8	NC	Vores Sol A14 K/S	DK		0%	0%			KEA
9	NC	Vores Sol A15 K/S	DK		0%	0%			KEA
10	NC	Vores Sol A16 K/S	DK		0%	0%			KEA
11	NC	Vores Sol A17 K/S	DK		0%	0%			KEA
12	NC	Vores Sol A18 K/S	DK		0%	0%			KEA
13	NC	Vores Sol A19 K/S	DK		0%	0%			KEA
14	NC	Vores Sol A20 K/S	DK		0%	0%			KEA
15	NC	Vores Sol A21 K/S	DK		0%	0%			KEA
16	NC	Vores Sol A22 K/S	DK		0%	0%			KEA
17	NC	Vores Sol A23 K/S	DK		0%	0%			KEA
18	NC	Vores Sol A24 K/S	DK		0%	0%			KEA
19	NC	Vores Sol A25 K/S	DK		0%	0%			KEA
20	NC	Vores Sol A26 K/S	DK		0%	0%			KEA
21	NC	Vores Sol A27 K/S	DK		0%	0%			KEA
22	NC	Vores Sol A28 K/S	DK		0%	0%			KEA
23	NC	Vores Sol A29 K/S	DK		0%	0%			KEA
24	NC	Vores Sol A30 K/S	DK		0%	0%			KEA
25	NC	Vores Sol A31 K/S	DK		0%	0%			KEA
26	NC	Vores Sol A32 K/S	DK		0%	0%			KEA
27	NC	Vores Sol A33 K/S	DK		0%	0%			KEA
28	NC	Vores Sol A34 K/S	DK		0%	0%			KEA
29	NC	Vores Sol A35 K/S	DK		0%	0%			KEA
30	NC	Vores Sol A36 K/S	DK		0%	0%			KEA
31	NC	Vores Sol A37 K/S	DK		0%	0%			KEA
32	NC	Vores Sol A38 K/S	DK		0%	0%			KEA
33	NC	Vores Sol A39 K/S	DK		0%	0%			KEA
34	NC	Vores Sol A40 K/S	DK		0%	0%			KEA
35	NC	Vores Sol A41 K/S	DK		0%	0%			KEA
36	NC	Vores Sol A42 K/S	DK		0%	0%			KEA
37	NC	Vores Sol A43 K/S	DK		0%	0%			KEA
38	NC	Vores Sol A44 K/S	DK		0%	0%			KEA
39	NC	Vores Sol A45 K/S	DK		0%	0%			KEA
40	NC	Vores Sol A46 K/S	DK		0%	0%			KEA
41	NC	Vores Sol A47 K/S	DK		0%	0%			KEA
42	NC	Vores Sol A48 K/S	DK		0%	0%			KEA
43	NC	Vores Sol A49 K/S	DK		0%	0%			KEA
44	NC	Vores Sol A50 K/S	DK		0%	0%			KEA
45	NC	Vores Sol A51 K/S	DK		0%	0%			KEA
46	NC	Vores Sol A52 K/S	DK		0%	0%			KEA
47	NC	Vores Sol A53 K/S	DK		0%	0%			KEA
48	NC	Vores Sol A54 K/S	DK		0%	0%			KEA
49	NC	Vores Sol A55 K/S	DK		0%	0%			KEA
50	NC	Vores Sol A56 K/S	DK		0%	0%			KEA

Companies outside European Energy Group

No.	Group Structure	Name	Country of place of business	Principal activity	Ownership 2015	Ownership 2014	Chairman	Other boardmember	Directorships
51	NC	Vores Sol A57 K/S	DK		0%	0%			KEA
52	NC	Vores Sol A58 K/S	DK		0%	0%			KEA
53	NC	Vores Sol A59 K/S	DK		0%	0%			KEA
54	NC	Vores Sol A60 K/S	DK		0%	0%			KEA
55	NC	JPZ Assistance II ApS	DK		0%	0%			JPZ
56	NC	Blue World ApS	DK		0%	0%			KEA
57	NC	European Green Fields A/S	DK		0%	0%			KEA
58	NC	JPZ Assistance ApS	DK		0%	0%			JPZ
59	NC	KEA II Holding ApS	DK		0%	0%			KEA
60	NC	Nor Power ApS	DK		0%	0%	KEA	JPZ, MDP	
61	NC	Plasticueros ApS	DK		0%	0%			KEA
62	NC	ESF Spanien 0426 S.L.U.	ES		0%	0%			KEA
63	NC	ESF Spanien 0421	ES		0%	0%			KEA
64	NC	ESF Spanien 0422	ES		0%	0%			KEA
65	NC	EE Sieben Vier GmbH & Co. KG	DE		0%	0%			KEA
66	NC	Ulvemosen Wind Park ApS	DK		0%	0%			KEA
67	NC	ESF Llwyndu Limited	UK		0%	0%			KEA
68	NC	Trowbridge Limited	UK		0%	0%			KEA
69	NC	EWF Zwei Sieben GmbH & Co.KG	DE		0%	0%			KEA
70	NC	EWF Zwei Acht GmbH & Co.KG, Kasel-Golzig	DE		0%	0%			KEA
71	NC	EWF Zwei Neun GmbH & Co.KG, Kasel-Golzig	DE		0%	0%			KEA
72	NC	Ulvemosen Vindkraft I/S	DK		0%	0%	JPZ	KEA	
73	NC	Vores Sol Nakskov I K/S	DK		0%	0%	JPZ	KEA	KEA
74	NC	Vores Sol Nakskov II K/S	DK		0%	0%	JPZ	KEA	KEA
75	NC	Vores Sol Nakskov III K/S	DK		0%	0%	JPZ	KEA	KEA
76	NC	Vores Sol Nakskov IV K/S	DK		0%	0%	JPZ	KEA	KEA
77	NC	Vores Sol Nakskov V K/S	DK		0%	0%	JPZ	KEA	KEA
78	NC	Vores Sol Nakskov VI K/S	DK		0%	0%	JPZ	KEA	KEA
79	NC	Vores Sol Nakskov VII K/S	DK		0%	100%	JPZ	KEA	KEA
80	NC	Vores Sol Nakskov VIII K/S	DK		0%	100%	JPZ	KEA	KEA
81	NC	Vores Sol Nakskov IX K/S	DK		0%	100%	JPZ	KEA	KEA
82	NC	Vores Sol Nakskov X K/S	DK		0%	100%	JPZ	KEA	KEA
83	NC	Vores Sol Nakskov XI K/S	DK		0%	0%	JPZ	KEA	KEA
84	NC	Vores Sol Nakskov XII K/S	DK		0%	0%	JPZ	KEA	KEA
85	NC	Vores Sol Nakskov XIII K/S	DK		0%	0%	JPZ	KEA	KEA
86	NC	Sandvikenvej Infrastrukturselskab ApS	DK		0%	0%			KEA
87	NC	Vores Sol Nakskov XIV K/S	DK		0%	0%	JPZ	KEA	KEA
88	NC	Vores Sol Nakskov XV K/S	DK		0%	0%	JPZ	KEA	KEA
89	NC	Vores Sol Nakskov XVI K/S	DK		0%	0%	JPZ	KEA	KEA
90	NC	Vores Sol Nakskov XVII K/S	DK		0%	0%	JPZ	KEA	KEA
91	NC	Vores Sol Nakskov XVIII K/S	DK		0%	0%	JPZ	KEA	KEA
92	NC	Vores Sol A1 K/S	DK		0%	0%	JPZ	KEA	KEA
93	NC	Vores Sol A2 K/S	DK		0%	0%	JPZ	KEA	KEA
94	NC	Vores Sol A3 K/S	DK		0%	0%	JPZ	KEA	KEA
95	NC	Vores Sol A4 K/S	DK		0%	0%	JPZ	KEA	KEA
96	NC	Vores Sol A5 K/S	DK		0%	0%	JPZ	KEA	KEA
97	NC	Vores Sol A6 K/S	DK		0%	0%	JPZ	KEA	KEA
98	NC	Vores Sol A7 K/S	DK		0%	0%	JPZ	KEA	KEA
99	NC	Vores Sol A8 K/S	DK		0%	0%	JPZ	KEA	KEA
100	NC	Vores Sol A9 K/S	DK		0%	0%	JPZ	KEA	KEA

Companies outside European Energy Group

No.	Group Structure	Name	Country of place of business	Principal activity	Ownership 2015	Ownership 2014	Chairman	Other boardmember	Directorships
101	NC	Vores Sol A10 K/S	DK		0%	0%	JPZ	KEA	KEA
102	NC	Solarpark Vandel ApS	DK		0%	0%			KEA
103	NC	European Energy Holding ApS	DK		0%	0%			KEA
104	NC	Flensbjergvej Infrastrukturselskab ApS	DK		0%	0%			JPZ/KEA
105	NC	Solarpark Vandel Services ApS	DK		0%	0%			KEA
106	NC	Windpark Mönchsroth GmbH & Co. KG	DE		0%	0%			KEA
107	NC	Vores Sol Ejendomsselskab IVS	DK		0%	0%	KEA	JPZ	JPZ
108	NC	Malmøvej Infrastrukturselskab Aps	DK		0%	0%			KEA/JPZ
109	NC	Bundvig Mølle 6 I/S	DK		0%	0%			KEA
110	NC	MDP Verwaltung	DE		0%	0%	MDP		MDP
111	NC	MDP Invest	DK		0%	0%	MDP		MDP
112	NC	K/S Karlstad Centrum	SE		0%	0%		JHE	
113	NC	K/S Karlstad Centrum 2	SE		0%	0%		JHE	
114	NC	Dikman Invest ApS.	DK		0%	0%			JHE
115	NC	Car Holding A/S	DK		0%	0%		CDY	
116	NC	Autohuset Glostrup A/S	DK		0%	0%		CDY	
117	NC	Autohuset Ringsted A/S	DK		0%	0%		CDY	
118	NC	Kronborg Auto A/S	DK		0%	0%		CDY	
119	NC	EasyTranslate ApS	DK		0%	0%		CDY	
120	NC	Repræsentantskabet for Nykredit	DK		0%	0%		CDY	

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