Babcock & Wilcox Vølund A/S

Falkevej 2

6705 Esbjerg Ø

CVR No. 25053664

Annual Report 2015

16. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 23 February 2016

Paul Scavuzzo
Chairman

Contents

Management's Statement

Today, the Supervisory Board and the Executive Board have considered and adopted the Annual Report of Babcock & Wilcox Vølund A/S for the financial year 1 January 2015 - 31 December 2015.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2015 and of the results of the Group's and the Company's operations and the Group's cash flows for the financial year 1 January 2015 - 31 December 2015.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 23 February 2016

Executive Board

John Veje Olesen Managing Director	Jacob Rosenhøj Jørgensen Financial Director

Supervisory Board

Paul Scavuzzo Chairman	Mark S. Low	Cameron M. Frymyer
Helge Steenstrup Employee Representative	Rasmus P. S. Rasmussen Employee Representative	

Independent Auditor's Report

To the shareholders of Babcock & Wilcox Vølund A/S

Report on the Consolidated Financial Statements and the Financial Statement

We have audited the consolidated financial statements and parent financial statements of Babcock & Wilcox Vølund A/S for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet and notes for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and parent financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the consolidated financial statements and parent financial statements
Management is responsible for the preparation of consolidated financial statements and parent financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on the consolidated financial statements and parent 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 about whether the consolidated financial statements and parent 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 parent financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the consolidated financial statements and parent financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements and parent financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 the overall presentation of the consolidated financial statements and parent financial statements.

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

Our audit has not resulted in any qualification.

Opinion
In our opinion, the consolidated financial statements and parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2015, and of the results of their operations and the Group's cash flows for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Independent Auditor's Report

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management review. We have not performed any further procedures in addition to the audit of the consolidated financial statements and parent financial statements.

On this basis, it is our opinion that the information provided in the management review is consistent with the consolidated financial statements and parent financial statements.

Esbjerg, 23. February 2016

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR-no.: 33963556

Henrik Harbo Andersen
State Authorized Public Accountant

Palle H. Jensen
State Authorized Public Accountant

Company details

Company	Babcock & Wilcox Vølund A/S Falkevej 2 6705 Esbjerg Ø Telephone : 76 14 34 00 Email: bwv@volund.dk Website: www.volund.dk CVR No.: 25053664 Date of formation: 22 November 1999 Registered office: Esbjerg Financial year: 1 January 2015 - 31 December 2015
Supervisory Board	Paul Scavuzzo, Chairman Mark S. Low Cameron M. Frymyer Helge Steenstrup, Employee Representative Rasmus P. S. Rasmussen, Employee Representative
Executive Board	John Veje Olesen, Managing Director Jacob Rosenhøj Jørgensen, Financial Director
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Frodesgade 125 Postbox 200 6700 Esbjerg CVR-no.: 33963556

Management's Review

The Annual Report of Babcock & Wilcox Vølund A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The Annual Report has been prepared under the same accounting policies as last year.

Market overview
Babcock & Wilcox Vølund A/S (BWV) is an international supplier of energy plants based on
* utilization of various types of waste as fuel
* utilization of various types of biomass as fuel
* gasification of various types of fuel.

The Company designs, manufactures, installs and services components as well as turnkey energy plants of various dimensions and configurations primarily based on own stoker/grate firing technology. Furthermore, the Company operate and maintain energy plants.

The market situation for BWV was improved during 2015 due to political focus on reducing greenhouse gas and the EU directive to reduce landfilling of waste from household and industry.

Therefore, several countries in Europe, North America and Asia are showing increasing interest in the Company's services.

Development in the year

Profit/loss for the year and follow-up on last year's expectations
The operating income of the Group for the year was a profit of DKK 107.6 million. The management considers this satisfactory, as the result is above the expectations. The result of the year after financials and taxes amounted to DKK 102.4 million.

A considerable part of the Company's activities are based on projects of long duration, in connection with which there is always a certain degree of uncertainty especially on large projects. The management evaluates, however, that the procedures and internal controls of the Company ensure that the Company's project estimates for all projects are reliable, and that is why the estimation of contract work in progress for the account of others is based on reliable estimates.

The net revenues of the Group for the year amounted to DKK 1.701 million, which is an increase of the revenue by DKK 871 million, i.e. 105 % compared to the previous year.

The activities of the year have resulted in an favorable cash flow movement of DKK 175 million due to prepayments from new contracts and despite payment of dividend and extraordinary dividend, in total DKK 80 million.

It is concluded that the expectations on 2015 mentioned in the previous annual report is fully met.

Events during the fiscal year
During 2015, the company entered into contracts and received orders for several projects. The order intake is the higest in the historie of the company.

During 2015, the following major projects were handed over to:

* Viridor Peterborough Ltd., UK: EPC project.
* Babcock & Wilcox Power Generation Group, Inc., USA: Grate delivery.
* AB, Fortum Värme samägt m/ Stockholm stad, Sweden: Plant upgrade.

Management's Review

* Kommuneqarfik Sermersooq, Greenland: Plant upgrade.

Capital and cash resources
The results for the year and adjustment of hedged contracts to the fair value combined with payment of dividend in 2015 have generated an increase of the Company's equity from DKK 183.5 million to DKK 217.7 million.

Based on the present cash budgets, it is the clear assessment of the management that the cash flow necessary for the fulfillment of the Company's financial obligations will be available in full.

Significant post-balance sheet events
No events have occurred after the balance sheet date which could influence this Annual Report.

Targets and expectations for the year ahead
Based on the backlog at the end of 2015, the progress of the projects and the market situation, the year of 2016 is expected to bring an operating profit significantly higher than in 2015. Due to the amount of the backlog and the viability of the ongoing projects, the present expectations for 2016 are considered realistic.

Special risks operational and financial risks

Operations
The key operating risks relate to the time as well as the cost realization of project completions. This is ensured through structured management of all projects.

Market risks
The key market risks relate to a continued development of technological know-how to enable the Company to meet market requirements in its core areas.
This is ensured through dialogue with customers and universities a well as continued improvement and development in relevant technological areas, through e.g. the Company's research and development department.

Currency exposure
As the Company sells projects and makes a number of purchases for foreign exchange, these involve a foreign exchange risk. Transactions are made in e.g. EUR, GBP, SEK, NOK and USD. To the extent that net positions are considered a material foreign exchange exposure, the risk is minimized by means of forward exchange contracts. Hedging is not made to reduce or eliminate the foreign exchange risk of inter-company accounts. In accordance with a group decision, hedging is not made to reduce or eliminate the foreign exchange risk of the net position in USD.

Interest risks
As the net floating-rate interest-bearing debt does not constitute a significant amount, moderate changes in the level of interest will not have any material effect on earnings. Therefore, the Company does not enter into transactions to hedge against interest rate exposure.

Credit risks
According to the Group's policy for assuming credit risks, major customers and business partners are credit rated regularly.

Basis of earnings

Research and development
The Company carries out research and development activities with a view to developing and optimizing production processes and the product portfolio. These activities are partly carried out in cooperation with public authorities.

Management's Review

Costs expensed for research and development of the Group amount to DKK 12.3 million net of contributions received, which is at the same level as in 2014. The amount is equal to 0.7 % of the net revenues. Furthermore, there is project related development paid by customers.

Recruiting, training and retaining
As the Company's mission is to a great extent based on sale and servicing of technically complex plants, there is a continuous requirement for recruiting and retaining qualified staff.

This is ensured through policies and procedures for recruiting, performance appraisal interviews, senior employees, retirement, etc. Furthermore, a number of training activities are carried out. Thus in 2015, a total of 1,227 training days were held, which corresponds to 2.7 training day per employee. It is noted that also in 2015 the employee turnover was very low.

Health, Safety and Environment (HSE)
In 2015, the focus on safety and health was maintained throughout the Company. Safety moments are still on the agenda for different meetings like all-staff meeting, department meeting, etc. EHS meetings are also led off with a safety moment.

A HSE business plan was established at the beginning of the year. The plan included 29 specific tasks, which have all been completed.

The targets for Total Recordable Case Rate and Days Away Restricted Transfer Rate were both fulfilled in 2015. The culture for reporting and registering near-misses and accidents has improved; the number of near miss reports has increased by 39 % compared to 2014. In 2014, the number increased by 57 % compared to the year before. All employees and the management are greatly involved and committed to safety. For 2016, a new overall goal "Target Zero" has been launched. The goal is to end every work day without accident.

The increased focus on HSE is supported by an increased HSE organization.

The Company's health and safety organization composed by representatives from the management and employees has completed the Health and Safety Risk assessment according to the Danish Occupational Health and Safety Regulations. The work on submitting action plans are ongoing.

Climate/environment
An energy audit has been carried out as required by the government. External energy consultants have reviewed our facilities (Esbjerg and Glostrup) in detail in order to check the energy consumption and propose energy saving measures. The final report is still pending, but we expect a lot from it.
Saving initiatives:

* Lighting has been evaluated and light sources have been optimized to the extent possible without jeopardizing safety. We have installed LED lights in one of our workshops and expect to change from conventional light sources to LED light sources in the remaining workshops and maybe also in some offices depending on the recommendations in the energy audit report.
* Equipment for recycling heat in the workshops have been so successful that we have installed another system in one of the workshops. We plan to install the same type of equipment in the remaining workshops over the next years.
* We have insulated an outer wall of a workshop and will make further insulation works over the next years. We will keep focusing on reducing energy consumption in the workshops and are constantly working on energy optimization.

Management's Review

Ethics and Compliance
The Company's business conduct is governed by its ethics and compliance rules "Code of Business Conduct". The rules are applying to and are known by all employees, and training is carried out continuously in order to ensure proper observance. A system to report any non-compliance with the rules is implemented, and the reports are being registered and treated seriously. A recurrent theme in the Company's Code of Business Conduct is the obligation to respect human rights in all matters.

Gender composition (parent company)
At present, there is no female representation in the Board of Directors. It was the intention of the shareholder to have both genders represented from 2016 but due to restructure in the group it has not been possible. It is still the goal that at least 1 out of the 3 board members elected by the general meeting should be female.

In the executive group and the department management group the composition is 10 % female and 90 % male managers. The recruiting of managers is purely based on the skills and competences needed for the position. The Company has a goal to increase the female representation to 20 % over the next 3 years, however, with due consideration of the Company's Fair Employment Practices policy.

Transactions with related parties
The Company has routine transactions involving contract work and administrative issues with various related enterprises which are divisions of Babcock & Wilcox.

Foreign subsidiary
Götaverken Miljö AB, Sweden, is included as a fully owned subsidiary.
Babcock & Wilcox Slovakia s.r.o, Slovakia , established in 2015, is included as a fully owned subsidiary.
Babcock & Wilcox UK Ltd., UK, established in 2015, is included as a fully owned subsidiary.

Key Figures and Financial Ratios

The development in the Group's key figures and financial ratios can be described as follows:

Numbers appears in thousands

	2015	2014	2013	2012	2011
Group					
Income Statement:					
Net revenues	1.701.080	830.191	690.545	899.924	886.865
Operating income	107.569	44.798	50.571	51.782	69.089
Net financials	20.621	11.268	-6.862	3.279	500
Profit/loss for the year	102.403	45.047	31.615	39.264	51.975
Balance Sheet:					
Balance sheet total	1.255.724	552.509	511.169	563.838	620.641
Equity	217.682	183.526	194.701	207.504	162.006
Cash flows:					
Cash flows from:					
- operating activities	303.429	-7.428	69.744	-121.393	209.172
- investments in property, plant and equipment	-7.502	-1.597	-5.754	-4.239	-10.377
- other investing activities	-910	-1.525	271	1.559	3.688
- financing activities	-120.085	-17.347	-14.660	98.568	-153.716
Change in cash and cash equivalents for the year	174.932	-27.897	49.601	-25.505	48.767
Avg. number of full-time employees	457	416	415	420	442
Ratios:					
Gross margin (%)	14,32	19,71	24,03	18,91	20,81
Profit margin (%)	6,32	5,41	7,32	5,75	7,79
Return on net assets (%)	17,69	14,34	15,37	15,72	23,74
Solvency ratio (%)	17,34	33,22	38,09	36,81	26,11
Return on equity (%)	51,05	23,82	15,72	21,25	37,64

For definitions of key ratios, see accounting principles

Accounting Policies

General Information

Reporting Class
The Annual Report of Babcock & Wilcox Vølund A/S for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

Reporting currency
The Annual Report is presented in DKK '000.

Translation policies
Transactions in foreign currencies are translated into DKK at the exchange rate at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates at the balance sheet day. Realized and unrealized foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

On recognition of foreign subsidiaries and associates of the Company that are separate legal entities, income statements are translated at average exchange rates, whereas balance sheet items are translated at the exchange rates at the balance sheet date.

Basis of consolidation
The Annual Report comprises the Parent Company (Babcock & Wilcox Vølund A/S) and subsidiaries (Götaverken Miljö AB, Sweden, Babcock & Wilcox Slovakia s.r.o.. Slovakia and Babcock & Wilcox UK Ltd., UK) in which the Parent Company controls directly or indirectly more than 50% of the share capital.

The annual reports used for the purpose of the consolidation have been prepared in accordance with the accounting policies of the Group. The Annual Report has been prepared on the basis of the annual reports of Babcock & Wilcox Vølund A/S and its subsidiaries by combining accounting items of a uniform nature.

Internal income and expenses, intercompany accounts as well as unrealized internal gains and losses are eliminated.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Business combinations
Newly acquired or newly established enterprises are recognized in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognized in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value on the acquisition date. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognized under intangible assets, and they are amortized systematically over the income statement based on an individual assessment of their useful life, however, no more than 10-12 years. Negative differences in amount (negative goodwill), corresponding to an estimated adverse development in the relevant enterprises, are recognized in the balance sheet under deferred income, and they are recognized in the income statement when such adverse development is realized.

Accounting Policies

Derivative financial instruments
Derivative financial instruments are measured at cost and subsequently at fair value at initial recognition in the Balance Sheet. Positive and negative fair values of derivative financial instruments are included in other receivables and other payables, respectively.

Changes in the fair value of derivative financial instruments classified as and fulfilling the criteria for hedging the fair value of a recognized asset or liability are recognized in the Income Statement together with any changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments classified as and fulfilling the conditions for hedging future assets and liabilities are recognized in other receivables or other payables and in equity. In the event that the future transaction results in the recognition of assets or liabilities, any amounts previously recognized in equity will be transferred to the cost of the asset or the liability, respectively. In the event that the future transaction results in income or expenses, any amounts previously recognized in equity will be transferred to the Income Statement in the period in which the hedged item affects the Income Statement.

For derivative financial instruments that do not fulfill the conditions for treatment as hedging instruments, changes in the fair value will continuingly be recognized in the Income Statement.

Leases
Leases are entered into as operating leases. Payments made under operating leases are recognized in the income statement over the lease term.

Basis of recognition and measurement
All revenues are recognized in the income statement as earned based on the following criteria:

* delivery has been made before year end.
* a binding sales agreement has been made.
* the sales price has been determined.
* payment has been received at the time of sale or is with reasonable certainty expected to be received.

Based on the above, net revenue is recognized in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognized in the Income Statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognized in the Income Statement.

Assets are recognized in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognized in the Balance Sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Accounting Policies

Income Statement

Net revenues
Net revenues equal the selling price of the work completed for the year (percentage-of-completion method) as contract work in progress is recognized at the rate of completion. This method is applied when total revenues and expenses in respect of the construction contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group.

License and rental income, etc. are included in the net revenues with the amounts related to the period.

Net revenues is recognized as net of VAT, duties and sales discounts.

Segment information is presented in respect of business segments and geographical segments based on the Group's risks and returns and its internal financial reporting system.

Production costs
Production costs comprise the costs paid to obtain the revenue of the year. Cost includes direct and indirect production costs, including patent costs, depreciation, amortization and salaries.

Production costs also include research and development costs that do not qualify for capitalization as well as amortization of capitalized development costs. Amortization of goodwill is also included to the extent that goodwill relates to the production activity.

Moreover provision for losses on construction contracts is recognized.

Sales and proposal costs
Sales and proposal costs comprise costs for proposals work, sales staff, advertising and exhibition costs, including depreciation.

Administration costs
Expenses incurred during the year for management and administration are recognized in adminstration costs. This includes expenses incurred for the administrative staff, management, offices as well as office expenses and similar expenses and amortization and impairment of intangible and tangible assets.

Depreciation, amortization and impairment of tangible and intangible assets
Amortization. depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortization, depreciation and impairment losses for the financial year, calculated on the basis of the useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Profit or loss resulting from the sale of intangible or tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognized in the Income Statement under other operating income or expenses.

Result of equity investments in subsidiaries
The proportionate share of the individual subsidiaries' profit/loss after tax is recognized in the parent company's Income Statement after full elimination of intercompany profit/loss.

Financial income and expenses
Financial income and expenses are recognized in the Income Statement with the amounts that concern the financial year. Financial income and expenses include interest income and expenses, realized and unrealized capital gains and losses regarding securities, debt and foreign currency transactions, dividends received from other equity investments, amortization of financial assets and liabilities as well as surcharges and allowances under the tax

Accounting Policies

repayment scheme.

Tax on net profit/loss for the year
Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognized in the income statement, whereas the tax attributable to equity entries is recognized directly in equity. Any share of the tax reported in the income statement arising from profit/loss on extraordinary activities for the year is attributed to such activities, whereas the remaining share is attributed to profit/loss on ordinary activities for the year.

Balance Sheet

Intangible assets
Goodwill is measured at cost less accumulated amortization and impairment losses based on management's experience with the individual business areas. In certain cases, the amortization period is up to 10-12 years for strategically acquired enterprises with strong market position and a long-term earnings profile if the longer amortization period is considered to give a better reflection of the benefit from the relevant resources. Goodwill is amortized over 10-12 years.

Development projects comprise salaries, amortization and other expenses directly or indirectly attributable to the Company's development activities less grants received.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the Group can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognized as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover the production costs, sales and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognized as expenses in the income statement as incurred.

Completed development projects are measured at cost less accumulated amortization and impairment losses or at a lower recoverable amount. Completed development projects are amortized over 5 years.

Acquired intangible assets, such as patents and trademarks, are measured at cost less accumulated amortization and impairment losses or at a lower recoverable amount. Acquired intangible assets are amortized over 15-20 years as the costs are expected to contribute to earnings during this period.

Tangible assets
Land and Buildings are measured at cost plus revaluation and less accumulated depreciation and any accumulated impairment losses.

All other tangible assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Buildings	10-25 years
Plant and machinery	3-12 years
Other fixtures and fittings, tools and equipment	3-10 years
IT (hardware and software)	3-5 years
Leasehold improvements	over the lease period

Land is not amortised.

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Cost comprises the cost of acquisition and expenses directly related to the acquisition until the time when the asset is ready for use. In the case of assets of own construction, cost comprises direct and indirect expenses for labor, materials, components and subsuppliers. Any borrowing expenses in the period of construction are not recognized.

Any revaluation is based on external assessment.

Impairment of fixed assets
The carrying amounts of both intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortization and depreciation. If so, the asset is written down to its lower recoverable amount. The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the need for impairment is assessed in the smallest group of assets for which a reliable recoverable amount can be determined.

Goodwill, head office buildings and other assets, for which a value in use cannot be determined as the asset does not on an individual basis generate future cash flows, are reviewed for impairment together with the group of assets to which they are attributable.

Investments in subsidiaries
Investments in subsidiaries are recognized and measured under the equity method. This means that investments are measured at the pro rata share of the Groups' equity plus or minus unamortized positive, or negative, goodwill and plus or minus unrealized intragroup profits or losses.

The parent's share of the enterprises' profits or losses after elimination of unrealized intra-group profits and losses and minus or plus amortization of positive, or negative, goodwill is recognized in the income statement.

Subsidiaries with a negative equity value are measured at zero value, and any receivables from these enterprises are written down by the parent's share of such negative equity if it is deemed irrecoverable. If the negative equity exceeds the amount receivable, the remaining amount is recognized under provisions if the Company has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in subsidiaries is transferred to reserve for net revaluation according to the equity method under equity.

Value added from investments in subsidiaries is calculated as the difference between the cost of the investments and the net asset value of the subsidiaries and associates on the date of acquisition. The value added is amortized over the same period as the corresponding intangible assets in the consolidated financial statements, which corresponds to an amortization period of 10-12 years.

Investments in subsidiaries are written down to the lower of recoverable amount and carrying amount.

Equity investments in consortiums
Equity investments in consortiums are treated in compliance with the rules about jointly controlled operations. This means that the Company recognizes in its financial statements:

* the assets that it controls
* the liabilities that it incurs
* the expenses that it incurs
* that it recognizes income concurrently with the progress of its production activities

Accounting Policies

Inventories
Raw materials and consumables, work in progress and manufactured goods and goods for resale are measured at the lower of cost under the average method and net realizable value.

The net realizable value of inventories is calculated as the total of future sales revenues expected, at the balance sheet date, to be generated by inventories in the process of normal operations and determined allowing for marketability, obsolescence and development in expected sales sum less the estimated expenses necessary to make the sale.

The cost of raw materials and consumables equals landed costs. The cost of finished goods and work in progress comprises cost of raw materials, consumables and direct labor with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labor as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management. Any borrowing expenses in the period of construction are not recognized.

Contract work in progress
Contract work in progress is measured at the selling price of the work performed based on the stage of completion.

The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognized as an expense in the income statement.

Prepayments are set off against contract work in progress. Payments received on account in excess of the contract work performed to date are stated separately for each contract and recognized as prepayments received from customers in short-term debt.

Expenses relating to sales work and the winning of contracts are recognized in the income statement as incurred.

Receivables
Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Prepayments
Prepayments include expenses incurred in respect of subsequent financial years. Such expenses are typically prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity
Proposed dividend for the year is recognized as a separate item in equity.

Provisions
Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognized in respect of temporary differences concerning goodwill not deductible for tax purposes or other items apart from business acquisitions where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realized, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction. Adjustment is made for deferred tax concerning eliminations made of unrealized intercompany gains and losses.

Accounting Policies

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallize as current tax. Any changes in deferred tax due to changes to tax rates are recognized in the income statement.

Other provisions include warranty obligations in respect of repair work within the warranty period of 2-5 years. Provisions are measured and recognized based on experience with guarantee work at fair value.

Financial liabilities
Fixed-rate loans such as mortgage loans and loans from credit institutions are recognized initially at the proceeds received less transaction expenses incurred. In subsequent periods, loans are measured at amortized cost so that the difference between the proceeds and the nominal value is recognized in the Income Statement as an interest expense over the term of the loan.

Other liabilities are measured at amortized cost which usually corresponds to the nominal value.

Current tax liabilities
Current tax liabilities and current tax receivables are recognized in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Accounting policies Cash Flow Statement

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities
Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for non-cash operating items such as depreciation, amortization and impairment losses, provisions as well as changes in working capital, interest received/paid and corporation tax paid. Working capital comprises current assets less short-term liabilities excluding items included in cash and cash equivalents.

Cash flows from investing activities
Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, tangible assets as well as financial fixed asset.

Cash flows from financing activities
Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt, payment of dividend to share-holders as well as loan from Parent Company.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand.

Accounting Policies

Explanation of financial ratios

Key figures and financial ratios are determined based on "Recommendations & Financial Ratios" issued by the Danish Society of Financial Analysts.

Gross profit margin (%)	=	Gross profit/(loss) X 100 / Net revenues
Profit margin (%)	=	Operating income X 100 / Net revenues
Return on net assets (%)	=	Operating income X 100 / Average operating assets
Solvency ratio (%)	=	Equity at year end X 100 / Total assets at year end
Return on equity (%)	=	Profit/(loss) for the year X 100 / Average equity

Income Statement

All amounts in DKK'000

		Group		Parent	
	Note	2015	2014	2015	2014
Net revenues	1	1.701.080	830.191	1.657.023	748.277
Cost of production	2, 3, 4	-1.457.533	-666.625	-1.431.995	-600.497
Gross profit/(loss)		**243.547**	**163.566**	**225.028**	**147.780**
Sales and proposal costs	2, 3, 4	-82.582	-78.534	-72.581	-68.346
Administrative costs	2, 3, 4	-53.396	-40.234	-48.368	-37.115
Operating income		**107.569**	**44.798**	**104.079**	**42.319**
Result from investments in subsidaries	5	0	0	6.539	1.224
Financial income	6	22.372	12.442	17.174	12.415
Financial expenses	7	-1.751	-1.174	-1.751	-670
Profit/(loss) before tax		**128.190**	**56.066**	**126.041**	**55.288**
Tax expense on ordinary activities	8	-25.787	-11.019	-23.638	-10.241
Profit/(loss) for the year		**102.403**	**45.047**	**102.403**	**45.047**

Distribution of profit				
Proposed dividend recognized in equity	0	5.000	0	5.000
Extraordinary dividend	75.000	25.000	75.000	25.000
Reserve for net revaluation according to the equity method	0	0	5.793	0
Retained earnings	27.403	15.047	21.610	15.047
	102.403	**45.047**	**102.403**	**45.047**

Balance Sheet as of 31. December

All amounts in DKK'000

	Note	Group 2015	Group 2014	Parent 2015	Parent 2014
Assets					
Completed development projects	9	515	866	515	866
Acquired intangible assets	10	11.880	13.033	0	0
Goodwill	11	12.315	14.934	0	0
Development projects in progress	12	1.181	1.040	1.181	1.040
Intangible assets		**25.891**	**29.873**	**1.696**	**1.906**
Land and buildings	13	43.031	44.743	43.031	44.743
Plant and machinery	14	10.008	9.172	10.008	9.172
Fixtures, fittings, tools and equipment	15	4.407	4.402	3.359	3.853
Leasehold improvements	16	1.254	142	107	142
Property, plant and equipment in progress and prepayments for property, plant and equipment	17	517	0	517	0
Tangible fixed assets		**59.217**	**58.459**	**57.022**	**57.910**
Long-term investments in subsidiaries	5, 18	0	0	51.356	43.428
Other long-term receivables		5.191	462	4.797	0
Deposits		2.899	2.062	2.785	2.062
Financial fixed assets		**8.090**	**2.524**	**58.938**	**45.490**
Fixed assets		**93.198**	**90.856**	**117.656**	**105.306**
Raw materials and consumables		10.629	7.400	10.629	7.400
Work in progress		4.772	1.140	4.772	1.140
Manufactured goods and goods for resale		27.446	30.742	27.293	30.680
Inventories		**42.847**	**39.282**	**42.694**	**39.220**
Trade receivables	19	376.831	106.468	325.742	97.998
Contract work in progress	20	337.903	86.222	408.442	84.643
Receivables from group enterprises		217	836	3.079	836
Tax receivables		2.126	10.624	1.594	9.834
Other receivables		14.584	5.145	14.121	1.496
Prepaid expenses		9.719	9.751	8.430	8.960
Provision for deferred tax	21	110	68	0	0
Receivables		**741.490**	**219.114**	**761.408**	**203.767**
Cash and cash equivalents		**378.189**	**203.257**	**240.449**	**185.699**
Current assets		**1.162.526**	**461.653**	**1.044.551**	**428.686**
Assets		**1.255.724**	**552.509**	**1.162.207**	**533.992**

Balance Sheet as of 31. December

All amounts in DKK'000

		Group		Parent	
	Note	2015	2014	2015	2014
Liabilities and equity					
Share capital		20.000	20.000	20.000	20.000
Reserve for net revaluation according to the equity method		0	0	5.793	0
Retained earnings		197.682	158.526	191.889	158.526
Proposed dividend recognized in equity		0	5.000	0	5.000
Equity	22	**217.682**	**183.526**	**217.682**	**183.526**
Provisions for deferred tax	21	69.415	45.392	65.066	40.525
Other provisions	23	39.275	17.861	38.472	16.981
Provisions		**108.690**	**63.253**	**103.538**	**57.506**
Other payables		489	574	0	0
Long-term liabilities other than provisions	24	**489**	**574**	**0**	**0**
Prepayments received from customers	20	537.546	85.895	476.130	85.116
Trade payables		254.251	102.169	245.272	93.072
Payables to group enterprises		6.558	42.763	22.197	44.534
Payables to associates		10.957	0	10.957	0
Tax payables		2.482	254	1.468	254
Other payables		117.069	74.075	84.963	69.984
Short-term liabilities other than provisions		**928.863**	**305.156**	**840.987**	**292.960**
Liabilities other than provisions within the business		**929.352**	**305.730**	**840.987**	**292.960**
Liabilities and equity		**1.255.724**	**552.509**	**1.162.207**	**533.992**

Contingent liabilities and security, etc.	25
Use of derivative financial instruments	26
Related parties	27
Fees for auditors elected on the general meeting	28

Cash Flow Statement

All amounts in DKK'000

	2015	2014
Profit	102.403	45.047
Depreciation/amortization/impairment of tangible and intangible assets	10.901	11.963
Adjustments of interest and similar incomes	-22.372	-12.442
Adjustments of interest and similar expenses	1.751	1.174
Adjustments of tax expense	25.787	11.019
Other provisions	21.414	-2.433
Other adjustments	956	-1.357
Adjustments for decrease (increase) in working capital	136.344	-64.436
Cash flow from operating activities before financial items	**277.184**	**-11.465**
Interest received	22.372	12.442
Interest paid	-1.751	-1.174
Cash flow from ordinary operating activities	**297.805**	**-197**
Income taxes refunded/(paid)	5.624	-7.231
Cash flows from operating activities	**303.429**	**-7.428**
Purchase of intangible assets	-141	-1.040
Purchase of tangible assets	-7.502	-1.597
Purchase of financial fixed assets	-769	-485
Cash flows from investing activities	**-8.412**	**-3.122**
Repayments of long-term liabilities	-85	-2.347
Repayment of loan from group enterprises	-40.000	0
Raising of debt to group enterprises	0	40.000
Dividend paid	-80.000	-55.000
Cash flows from financing activities	**-120.085**	**-17.347**
Net increase (decrease) in cash and cash equivalents	**174.932**	**-27.897**
Cash and cash equivalents, beginning balance	203.257	231.154
Cash and cash equivalents, ending balance	**378.189**	**203.257**
Cash and cash equivalents specified:		
Cash and cash equivalents	378.189	203.257
Cash and cash equivalents in total	**378.189**	**203.257**

Notes

All amounts in DKK'000

	Group		Parent	
	2015	2014	2015	2014
1. Net revenues				
New Energy Plants	1.486.146	634.308	1.458.286	566.909
Service Business	214.603	195.572	198.407	181.057
Other	331	311	330	311
	1.701.080	**830.191**	**1.657.023**	**748.277**
Denmark	778.762	383.943	768.560	351.792
Other European countries	865.467	358.691	832.176	308.928
Other countries	56.851	87.557	56.287	87.557
	1.701.080	**830.191**	**1.657.023**	**748.277**
2. Employee benefits expenses				
Wages and salaries	293.820	250.353	275.303	235.605
Pensions	10.508	9.644	7.859	7.410
Other social security expenses less refunding	6.318	5.354	713	325
	310.646	**265.351**	**283.875**	**243.340**
Employee benefits expense are allocated as follows in the income statement				
Costs of production	253.068	212.393	235.622	198.921
Sales and proposal costs	23.454	21.868	19.702	17.830
Administrative costs	34.124	31.090	28.551	26.589
	310.646	**265.351**	**283.875**	**243.340**
Salaries etc. to executive board and board of directors:				
Executive board	7.062	5.632	7.062	5.632
	7.062	**5.632**	**7.062**	**5.632**
Average number of employees	457	416	418	385
3. Amortization of intangible assets				
Costs of production	4.123	4.444	351	672
	4.123	**4.444**	**351**	**672**
4. Amortization of tangible assets				
Costs of production	2.179	2.525	2.001	2.318
Sales and proposal costs	71	70	0	0
Administrative costs	4.528	4.924	4.476	4.852
	6.778	**7.519**	**6.477**	**7.170**

Notes

All amounts in DKK'000

5. Disclosure in long-term investments in group enterprises and associates

Group enterprises

Name	Registered office	Share held in %	Equity	Profit
Götaverken Miljö AB (Share capital 500 SEK '000)	Gothenburg, Sweden	100,00	27.453	5.967
Amortization of value added				-3.254
Value added as per 31. December 2015			19.847	
Babcock & Wilcox Slovakia s.r.o. (Share capital 5 EUR '000)	Trencin, Slovakia	100,00	-394	-431
Babcock & Wilcox UK Ltd. (Sharecapital 0 GBP '000)	London, UK	100,00	4.056	4.257
			50.962	**6.539**

In the parent company 51.356 DKK'000 are included in long-term investments in subsidiaries and 394 DKK'000 have reduced receivables from group enterprises.

	Group		Parent	
	2015	2014	2015	2014
6. Financial income				
Interest received from group enterprises	0	0	7	0
Exchange rate gain	21.791	11.904	16.591	11.904
Other financial income	581	538	576	511
	22.372	**12.442**	**17.174**	**12.415**
7. Financial expenses				
Interest paid to group enterprises	361	257	361	257
Exchange rate losses	0	0	0	0
Other financial expenses	1.390	917	1.390	413
	1.751	**1.174**	**1.751**	**670**
8. Tax expense on ordinary activities				
Tax on profit/(loss) for the year	4.255	10.302	1.478	8.938
Adjustment of tax previous years	738	-501	738	-501
Adjustment of provision for deferred tax	23.255	3.829	23.883	4.415
Adjustment of provision for deferred tax due to change in taxrate	-2.461	-2.611	-2.461	-2.611
Total tax of the year	**25.787**	**11.019**	**23.638**	**10.241**

Notes

All amounts in DKK'000

	Group		Parent	
	2015	2014	2015	2014
9. Completed development projects				
Cost at the beginning of the year	4.363	4.363	4.363	4.363
Disposal during the year	-604	0	-604	0
Cost at the end of the year	**3.759**	**4.363**	**3.759**	**4.363**
Depreciation and amortization at the beginning of the year	-3.497	-2.825	-3.497	-2.825
Amortization for the year	-351	-672	-351	-672
Reversal of prior years' impairment losses and amortization	604	0	604	0
Impairment losses and amortization at the end of the year	**-3.244**	**-3.497**	**-3.244**	**-3.497**
Carrying amount at the end of the year	**515**	**866**	**515**	**866**

10. Acquired patents and trademarks

	Group 2015	Group 2014	Parent 2015	Parent 2014
Cost at the beginning of the year	18.798	18.798	0	0
Cost at the end of the year	**18.798**	**18.798**	**0**	**0**
Depreciation and amortization at the beginning of the year	-5.765	-4.612	0	0
Amortization for the year	-1.153	-1.153	0	0
Impairment losses and amortization at the end of the year	**-6.918**	**-5.765**	**0**	**0**
Carrying amount at the end of the year	**11.880**	**13.033**	**0**	**0**

11. Goodwill

	Group 2015	Group 2014	Parent 2015	Parent 2014
Cost at the beginning of the year	72.875	72.875	41.653	41.653
Cost at the end of the year	**72.875**	**72.875**	**41.653**	**41.653**
Depreciation and amortization at the beginning of the year	-57.941	-55.322	-41.653	-41.653
Amortization for the year	-2.619	-2.619	0	0
Impairment losses and amortization at the end of the year	**-60.560**	**-57.941**	**-41.653**	**-41.653**
Carrying amount at the end of the year	**12.315**	**14.934**	**0**	**0**

Notes

All amounts in DKK'000

	Group		Parent	
	2015	2014	2015	2014
12. Development projects in progress				
Cost at the beginning of the year	1.040	0	1.040	0
Addition during the year, incl. improvements	141	1.040	141	1.040
Cost at the end of the year	**1.181**	**1.040**	**1.181**	**1.040**
Carrying amount at the end of the year	**1.181**	**1.040**	**1.181**	**1.040**

13. Land and buildings

Cost at the beginning of the year	71.254	70.218	65.854	64.818
Addition during the year, incl. improvements	1.160	1.036	1.160	1.036
Cost at the end of the year	**72.414**	**71.254**	**67.014**	**65.854**
Revaluations at the beginning of the year	23.572	23.572	0	0
Revaluations at the end of the year	**23.572**	**23.572**	**0**	**0**
Depreciation and amortization at the beginning of the year	-50.083	-47.191	-21.111	-18.219
Amortization for the year	-2.872	-2.892	-2.872	-2.892
Impairment losses and amortization at the end of the year	**-52.955**	**-50.083**	**-23.983**	**-21.111**
Carrying amount at the end of the year	**43.031**	**44.743**	**43.031**	**44.743**

14. Plant and machinery

Cost at the beginning of the year	36.519	35.605	36.519	35.605
Addition during the year, incl. improvements	2.768	1.015	2.768	1.015
Disposal during the year	0	-101	0	-101
Cost at the end of the year	**39.287**	**36.519**	**39.287**	**36.519**
Depreciation and amortization at the beginning of the year	-27.347	-25.229	-27.347	-25.229
Amortization for the year	-1.932	-2.219	-1.932	-2.219
Reversal of impairment losses and amortization of disposed assets	0	101	0	101
Impairment losses and amortization at the end of the year	**-29.279**	**-27.347**	**-29.279**	**-27.347**
Carrying amount at the end of the year	**10.008**	**9.172**	**10.008**	**9.172**

Notes

All amounts in DKK'000

	Group		Parent	
	2015	2014	2015	2014
15. Fixtures, fittings, tools and equipment				
Cost at the beginning of the year	29.529	29.948	25.795	26.056
Change due to a foreign currency translation adjustment	187	-258	0	0
Addition during the year, incl. improvements	1.911	237	1.144	137
Disposal during the year	0	-398	0	-398
Cost at the end of the year	**31.627**	**29.529**	**26.939**	**25.795**
Depreciation and amortization at the beginning of the year	-25.127	-23.411	-21.942	-20.359
Change due to foreign currency translation adjustment	-154	216	0	0
Amortization for the year	-1.939	-2.330	-1.638	-1.981
Reversal of impairment losses and amortization of disposed assets	0	398	0	398
Impairment losses and amortization at the end of the year	**-27.220**	**-25.127**	**-23.580**	**-21.942**
Carrying amount at the end of the year	**4.407**	**4.402**	**3.359**	**3.853**
16. Leasehold improvements				
Cost at the beginning of the year	1.133	1.210	1.133	1.210
Addition during the year, incl. improvements	1.147	0	0	0
Disposal during the year	0	-77	0	-77
Cost at the end of the year	**2.280**	**1.133**	**1.133**	**1.133**
Depreciation and amortization at the beginning of the year	-991	-990	-991	-990
Amortization for the year	-35	-78	-35	-78
Reversal of impairment losses and amortization of disposed assets	0	77	0	77
Impairment losses and amortization at the end of the year	**-1.026**	**-991**	**-1.026**	**-991**
Carrying amount at the end of the year	**1.254**	**142**	**107**	**142**

Notes

All amounts in DKK'000

	Group		Parent	
	2015	2014	2015	2014
17. Property, plant and equipment in progress and prepayments for property, plant and equipment				
Cost at the beginning of the year	0	691	0	691
Addition during the year, incl. improvements	517	154	517	154
Disposal during the year	0	-845	0	-845
Cost at the end of the year	**517**	**0**	**517**	**0**
Carrying amount at the end of the year	**517**	**0**	**517**	**0**

18. Long-term investments in group enterprises

	Group 2015	Group 2014	Parent 2015	Parent 2014
Cost at the beginning of the year			45.526	45.526
Addition during the year, incl. improvements			37	0
Cost at the end of the year			**45.563**	**45.526**
Fair value adjustments at the beginning of the year			-2.098	-1.787
Share of profit/(loss) for the year			9.793	4.478
Change due to foreign currency translation adjustment			900	-1.364
Adjustments for the year			452	-171
Reversal of fair value adjustments of disposed assets			-3.254	-3.254
Fair value adjustments at the end of the year			**5.793**	**-2.098**
Carrying amount at the end of the year			**51.356**	**43.428**

19. Trade receivables

Trade receivables include 12.373 DKK'000 (2014: 0 DKK'000) due more than 1 year after year end.

20. Contract work in progress

	Group 2015	Group 2014	Parent 2015	Parent 2014
Sales value of work	2.765.597	1.412.222	2.567.431	1.242.012
Progress billings on contracts in progress	-2.965.240	-1.411.895	-2.635.119	-1.242.485
Net value of contract work	**-199.643**	**327**	**-67.688**	**-473**
Contract work is divided as follows in the balance sheet:				
Net receivables	337.903	86.222	408.442	84.643
Net liabilities	-537.546	-85.895	-476.130	-85.116
Net value of contract work	**-199.643**	**327**	**-67.688**	**-473**

Notes

All amounts in DKK'000

	Group 2015	Group 2014	Parent 2015	Parent 2014
21. Provision for deferred tax				
Intangible assets	4.722	5.314	373	447
Tangible assets	-1.495	191	-1.495	191
Contract work in progress	138.772	101.218	138.772	101.218
Tax loss carried forward	-82.409	-62.085	-82.320	-62.085
Liabilities	9.715	686	9.736	754
Balance at the end of the year	**69.305**	**45.324**	**65.066**	**40.525**

In the Parent Company, 65.066 DKK'000 (2014: 40.525 DKK'000) are included in liabilities and 0 DKK'000 (2014: 0 DKK'000) in assets.

In the Group, 69.415 DKK'000 (2014: 45.392 DKK'000) are included in liabilities and 110 DKK'000 (2014: 68 DKK'000) in assets.

Tax loss carried forward is expected used within 3 years.

22. Share capital

Group

	Share capital	Retained earnings	Proposed dividend	Total
Equity, beginning balance	20.000	158.526	5.000	183.526
Dividend paid	0	0	-5.000	-5.000
Extraordinary dividend paid	0	-75.000	0	-75.000
Exchange rate adjustment of equity investments	0	900	0	900
Fair value adjustments of hedging instruments	0	10.853	0	10.853
Profit/(loss) for the year	0	102.403	0	102.403
	20.000	**197.682**	**0**	**217.682**

Parent

	Share capital	Reserve for net revaluation according to the equity method	Retained earnings	Proposed dividend	Total
Equity, beginning balance	20.000	0	158.526	5.000	183.526
Dividend paid	0	0	0	-5.000	-5.000
Extraordinary dividend paid	0	0	-75.000	0	-75.000
Exchange rate adjustment of equity investments	0	0	900	0	900
Fair value adjustments of hedging instruments	0	0	10.853	0	10.853
Profit/(loss) for the year	0	5.793	96.610	0	102.403
	20.000	**5.793**	**191.889**	**0**	**217.682**

The share capital has remained unchanged for the last 5 years.
The share capital is distributed on shares of DKK 100 or multiples hereof. No shares have any special rights.

Notes

All amounts in DKK'000

23. Other provisions

	Group 2015	Group 2014	Parent 2015	Parent 2014
Warranty provisions	39.275	17.861	38.472	16.981
Balance at the end of the year	**39.275**	**17.861**	**38.472**	**16.981**

The majority of other provisions is expected to be used within 2-5 year.

24. Long-term liabilities

Group

	Due within 1 year	Due 1-5 years	Due after 5 years
Other payables	0	489	0
	0	**489**	**0**

25. Contingent liabilities and security, etc.

	Group 2015	Group 2014	Parent 2015	Parent 2014
Work and advance guarantees issued by the Group's financial institution and insurance companies	1.540.742	679.690	1.533.161	665.507
Other receivables under receivables included as security for the completion of projects	0	2.515	0	2.515
For the years 2016-2020 lease/rental obligations have been entered at a total cost of	19.762	8.433	15.532	7.599

The Company has entered into consortiums with Interserve Construction Limited in the UK in order to build plants in the UK. The Company has provided work guarantees to the customers amounting to 277.177 DKK '000 (2014: 184.773 DKK '000), which are included in the above work guarantees. In addition, the Company has taken on a joint and several liability for the work guarantees of the consortium partner to the customers. These guarantees amounting to 154.342 DKK '000 (2014: 82.280 DKK '000) are not included in the above work guarantees.

26. Use of derivative financial instruments

	Group 2015	Group 2014	Parent 2015	Parent 2014
Contractual value:				
Sale, GBP 3-20 months	415.650	0	415.650	0
Sale, DKK	0	8.392	0	0
	415.650	**8.392**	**415.650**	**0**
Unrealized gain/(loss):				
Sale, GBP 3-20 months	14.058	0	14.058	0
Sale, DKK	0	-379	0	0
	14.058	**-379**	**14.058**	**0**

Notes

All amounts in DKK'000

27. Related parties

The Company is 100 % owned by:

B&W PGG Luxembourg Finance SARL
6, rue Guillaume Schneider
L-2522 Luxembourg
Grand-Duchy of Luxembourg

The Company is incorporated into the consolidated financial statements of the ultimate parent company Babcock & Wilcox Enterprises, Inc. (NYSE symbol: BW). The consolidated financial statements of Babcock & Wilcox Enterprises, Inc. can be obtained at the following address:

Babcock & Wilcox Enterprises, Inc.
13024 Ballantyne Corporate Place, Suite 700
Charlotte, NC 28277
USA

28. Fees for auditors elected on the general meeting

	Group		Parent	
	2015	**2014**	**2015**	**2014**
Statutory audit	731	480	731	480
Other assurance reports	674	280	674	280
Tax consultancy	6	59	6	59
Other services	0	20	0	20
	1.411	**839**	**1.411**	**839**
Other assurance reports	94	94	0	0
Tax consultancy	0	3	0	0
	94	**97**	**0**	**0**
	1.505	**936**	**1.411**	**839**