



GREENTECH ENERGY SYSTEMS A/S

Greentech Energy Systems A/S
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Company Announcement No. 37/2011

Greentech Energy Systems A/S

INTERIM REPORT FOR THE PERIOD 1 JANUARY – 30 JUNE 2011

HIGHLIGHTS

Major increase in electricity generated and revenue

- 124% increase in revenue for Q2 to EUR 5,200K
- 103% increase in revenue for H1 to EUR 10,526K
- Total electricity generated (gross) in Q2 2011 of 68,103 MWh and 139,863 MWh in H1 2011, a 77% and 70% increase despite unsatisfactory wind conditions in Germany and Italy.

Effect of cost saving and increase in production capacity

- An increase in EBITDA for Q2 2011 to EUR 2,142K against EUR 608K for the same period in 2010. In H1 2011 EBITDA amounts to EUR 4,859K; an increase by more than 9X compared to H1 2010
- A reduction of administrative expenses of 25% in H1 2011 compared to the same period 2010.

Acquisition of 30 MW wind park in Spain

- The wind park is expected to produce more than 66,000 MWh and the revenue from the park is estimated to be EUR 5.5M with an EBITDA of EUR 4.7M.

Events occurred after 30 June 2011

Combination of Greentech and GWM completed

- Combination completed on 11 August 2011
- The “new” Greentech has now a total operational gross capacity of 290 MW (224 MW net) of which 250 MW is in wind and 40 MW in solar
- The “new” Greentech, active in wind and solar, has now an expertise in the hydro and water treatment business as well as expertise in the bio mass business
- The “new” Greentech has a cash position of more than EUR 55M and a market capitalization close to EUR 300M
- The revenue for 2011 for the “new” Greentech is expected to amount to EUR 50 - 55M, with an EBITDA of EUR 18 – 21M. These figures do not include revenue of EUR 13 – 17M and EBITDA of EUR 9 – 12M from investments in associates.
- For 2012 the “new” Greentech expects a gross operational capacity of app. 400MW, generating an expected production of 430 - 440 MWh and revenues of EUR 60 - 65M. This does not include revenue of EUR 13 – 17M from investments in associates.

Release of seized Minerva Messina shares

- The 15% of the share capital of Minerva Messina seized by the Italian authorities has been released and Greentech is now again in full control of 100% of the share capital of Minerva Messina S.r.l.
- The seizure has had no economic impact.

Financing of newly acquired 30 MW Spanish wind park obtained

- The project financing amounts to 75% of total investment
- Increase of the indicative IRR to more than 16% on the project.

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The Board of Directors

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INTERIM REPORT FOR THE PERIOD 1 JANUARY – 30 JUNE

Financial highlights of the Group

EUR'000 Unaudited	1/4 - 30/6 2011	1/4 - 30/6 2010	1/1 - 30/6 2011	1/1 - 30/6 2010	Full year 2010
Income statement					
Revenue	5,200	2,322	10,526	5,186	14,643
Gross profit before impairment	1,430	641	3,316	1,838	4,511
EBITDA	2,142	608	4,850	478	3,099
Earnings before interest and tax (EBIT)	-258	-499	-71	-1,653	-42,860
Net financials	-1,114	-629	-1,255	-814	-12,011
Profit/loss for the period	-1,434	-935	-1,430	-1,948	-52,119
Comprehensive income for the period	-1,704	-1,008	-1,777	-2,037	-52,178
Balance sheet					
Non-current assets			267,607	300,278	272,699
Current assets			43,304	45,837	37,045
Total assets			310,911	346,115	309,744
Share capital			35,571	32,346	35,571
Equity			186,088	229,073	187,856
Non-current liabilities			87,745	94,574	92,000
Current liabilities			37,078	22,468	29,888
Net working capital (NWC)			11,270	7,307	5,860
Cash flow					
Cash flow from operating activities			-3,264	-7,618	-9,597
Cash flow from investing activities			-2,250	-14,728	-22,769
Of which investment in property, plant and equipment			-2,255	-14,312	-21,607
Cash flow from financing activities			8,775	6,513	6,271
Total cash flows			3,261	-15,833	-26,095
Key figures					
Gross margin before impairment	27.5 %	27.6 %	31.5 %	35.4 %	30.8 %
EBITDA margin	41.1 %	26.2 %	46.1 %	9.2 %	21.2 %
EBIT margin	-	-	-	-	-
Equity ratio			59.9 %	66.2 %	60.6 %
Return on invested capital (ROIC)			-0.0 %	-0.6 %	-17.2 %
Return on equity			-0.76 %	-0.85 %	-24.9 %
Gearing ratio			0.4	0.3	0.4
Per share figures					
Average number of shares, 1,000 shares			52,782	47,982	48,620
Number of shares at the end of the period, 1,000 shares			52,782	47,982	52,782
Earnings per share, (EPS Basic), EUR	-0.03	-0.02	0.00	-0.04	-1.07
Net asset value per share, EUR			3.51	4.76	3.55
Price/net asset value			0.70	0.36	0.61
Actual price earnings (P/E Basic)			Neg.	Neg.	Neg.
Dividend per share			0.00	0.00	0.00
Payout ratio (%)			0 %	0 %	0 %
Market price, end of period, EUR			2.45	1.69	2.16
Average number of employees			28	32	31
Key figures relating to operations					
Production in kWh (mio.)	52.8	31.7	109.0	63.6	163.4
Capacity, year-end (MW), net			166.0	166.0	166.0

The key ratios are calculated in accordance with "Recommendations & Financial Ratios 2010", issued by the Danish Society of Financial Analysts.

ACTIVITIES

Financial highlights for the first half of 2011 concerning operations

At the end of June 2011 the Company's production capacity reached 250.15 MW gross and 193.95 MW net. On 9 June 2011, the Company signed an agreement with Gamesa Energia S.A. to acquire a 30 MW wind farm (Tarragona) located in Catalonia, Spain, of which 28 MW currently is in operation. Greentech's acquisition of the wind farm is subject to a written confirmation from the Regional Administration of Catalonia regarding legislation on the change of control of ownership of wind farms introduced at the beginning of the year. Confirmation hereof is expected shortly and the wind farm is included in the production capacity.

The Tarragona project was commissioned at the end of 2009 and is subject to tariffs laid down in RD 661/2007. For 2010, the project has received a total tariff of EUR 77.8/MWh. As at March 2011, the project has opted for settlement according to the guaranteed price of EUR 79.1/MWh. This tariff is adjusted annually according to the price index.

One 24 MW project was moreover under construction at the end of June 2011, which also was the case for the last turbine of 2 MW on the newly acquired Spanish wind farm.

The Company's gross capacity under development amounted to 729 MW at 30 June 2011.

The Company's capacity in operation, under construction and under development breaks down on segments and countries as follows:

(MW)	Production capacity				Under construction		Under development	
	31-Dec-10		30-Jun-11		30-Jun-11		30-Jun-11	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Wind								
Denmark	15.45	15.45	15.45	15.45	0	0	0	0
Germany	36.90	30.15	36.90	30.15	0	0	0	0
Poland	1.60	1.60	1.60	1.60	0	0	294	278
Italy	168.20	118.75	168.20	118.75	24	24	374.5	373
Spain*	0.00	0.00	28.00	28.00	2	2	0.0	0
Norway	0.00	0.00	0.00	0.00	0	0	30	30
Total wind	222.15	165.95	250.15	193.95	26	26	698.5	681
Solar								
Italy	0	0	0	0	0	0	30	30
Total solar	0	0	0	0	0	0	30	30
Total	222.15	165.95	250.15	193.95	26.00	26.00	728.50	711.00

* Production from Spain is only included when the conditional agreement is finalised, which is expected shortly.

No projects were completed in the first half of 2011. However, the construction of the Cagliari II project was progressing satisfactorily, and is almost completed. In June 2011 the judge of the preliminary investigation in Cagliari has temporarily stopped all construction work on the project. The stop of the construction is made for pre-emptive reasons as there are, according to the public prosecutor, irregularities allegedly committed in the development of the project during the period from 2003 to 2008.

The Company is in contact with the local authorities and expects to have a solution for a time schedule within the next month for the restart of the construction.

The Company's development portfolio still shows satisfactory progress in Poland. All permits for the start of construction of the Wojciechowo project of 32 MW are obtained and agreement of connection to the electricity net has also been obtained, why the project is ready for construction, which is expected to commence in October 2011. All supply contracts are in the final stages of negotiations and are about to be signed. A term sheet for the project financing has been signed and the final negotiations are at an advanced stage and are expected to be finalised shortly.

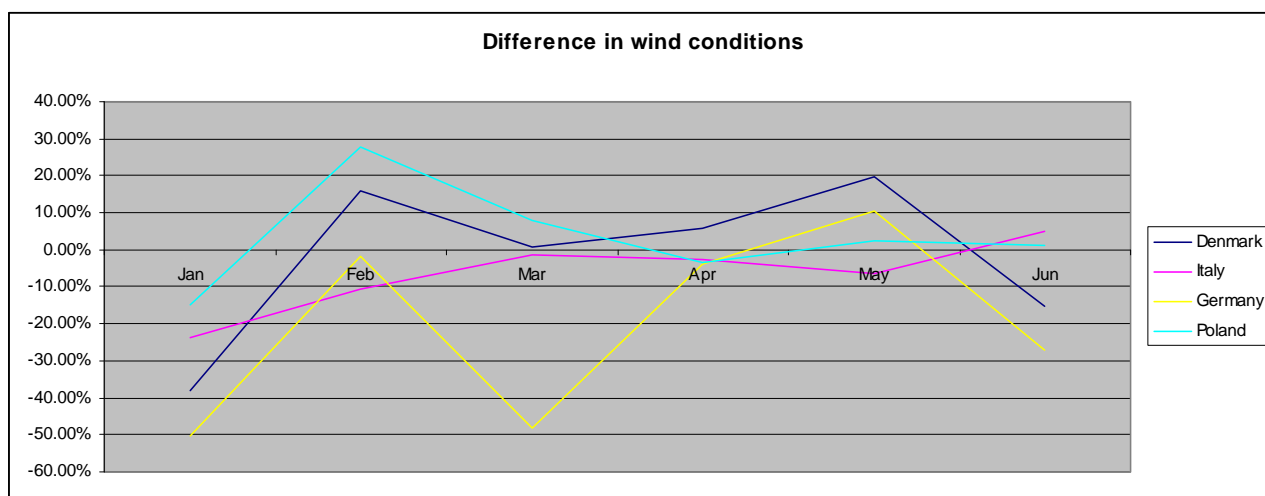
The construction of the 30 MW wind project Ustka is scheduled to commence in H1 2012. Connection agreement has been finalised and main contracts for construction and turbine supply and erection are under negotiation. Project financing negotiation is to commence in the next months.

Production

For Q2 2011 and for the first half of 2011 the installed production capacity generated the following:

(MWh)	Production							
	Q2 2010		Q2 2011		H1 2010		H1 2011	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Denmark	5,633	5,633	6,311	6,311	11,104	11,104	15,312	15,312
Germany	9,706	7,210	12,429	9,335	24,771	18,280	28,237	21,066
Poland	508	508	614	614	1,094	1,094	1,502	1,502
Italy	25,643	18,238	48,749	36,527	45,216	33,102	94,812	71,078
Total	41,490	31,589	68,103	52,787	82,185	63,580	139,863	108,958

Production generated has been materially affected by the varying wind conditions prevailing in the Company's markets and especially Germany and partly Italy have been below expectations. The actual wind conditions for the first half of 2011 compared to last year and expectations are specified below:



FINANCIAL REVIEW

The interim financial statements underlying this quarterly announcement have not been audited but have been presented under the accounting policies applying to the Greentech Group.

In Q2 2011 Greentech Energy Systems A/S realised revenue of EUR 5,200K, which is a 124% increase compared to Q2 2010. For the first half of 2011 the Company realised an increase in revenue of 103% from EUR 5,181K to EUR 10,526K.

The revenue realised breaks down as follows:

(EUR'000)	Revenue					
	Q2 2010	Q2 2011	%	H1 2010	H1 2011	%
Denmark	327	348	6.4%	643	841	30.8%
Germany	428	571	33.4%	1,072	1,268	18.3%
Poland	54	49	-9.3%	115	147	27.8%
Italy	1,303	3,941	202.5%	2,941	7,613	158.9%
Other	205	291	42.0%	410	657	60.2%
Total	2,317	5,200	124.4%	5,181	10,526	103.2%

The material improvement of revenue derives partly from the new production capacity in Italy, which has been fully operational for this quarter, and partly significantly improved wind conditions in Denmark and Poland compared to the same period last year. However the unsatisfactory wind conditions in Italy have had a negative impact on the revenue for the period.

In Q2 2011 EBITDA amounts to EUR 2,142K, which is an improvement of EUR 1,534K compared to the same period last year. In H1 2011 EBITDA amounts to TEUR 4,850, which is an improvement of TEUR 4,372 compared to H1 2010. The increase of EBITDA is primarily related to the operational new capacity in Italy, which was started up in 2010, but only in 2011 is fully operational and also the implemented cost savings in the administration.

Net financials for the Q2 2011 period are affected by increased interest charges related to the commenced production capacity. For H1 2011 the net financial is additionally affected by a favourable development in the fair value of financial instruments. Net financials for Q2 2011 amount to a negative EUR 1,114K and for H1 the net financials amount to a negative EUR 1,255.

The result for Q2 2011 is a loss of EUR 1,434K, which is in line with expectations, as second quarter historically always have low production, due to the overall wind conditions. The result for H1 2011 is a loss of TEUR 1,430, which meets the Company's expectations.

The cash flows from operating activities for H1 2011 amount to a negative EUR 3,264K. Cash flows from investing activities amount to a negative EUR 2,250K and whereas cash flows from financing activities amount to EUR 8,775K. In total cash flows for the period amount to EUR 3,261K.

EVENTS OCCURRED AFTER 30 JUNE 2011

Creation of the “New Greentech”

The transaction

In the beginning of May 2011, Greentech and GWM Renewable Energy II S.p.A. (GWM RE) entered into an agreement pursuant to which GWM RE would contribute to Greentech the entire share capital of GWM Renewable S.p.A. (GWM), and GWM RE's 50.03% stake in Global Ligator (GL), as consideration for the issue by Greentech to GWM RE of 53,722,347 shares. For further information please refer to Company Announcement No 11/2011.

The subscription price for the shares issued by Greentech was agreed in the agreement at DKK 18.85 per share, which was considered to be the market price of the shares at the time the agreement was signed, which was higher than the weighted average trading price of the shares in the preceding 12 months (DKK 16.64), 6 months (DKK 17.22), 3 months (DKK 17.33), 1 month (DKK 18.81), the last five trading days (DKK 18.68), and on May 5, 2011 (DKK 18.60), as well as of any price paid by GWM RE for shares in the six months prior to May 5, 2011.

The value of the net assets contributed from GWM RE was agreed at EUR 135.8M, which was the same value as two important independent industrial and financial investors, Pirelli Group and Banca Intesa San Paolo, had applied at the time of investment in GWM just few weeks before the transaction.

A legal due diligence of GWM and GL has been performed by the law firm of Bonelli Erede Pappalardo of Rome. In July 2011, Bonelli Erede Pappalardo provided a satisfactory due diligence report.

Additionally Lazard & Co. has prepared a valuation of the net assets of GWM and GL in which the mean value of the interval concluded by Lazard in their valuation corresponds to the value of the shares issued by Greentech.

Finally Ernst & Young has prepared and issued a valuation report in accordance with the Danish Companies Act stating that the value of the net assets in GWM and GL was not less than the value of the shares issued by Greentech.

The transaction is agreed and performed on 11 August 2011. For further information please refer to Company Announcement No 24/2011, in which the Prospectus made for the purpose of the transaction is available.

Purpose

Greentech has a proven track-record of developing and operating wind turbine projects in Europe. As stated in the Company's annual report of 2010, it updated its strategy in order to secure a constantly increasing production of renewable energy with an ambition to contribute positively to sustainable growth in a world where the climate, the environment and independence of limited resources are expected to be a political and financial driver in the future.

Greentech aims to reduce the dependency of a single market and technology, and therefore Greentech has a strategy of expanding its green activities through increased focus on

new markets and technologies. The business combination of Greentech and GWM is the first step in the implementation of the new strategy. GWM has a complimentary business with a range of capabilities with a main focus on solar energy and environmental projects. The goal of the transaction is to create a combined group consisting of the Greentech Group and the GWM Group, which aims to become a leading energy group within the renewable energy and environmental sectors in Europe.

Business case

Greentech's portfolio, following the combination, includes a range of different technologies and business areas, and is built upon the four core building blocks summarised below:

- Wind power: 250 MW (gross) of wind turbine projects in operation, including the acquisition of the Spanish wind farm (Conesa), 26 MW under construction and a current pipeline of app. 700 MW of projects under development.
- Solar power: 40 MW (gross) of photovoltaic plants in operation and an additional 1 MW is under construction. 30 MW is under development, and a further 36.3 MW is expected to be added to the portfolio by the end of 2011 through acquisitions. The medium term pipeline includes a combined 67 MW of projects in Italy and Spain.
- Hydroelectric, biomass and biogas: The Company is developing 4 cogeneration projects with construction expected in late-2011 / early-2012. In addition, a total of 52 MW of hydropower is expected to be developed and constructed in Montenegro and Serbia in the next two years.
- Water and sludge treatment: Historically Gruppo Zilio, the environment company owned by Greentech, has developed and sold 30 water treatment plants and 5 black water depuration plants. In addition, the Company has deposited 6 patent applications relating to chemical processes that allow the filtering of drinkable water with a marked reduction of operational costs compared to traditional techniques. Furthermore, in the civil and industrial black water purification sector, the Company offers a downstream integration with a cogeneration engine.

Greentech has a portfolio of renewable energy projects and plants primarily located throughout Denmark, Norway, Germany, Poland, Italy and Spain. These markets differ in the maturity of their renewable energy industries, providing Greentech with a balanced portfolio in terms of mature markets (e.g. Denmark, Germany and Spain), currently attractive markets (e.g. Italy) and potentially attractive future markets (e.g. Poland, Norway, Serbia, Montenegro, Albania and Hungary).

By balancing the portfolio of projects, by continuously developing new projects as other projects commence commercial operation and by aiming to diversify and balance the projects between different levels of investment returns and related risks for each of the projects, Greentech have a natural hedge between operating and developing opportunities, as well as exposure stemming from each of the technologies.

Greentech has significant flexibility in pursuing new attractive growth projects both in terms of available technologies across its four core business areas, or in new businesses, as well as in geographic scope, and will therefore be able to capitalise on new market trends and opportunities. Greentech may also be able to take advantage of the different technologies and technology know-how to expand the range of its projects in each market, thereby further adding to the growth potential. In addition, the geographic reach and experience in entering various markets may improve the Company's possibilities for success-

fully pursuing growth opportunities in new geographical markets where the renewable energy sector may still be in the early stages of its development.

Going forward

Local presence in key markets

Greentech intends to pursue a strategy of centralising core functions and competencies while maintaining a strong local foundation in key markets. Greentech is headquartered in Copenhagen, Denmark, but does also hold a local presence in other key markets, such as Italy, Spain and Poland and the Company has a significant presence with 49 employees in its largest market, Italy.

Moreover, while the overall responsibility of developing future projects rests with the Management Board, the Company takes advantage of its significant local knowledge and presence in identifying potential projects. In addition Greentech is able to leverage its decentralised approach once projects go into the construction or operational phases, thereby providing valuable local knowledge and oversight.

Attractive financial profile

Following the completion of the transaction, Greentech has estimated cash resources of TEUR 55,000 and an equity ratio of 55%. During the recent financial crisis, businesses operating within the renewable energy sector have to a large extent been restricted from pursuing attractive projects due to restrictions in securing the necessary debt and equity financing. The attractive financial profile of Greentech provides the Company with a significant advantage in securing third party financing for attractive growth projects; conversely, the competitors of Greentech that still suffer from the financial constraints stemming from the current financial crisis.

In addition, the business areas of Greentech are characterised by stable income and predictable cash flows once individual projects commence commercial operation. This not only gives a high degree of transparency for future earnings and cash flows, but also allows for high financial leverage for each individual project resulting in a high return on equity.

Highly skilled and experienced employees

Greentech has an experienced team of key employees, strategically located in each of the key markets. The Company has a proven track record of successfully developing projects in their respective areas of expertise. The combination of the key employees' technical know-how and knowledge of local conditions makes the Company better suited to successfully manage Greentech's projects in each of the development, construction and operational phases and to successfully overcome the risks inherent in developing renewable energy and environmental projects.

Strong shareholder base and strategic partnerships

Following the transaction the “new” Greentech has strong institutional investors such as:

- Rottapharm-Madaus, a multinational pharmaceutical group
- Pirelli Group, the world leading tire group
- Intesa Sanpaolo S.p.A. banking group, the largest bank in Italy and No 5 in Europe
- GWM Group, a financial group focusing on alternative investments;

each of which are major international groups with strong financial track records. In addition, Greentech has strong industrial relationships with two of the largest energy producers

in Europe, Électricité de France (EDF) and Polska Grupa Energetyczna (PGE), through which Greentech will be able to secure better terms in respect of supply and financing agreements and which also may increase the number of project opportunities available to the Company.

Strategy

Greentech pursues an expansion policy of its current businesses through the following main elements:

Geographical diversification

It is the intent of Greentech to continue to pursue geographical diversification in order to allow the Company to position itself in markets where demand for green energy is strongest, whilst at the same time limiting the exposure to risks associated with local weather conditions and local regulatory risks.

Technological diversification

Greentech follows a strategy of technological diversification across the various sources of renewable energy and environmental projects with a view to minimising the risk exposure for the Company stemming from each of the technologies as well as to maximising the number of investment and growth opportunities within existing or new markets for renewable energy or environmental projects. In addition, this strategy will enable Greentech to further leverage its knowledge of the regulatory environment and know-how for developing and operating renewable energy and environmental projects in each of the markets in which the Company has a presence.

Economies of scale

Greentech intends to further leverage and optimise its organisational structure in order to obtain economies of scale. Organisational advantages may be achieved by optimising and centralising staff and staff functions such as project development, construction, operation, accounting, IT and legal, while maintaining a local presence in the Company's key markets.

Short description of the new Greentech portfolio, contributed assets

GWM was founded in March 2010. All activities in the GWM Group was acquired from third parties or established by GWM in 2010 and 2011.

Projects in operation



Cerveteri, Italy



Ugento 1, Italy



Ferrante, Italy



Mercurio, Italy

Photovoltaic

GWM is active in two core markets: Italy and Spain, with an aggregate installed capacity of 40 MW (gross). GWM has 13 plants in operation, of which 11 are in Italy and two in Spain. The following table shows the installed capacity by market of GWM's photovoltaic power plants:

Plant	Gross Power (MW)	Connection	% ownership	Net Power (MW)
Cerveteri	8.742	Mar-11	51.00%	4.458
De Marinis	0.990	Mar-11	100%	0.990
Ferrante	0.990	Apr-11	100%	0.990
Mercurio	0.909	Apr-11	100%	0.909
Nardò Caputo	9.768	Apr-11	100%	9.768
Vaglio 1	1.017	Dec-08	100%	1.017
Vaglio 2	1.960	Dec-09	100%	1.960
Ugento 1	0.980	Dec-09	100%	0.980
Torremaggiore	0.994	Dec-09	100%	0.994
Nardò Nanni	0.942	Dec-09	100%	0.942
Alessano Bortone	0.976	Dec-09	100%	0.976
Italy	28.268			23.984
Carlota	9.800	Sep-08	50.03%	4.903
Fotocampilos	2.100	May-08	100%	2.100
Spain	11.900			7.003
	40.168			30.987

Solar projects in Italy and Spain have a fixed feed-in-tariff for the production. The feed-in-tariff is however dependent on the time of connection to the grid. Solar projects in Italy are rewarded a feed-in-tariff for 20 years, while in Spain the feed-in-tariff is rewarded for 28 years. On top of the feed-in-tariff the solar projects have additional revenue from the sale of the electricity. The price of the energy trading is dependent of the capacity of the plant, but is expected to amount to an average of app. EUR 84/MWh in 2011.

In the following table the feed-in-tariff of each solar project is listed. Additionally the actual production and revenue for the first half of 2011 is listed:

Plant	Feed-in tariff (€/MWh)	Exp. Production H1 2011 (MWh)	Exp. Revenue H1 2011 (EUR'000)	Ownership (%)	Expected Full-year production (MWh)*	Expected full-year revenue (EUR'000)
Cerveteri	346	4.915,4	2.028,0	51,00%	11.090,1	4.538,9
De Marinis	346	425,9	187,3	100%	1.183,1	499,9
Ferrante	314	160,0	66,4	100%	1.195,2	467,1
Mercurio	346	223,6	100,9	100%	1.798,8	759,6
Nardò Caputo	297	2.271,5	852,5	100%	14.076,0	5.108,0
Vaglio 1	504	875,8	532,6	100%	1.749,1	1.016,0
Vaglio 2	353	1.725,9	787,8	100%	3.462,1	1.486,5
Ugento 1	353	691,5	314,1	100%	1.383,6	594,5
Torremaggiore	353	795,5	360,1	100%	1.722,8	740,1
Nardò Nanni	353	810,4	368,4	100%	1.471,6	631,8
Alessano Bortone	353	763,1	346,6	100%	1.326,3	569,9
Italy		13.658,6	5.944,7		40.458,7	16.412,3
Carlota	451	8.085,2	3.662,1	50,03%	15.367,8	5.642,9
Fotocampilos	476	1.722,5	785,9	100%	3.116,3	1.085,0
Spain		9.807,7	4.448,0		18.484,1	6.727,9 **
Total		23.466,3	10.392,7		58.942,8	23.140,2

*The full-year production will gradually decrease due to modules degradation. The estimated production is for 2012.

**In the expected revenue for the Spanish solar plants, a restrictive cap in the production to be remunerated has been included. From 2013 the cap will be increased and thereby improve the full-year revenue.

The actual production was 5.4% above forecast, which is primarily due to more sun than expected but also a higher than anticipated performance ratio.



Fotocampilos, Spain



Carlota, Spain



Nardò Nanni, Italy



Zilio, Environment

Environment

GWM operates in the environmental sector through Gruppo Zilio, which is a leading Italian company in the construction and engineering market with extensive experience in the environmental and renewable energy sectors. Gruppo Zilio was founded in the late-1950s by the Zilio brothers and was initially focused on the engineering and construction of thermo-hydraulic plants. After many years of operational activity, Gruppo Zilio expanded the range of services supplied, increased its field of expertise and structured the company into the four specialised business units summarised below.

- **Environment:** Engineering and construction of plants for filtering of drinkable water and sludge treatment. Working for public entities and private companies, Gruppo Zilio provides the engineering and construction of plants for filtering of drinkable water through selectively eliminating micro-contaminant elements such as arsenic, boron, fluorine, nickel, vanadium, uranium, nitrate, sulphate, phosphorus and chlorides. The technological know-how developed by Gruppo Zilio in this business unit represents the company's potential competitive advantage. Gruppo Zilio has filed six patent applications relating to chemical processes that allow the filtering of drinkable water with a marked reduction of operational costs compared to traditional

techniques. Furthermore, in the civil and industrial black water purification sector, Gruppo Zilio offers downstream integration with a cogeneration engine. The cogeneration engine, also through the generation of heat, feeds the drying process thereby reducing energy consumption.

- Energy: Construction and maintenance of power plants for the production of energy from both conventional and renewable sources. Gruppo Zilio has extensive expertise in the engineering and construction of photovoltaic plants, hydroelectric power stations, biomass and biogas plants, and cogeneration plants which use methane gas or vegetable oil.
- Solar photovoltaic: Gruppo Zilio acts as the EPC and O&M contractor for both GWM and third parties. Gruppo Zilio carries out all of the activities related to the development of a photovoltaic project: from the selection of the best type (in terms of location, solar irradiation, property, etc.) to the construction and the subsequent O&M of the plant.
- Service: The recently developed Service Division specialises in the tele-monitoring and O&M of existing plants, both for the GWM Renewable Energy Group's installed capacity and for third parties.

Project pipeline

In solar power, GWM focuses on the acquisition of:

- Permissions to construct solar power plants in order to further develop such permissions when using Gruppo Zilio as developer.
- Fully developed or installed and operating solar power plants.

GWM's investment criteria for individual pipeline projects, including acquisitions, in the solar and environment business units are summarised in the table below.

	Solar	Environment
Geographical scope	Puglia, Basilicata, Molise, Abruzzo, Marche, Lazio, Sicily, Sardinia and Spain (subject to applicable regulatory/legal developments)	Italy, Spain, Poland, Serbia, Albania, and Montenegro
Size	<ul style="list-style-type: none"> • <u>Plants to be constructed</u>: between 1 and 5 MW (several plants/multiple plants may also be considered) • <u>Plants already in operation</u>: plants with less/more than 10 MW, subject to applicable tariff that they benefit from (i.e. Conto Energia 1 or 2) 	<ul style="list-style-type: none"> • Water treatment: app. 1 MW • Hydro: 2 MW+ • Sludge treatment: app. 1 MW • Biomass: app. 1 MW
Project development status	<ul style="list-style-type: none"> • Greenfield: rare (e.g. Cerveteri II) • Authorisation: evaluation of feasibility • Plants already in operation: subject to applicable tariff that they benefit from (i.e. Conto Energia 1 or 2) 	<ul style="list-style-type: none"> • Water treatment: greenfield / public tenders • Hydro: greenfield • Sludge treatment: greenfield/public tenders • Biomass: greenfield
Technology	<ul style="list-style-type: none"> • Fixed: yes • Sun tracker: yes (particularly mono-axle) • Other: to be considered 	<ul style="list-style-type: none"> • Water treatment • Hydro • Sludge treatment • Biomass • Other
Integration	<ul style="list-style-type: none"> • Ground: yes • Greenhouse: no • Roof-top: yes 	n.a.
Timing of completion	Subject to the applicable budget	Subject to the applicable budget
Financing	Avg. D/E ratio 80%	Avg. D/E ratio 80%
Investment return ratio expected (IRR)	IRR greater than or equal to 12%	IRR greater than or equal to 12%

In the solar business, projects with a total gross capacity of 37.3 MW, of which 23.8 MW is located in Italy and 13.5 MW is located in Spain, are expected to become operational/acquired shortly.

In addition GWM has identified a pipeline of projects with a scheduled combined installed capacity of approximately 227 MW, of which about 71.5 MW will derive from the solar cell sector, 98 MW will derive from the wind sector and 57.5 MW will derive from the environment sector in Italy, Serbia and Montenegro.

OTHER EVENTS OCCURRED AFTER 30 JUNE 2011

Release of Minerva Messina shares

In the middle of August, Greentech received notification from Court of Trapani that the 15% of the share capital of Minerva Messina seized by the Italian authorities has been released.

The seizure of the 15% of the share capital of Minerva Messina was made in September 2010 due to the Italian authorities' investigation of the affairs of the local developer.

Greentech has considered the seizure a clear procedural irregularity and has ever since the seizure been cooperating determinedly and constructively with the Italian authorities to ensure release of the shares.

The seizure of 15% of the shares of Minerva Messina has not affected the operations or the financing of the Minerva Messina project and has had no economic impact.

Project financing of Spanish project

In the end of July Greentech has entered into a project financing agreement concerning the 30 MW wind farm in Spain located in Tarragona, Catalonia.

Besides the cost of the acquisition, the project financing agreement also covers all structuring costs, fees and VAT expenses. The overall facility granted by the Banks amounts to EUR 41.9M, corresponding to 75% of the total investment. The project financing has been granted by Banco Santander and Banco Sabadell, two leading Spanish banks.

Based on the definitive business case agreed with the Lenders, Greentech expects to increase the indicative IRR from 14.5% to over 16%.

OUTLOOK FOR THE CURRENT YEAR

The expectations for the financial year 2011 for Greentech are based on the realised production/revenue and EBITDA for the first half of 2011 and estimates and assumptions of the production/revenue and EBITDA for the second half of 2011. The estimates and assumptions have been prepared in accordance with the recognition and measurement requirements of the International Financial Reporting Standards (IFRS) and the ordinary internal procedures for preparing the Company's forecasts for a future period.

Management believes that the key assumptions underlying the Company's prospective financial information for the financial year 2011 relate to:

- implementation of expected cost cuts and synergies
- energy prices, including in particular maintenance of current tariffs;
- weather conditions;
- general economic trends, including interest rate levels;
- demand for contractor and service and maintenance work.

Moreover, the Company's estimates are based on the following specific assumptions:

Net production

- A significant rise in net production for 2011 as a result of the non-cash contribution to the Company of GWM's activity and of the purchase of the Conesa wind farm in Spain, which is expected to be finalised in the fourth quarter of 2011;
- That wind projects in Italy totalling 24 MW are commissioned at the end of the year;
- Normal operations in the remainder of 2011 and an average year in terms of wind conditions and number of sunshine hours.

Revenue

- The following settlement prices (electricity and green certificates) are expected to apply for the above-mentioned net production in 2011:

Settlement prices		
EUR/MWh		
Wind	Denmark	53,7
	Germany	85.3 - 91.1
	Poland	118
	Italy	155
	Spain	81,15
PV	Italy	297 - 504
	Spain	451 - 476

- That a significant number of tenders in the Environment and Energy sector opens in the second half of 2011 as a number of water wells in Italy will be forced closed due to water pollution.

EBITDA

- That EBITDA will be negatively affected by the expected costs associated with the completion of the transaction, which are to be expensed in 2011.
- That the expected economies of scale for the Combined Group will not take full effect in 2011.

Prospective financial information for the financial year 2011

Management's updated expectations for 2011 for Greentech, as compared with Greentech's realised results for 2009 and 2010 and the profit guidance for 2011 announced in connection with the publication of Greentech's annual report for 2010, can be specified as follows:

Expectations 2011				
	Actual 2009	Actual 2010	Estimate 2011 (march 2011)	Updated outlook 2011
Production (GWh)	97	163.4	240 - 250	285 - 295
Revenue (MEUR)	10.1	14.6	21 - 24	50 - 55
EBITDA (MEUR)	2.2	3.1	15 - 18	18 - 21

When reviewing the updated expectations for 2011, emphasis should be made on the fact that the updated revenue for 2011 includes revenue from the activities of the business area Environment and Energy, which is not related to the production of GWh. Additionally, the EBITDA of the activities in the business area Environment is at a much lower level than in the wind and solar business areas.

Financial expectations for Greentech for the period 11 August – 31 December 2011

The above expectations for 2011 were prepared as a combination of the Greentech and GWM businesses for the entire financial year ending 31 December 2011. For accounting purposes, the non-cash contribution of GWM into Greentech will be treated as a reverse acquisition pursuant to IFRS 3 in the consolidated financial statements of Greentech for 2011. This entails that Greentech will only be consolidated in GWM as from 11 August 2011. The expected actual results for the Combined Group (five months for Greentech and the full year for GWM) for 2011 are thus not comparable with the above-mentioned expectations. The consolidation of Greentech in GWM from 11 August 2011 will result in the following financial expectations for 2011, which will be comparable to the consolidated financial statements for 2011.

- Production: 165 – 175 GWh
- Revenue: EUR 40 – 45M
- EBITDA: EUR 13 – 16M

A profit is expected for 2011, attributable to the expected negative goodwill in connection with the non-cash contribution, which under the International Financial Reporting Standards (IFRS) is to be recognised in the income statement in 2011. The expected profit for 2011 may also be affected by additional depreciation and impairment charges and costs etc. due to the completion of the cost price allocation.

Outlook 2012

Based on the current operational renewable energy portfolio of Greentech and the expectations for completion of projects under construction/acquisition in 2011 and 2012, the following operational capacity is expected at the end of 2012:

Production capacity				
(MW)	30-Jun-11		31-Dec-12	
	Gross	Net	Gross	Net
Wind				
Denmark	15.45	15.45	15.45	15.45
Germany	36.90	30.15	36.90	30.15
Poland	1.60	1.60	33.80	17.70
Italy	168.20	118.75	192.20	142.75
Spain	0.00	0.00	30.00	30.00
Norway	0.00	0.00	0.00	0.00
Total wind	222.15	165.95	308.35	236.05
Solar				
Italy	0.0	0.0	52.1	47.8
Spain	0.0	0.0	25.4	13.9
Total solar	0.0	0.0	77.5	61.7
Total	222.15	165.95	385.85	297.75

The above listed production capacity is expected to generate the following (no revenue from the environmental business is included):

- Production: 430 – 440 GWh
- Revenue: EUR 60 – 65M

Management's expectations for 2012 for Greentech, as compared with Greentech's realised results for 2010 and estimate for 2011 can be specified as follows:

Expectations 2012			
	Actual 2010	Estimate 2011	Estimate 2012
Production (GWh)	163.4	285 - 295	430 - 440
Revenue (MEUR)	14.6	50 - 55*	60 - 65
Revenue included in "Income from associates" (MEUR)	6.3	13 -17	13 - 17

* Including revenue from environment business, which in 2011 is expected to amount to EUR 12 - 14M.

Forward-looking statements

This Interim Report contains forward-looking statements reflecting Management's current perception of future trends and financial performance. Statements relating to 2011 and the subsequent years are inherently subject to uncertainty, and Greentech's actual results may therefore differ from the projections. Factors that may cause such variance include, but are not limited to, changes in macro-economic and political conditions - particularly in Greentech's principal markets, changes to the supplier situation and approval procedures, volatility in power prices, regulatory changes, possibilities of obtaining and terms and conditions for project funding, etc.

This Interim Report does not constitute an invitation to buy or trade shares in Greentech Energy Systems A/S.

OTHER MATTERS

Company announcements

- 1/2011 *Monthly Update for December 2010*
- 2/2011 *Monthly Update for January 2011*
- 3/2011 *Update on expected Q4 and FY 2010 results*
- 4/2011 *Monthly Update for February 2011*
- 5/2011 *Agreements regarding delivery, construction and bridge financing for Cagliari II*
- 6/2011 *Annual Report 2010*
- 7/2011 *Status report regarding Minerva Messina*
- 8/2011 *Monthly Update for March 2011*
- 9/2011 *Minutes of Annual General Meeting 2011*
- 10/2011 *Greentech plans to buy-back up to 10 % own shares*
- 11/2011 *Greentech and GWM Renewable Energy have signed an agreement to combine the two groups*
- 12/2011 *Monthly Update for April 2011*
- 13/2011 *Interim Report Q1 2011*
- 14/2011 *Temporary stop of construction of Energia Alternativa*
- 15/2011 *Share purchase agreement signed to acquire a 30 MW wind farm*
- 16/2011 *Monthly Update for May 2011*
- 17/2011 *Announcement of significant position*
- 18/2011 *Announcement of significant position*
- 19/2011 *Transaction by executive employees and close relations of executive employees*
- 20/2011 *Transaction by executive employees and close relations of executive employees*
- 21/2011 *New investors in GWM RE II*
- 22/2011 *Monthly Update for June 2011*
- 23/2011 *Finalize financing of 30 MW Wind Farm in Spain*
- 24/2011 *Greentech publishes prospectus regarding directed offering*
- 25/2011 *Greentech completes capital increase*
- 26/2011 *Acquisition of controlling shareholding in Greentech*
- 27/2011 *Announcement of significant position*
- 28/2011 *Transactions by executive employees and close relations of executive employees*
- 29/2011 *Transactions by executive employees and close relations of executive employees*
- 30/2011 *Release of seized Minerva Messina shares*
- 31/2011 *Announcement of significant position*
- 32/2011 *Announcement of significant position*
- 33/2011 *Offer Advertisement - Mandatory tender offer*
- 34/2011 *Statement from the Board of Directors*
- 35/2011 *Monthly Update for July 2011*
- 36/2011 *The Wojciechowo project ready for construction*

Financial calendar

Interim report for Q1	26 May 2011	Published
Interim report for Q2	29 August 2011	This announcement
Interim report for Q3	24 November 2011	

INTERIM REPORT FOR THE PERIOD 1 JANUARY – 30 JUNE

Income statement

EUR'000 Unaudited	1/4 - 30/6 2011	1/4 - 30/6 2010	1/1 – 30/6 2011	1/1 – 30/6 2010	Full year 2010
Revenue	5,200	2,322	10,526	5,186	14,643
Production costs	<u>-3,770</u>	<u>-1,681</u>	<u>-7,210</u>	<u>-3,348</u>	<u>-10,132</u>
Gross profit before impairment	1,430	641	3,316	1,838	4,511
Loss on sale of wind turbine project	0	0	0	0	-1,605
Impairment of projects in progress	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-37,951</u>
Gross profit	1,430	641	3,316	1,838	-35,045
Administrative expenses	-1,400	-1,055	-2,608	-3,500	-6,862
Other operating expenses	0	0	0	0	0
Income from investments in associates	<u>-288</u>	<u>-85</u>	<u>-779</u>	<u>9</u>	<u>-953</u>
Operating profit/loss	-258	-499	-71	-1,653	-42,860
Financial income	260	160	1,423	331	2,333
Financial expenses	<u>-1,374</u>	<u>-789</u>	<u>-2,678</u>	<u>-1,145</u>	<u>-14,344</u>
Profit/loss before tax	-1,372	-1,128	-1,326	-2,467	-54,871
Tax on profit/loss for the period	<u>-62</u>	<u>193</u>	<u>-104</u>	<u>519</u>	<u>2,752</u>
Profit/loss for the period	-1,434	-935	-1,430	-1,948	-52,119
Is distributed as follows:					
Profit/loss in subsidiaries attributable to minority shareholders	<u>1</u>	<u>-6</u>	<u>1</u>	<u>17</u>	<u>-9</u>
Profit/loss for the period attributable to the Greentech Group	-1,433	-929	-1,429	-1,931	-52,110
EARNINGS PER SHARE					
Earnings per share (EPS)					
Diluted earnings per share (D-EPS)	<u>-0.03</u>	<u>-0,02</u>	<u>-0.03</u>	<u>-0.04</u>	<u>-1.07</u>
	<u>-0.03</u>	<u>-0,02</u>	<u>-0.03</u>	<u>-0.04</u>	<u>-1.07</u>

INTERIM REPORT FOR THE PERIOD 1 JANUARY – 30 JUNE

Statement of comprehensive income

EUR'000 Unaudited	1/4 - 30/6 2011	1/4 - 30/6 2010	1/1 – 30/6 2011	1/1 – 30/6 2010	Full year 2010
Profit/loss for the period	-1,434	-935	-1,430	-1,948	-52,119
Other recognised income and expenses for the period:					
Value adjustment of hedging instruments	-349	0	-349	0	0
Tax on fair value adjustment of hedging instruments	95	0	95	0	0
Exchange adjustments at end of period rates of the profit/loss for the period	1	1	1	1	6
Exchange adjustments of equity at the beginning of the year	-83	-41	-123	-141	-441
Exchange adjustment of foreign enterprises	66	-33	29	51	376
Comprehensive income for the period	-1,704	-1,008	-1,777	-2,037	-52,178
Is distributed as follows:					
Profit/loss in subsidiaries attributable to minority shareholders	-1	-5	-1	-17	-9
Profit/loss for the period attributable to the Greentech Group	-1,703	-1,003	-1,776	-2,020	-52,169
	-1,704	-1,008	-1,777	-2,037	-52,178

INTERIM REPORT FOR THE PERIOD 1 JANUARY – 30 JUNE

Balance sheet

Assets

EUR'000

Unaudited

	<u>30/6 2011</u>	<u>30/6 2010</u>	<u>31/12 2010</u>
Non-current assets			
Property, plant and equipment			
Wind turbines	157,118	165,084	161,732
Wind turbines under construction	36,248	65,351	34,308
Equipment	<u>225</u>	<u>377</u>	<u>268</u>
Total property, plant and equipment	<u>193,591</u>	<u>230,812</u>	<u>196,308</u>
Other non-current assets			
Investments in associates	36,075	35,583	37,156
Other equity investments	15	0	11
Loans to associates	16,815	18,118	18,193
Deposits	747	694	700
Prepayments	3	146	3
Deposits on account held as collateral	7,133	8,279	6,948
Deferred tax asset	7,217	4,335	7,369
Other receivables	<u>6,011</u>	<u>2,311</u>	<u>6,011</u>
Total other non-current assets	<u>74,016</u>	<u>69,466</u>	<u>76,391</u>
TOTAL NON-CURRENT ASSETS	<u>267,607</u>	<u>300,278</u>	<u>272,699</u>
Current assets			
Green certificates	4,140	1,774	5,276
Trade receivables	1,008	746	1,982
Receivables from associates	6,000	5,997	6,000
Prepayments	6,327	0	330
Other receivables	7,076	10,995	7,282
Income tax receivable	218	166	216
Prepayments and accrued income	545	1,119	1,222
Cash at bank and in hand	<u>17,990</u>	<u>25,040</u>	<u>14,737</u>
TOTAL CURRENT ASSETS	<u>43,304</u>	<u>45,837</u>	<u>37,045</u>
TOTAL ASSETS	<u>310,911</u>	<u>346,115</u>	<u>309,744</u>

INTERIM REPORT FOR THE PERIOD 1 JANUARY – 30 JUNE

Balance sheet

Liabilities and equity

EUR'000 Unaudited	<u>30/6 2011</u>	<u>30/6 2010</u>	<u>31/12 2010</u>
Share capital	35,571	32,346	35,571
Share premium account	256,022	250,408	256,022
Exchange adjustment reserve	424	70	395
Retained earnings	<u>-105,933</u>	<u>-53,712</u>	<u>-104,137</u>
Greentech's share of equity	<u>186,084</u>	<u>229,112</u>	<u>187,851</u>
Minority interests	4	-39	5
TOTAL EQUITY	<u>186,088</u>	<u>229,073</u>	<u>187,856</u>
Provision for deferred tax	38	22	32
Other provisions	936	850	935
Credit institutions	79,990	92,475	82,490
Fair value of financial instruments	6,374	0	7,727
Deferred income	<u>407</u>	<u>1,227</u>	<u>816</u>
Total non-current liabilities	<u>87,745</u>	<u>94,574</u>	<u>92,000</u>
Current portion of non-current liabilities	11,574	8,028	11,497
Loan Creditors	10,000	0	0
Trade payables	3,967	2,020	5,003
Accrued purchase price, Messina	1,377	1,386	1,379
Income tax	462	1,116	943
Other payables	7,663	9,100	9,031
Fair value of financial instruments	1,216	0	1,216
Deferred income	<u>819</u>	<u>818</u>	<u>819</u>
Total current liabilities	<u>37,078</u>	<u>22,468</u>	<u>29,888</u>
TOTAL LIABILITIES	<u>124,823</u>	<u>117,042</u>	<u>121,888</u>
TOTAL LIABILITIES AND EQUITY	<u>310,911</u>	<u>346,115</u>	<u>309,744</u>

INTERIM REPORT FOR THE PERIOD 1 JANUARY – 30 JUNE

Statement of changes in equity

EUR'000 Unaudited	Share capital	Share premium account	Exchange adjust- ment reserve	Retained earnings	Total	Minority interests	Total
Equity at 1 January 2010	32,346	250,408	19	-51,791	230,982	58	231,040
Comprehensive income for the period	0	0	51	-2,071	-2,020	-17	-2,037
Share-based payment	0	0	0	150	150	0	150
Minority interests' share of capital increase in subsidiaries	0	0	0	0	0	5	5
Acquisition of minority interests	0	0	0	0	0	-85	-85
Equity at 30 June 2010	32,346	250,408	70	-53,712	229,112	-39	229,073
Equity at 1 January 2011	35,571	256,022	395	-104,137	187,851	5	187,856
Comprehensive income for the period	0	0	29	-1,805	-1,776	-1	-1,777
Share-based payment	0	0	0	9	9	0	9
Equity at 30 June 2011	35,571	256,022	424	-105,933	186,084	4	186,088

INTERIM REPORT FOR THE PERIOD 1 JANUARY – 30 JUNE

Cash flow statement

EUR'000 Unaudited	<u>30/6 2011</u>	<u>30/6 2010</u>
Operating profit/loss	-71	-1,653
Depreciation and impairment losses on property, plant and equipment	4,921	2,131
Accounting loss on disposal of operations and impairment losses on projects in progress	0	0
Other adjustments	913	61
Change in working capital	<u>-5,945</u>	<u>-6,968</u>
Cash flows from operations before interest	-182	-6,429
Dividend from associate	300	0
Interest received	367	331
Interest paid	<u>-3,020</u>	<u>-1,224</u>
Cash flows from operations before tax	-2,535	-7,322
Tax paid	<u>-729</u>	<u>-296</u>
Cash flows from operating activities	<u>-3,264</u>	<u>-7,618</u>
Purchase of property, plant and equipment	-2,255	-14,312
Sale of property, plant and equipment	9	24
Investments in associates	-4	-440
Prepayment of property, plant and equipment	<u>0</u>	<u>0</u>
Cash flows from investing activities	<u>-2,250</u>	<u>-14,728</u>
Change in accounts held as collateral	-185	-4,379
Change in loans to associates	1,378	-2,042
Loans raised with Loan Creditors	10,000	0
Loans raised with credit institutions	1,006	17,318
Repayment of debt to credit institutions	<u>-3,424</u>	<u>-4,384</u>
Cash flows from financing activities	<u>8,775</u>	<u>6,513</u>
Cash flows for the period	3,261	-15,833
Exchange adjustment of cash at the beginning of the year	-8	-28
Cash and cash equivalents at 1 January	<u>14,737</u>	<u>40,901</u>
Cash and cash equivalents at 30 June	<u>17,990</u>	<u>25,040</u>

NOTES

1. General information about Greentech

Greentech Energy Systems A/S (“Greentech” or the “Company”) is a company which develops, constructs and operates renewable energy projects through its activities in Italy, Poland, Germany, Denmark and Norway.

Historically speaking, Italy and Poland have been Greentech’s focus markets due to the existing political and economical conditions for wind energy projects in these countries. In the future, however, Greentech will expand its geographical market focus to include also other, primarily European, countries.

With focus on wind power, Greentech will expand its technological focus to include also renewable energy activities within solar, hydro and biomass.

Greentech aims for an international expansion with the overall goal to become a leading company within renewable energy with operational assets of more than 1 GW. The increase in production capacity is to be obtained through development of own projects as well as mergers and acquisitions.

2. Accounting policies

Basis of preparation

The Interim Report comprises summary consolidated financial statements of Greentech Energy Systems A/S.

Accounting policies

The Interim Report has been prepared in accordance with the International Financial Reporting Standard IAS 34 on Interim Financial Reporting and additional Danish disclosure requirements for the financial statements of listed companies.

The accounting policies are, save for the implementation of new IFRS standards, consistent with those applied to the Annual Report for 2010, prepared in accordance with the International Financial Reporting Standards (IFRS). For a full description of accounting policies, see pp 41-49 of the Annual Report for 2010 and the below listed newly implemented IFRS standards.

New IASs/IFRSs implemented during 2011

Greentech has implemented the new standards and interpretations applicable as from 1 January 2011 including the amended IAS 24 on transactions with related parties and the annual improvements of existing IFRS. The changes do not affect results or equity.

New accounting standards for implementation in the following years

Reference to other new standards is made in note 1, page 41, to the Annual Report. In 2011 the below new or amended standards were issued:

- IFRS 10 – Consolidated financial statements
- IFRS 11 – Joint arrangements – joint operation and entities
- IFRS 12 – Disclosure of interests in other entities
- IFRS 13 – Fair value measurement
- IAS 27 – Separate financial statements
- IAS 28 – Investments in associates and joint ventures (joint entities)
- IAS 19 – Employee Benefits
- IAS 1 – Presentation of Items of Other Comprehensive Income

The standards have not been adopted by the EU. At present Greentech is still assessing the impact of the standards.

Critical choices and judgments in the accounting policies and critical accounting estimates

Management's choices and judgments in the accounting policies in respect of acquired rights, development projects and whether these represent a business or merely the acquisition of individual assets are critical. Management's accounting estimates of useful lives and residual values of property, plant and equipment and impairment tests are also critical. For a description of these, see p 50 of the Annual Report for 2010.

3. Segment reporting at 30 June

EUR'000	Denmark		Italy		Poland		Germany		Other		Group	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Revenue	1,251	644	7,613	2,838	147	116	1,268	1,072	247	516	10,526	5,186
EBITDA	768	241	4,811	2,086	114	88	1,012	752	-1,855	-2,689	4,850	478
Loss on sale of wind turbine project	0	0	0	0	0	0	0	0	0	0	0	0
Impairment of projects in progress	0	0	0	0	0	0	0	0	0	0	0	0
Profit/loss, associates	0	0	-862	0	0	0	83	9	0	0	-779	9
Operating profit/loss (EBIT)	412	-168	923	1,251	71	47	445	58	-1,922	-2,841	-71	-1,653
Profit/loss before tax	333	-250	-1,148	654	55	27	13	-411	-579	-2,487	-1,326	-2,467
Profit/loss for the year	250	-187	-1,190	577	43	22	13	-411	-546	-1,949	-1,430	-1,948
Non-current assets	8,230	9,178	207,899	185,986	1,386	1,424	13,125	14,052	36,967	89,638	267,607	300,278
-of which shares in associates	0	0	31,938	32,172	0	0	2,977	2,906	1,160	505	36,075	35,583
Addition, fixed assets	0	0	707	112,281	0	0	0	0	1,548	-99,459	2,255	12,822
Current assets	156	115	27,475	32,398	185	104	846	902	14,642	12,318	43,304	45,837
Segment assets	8,386	9,293	235,374	218,384	1,571	1,528	13,971	14,954	51,609	101,956	310,911	346,115
Depreciation	356	409	3,889	928	42	42	567	694	67	58	4,921	2,131
Segment liabilities	3,005	3,572	85,986	84,891	702	693	15,168	16,843	19,962	11,043	124,823	117,042
Average number of employees	0	0	5	3	0	0	0	0	23	29	28	32

The above segments represent the Group's operating segments. "Other" includes administrative expenses and all development and construction activities.

There are no material transactions between the reporting segments, and the revenue listed for the segments is therefore external revenue. All eliminated intra-group transactions are included in "Other". The Greentech Group's internal management reporting is based on activities and geography. In relation to activity, the results are measured from the operating and construction and development activities per geography. Expenses associated with the administration of parent companies are measured as a separate item.

4. Wind turbines and wind turbines under construction

The Company's property, plant and equipment and any movements at 30 June 2011 are specified as follows:

EUR'000	Wind turbines	Wind turbines under construc- tion	Equipment
Cost at 1 January 2011	187,679	81,908	856
Exchange adjustment	-18	-47	-1
Additions	250	1,986	19
Disposals	0	0	-29
Cost at 30 June 2011	<u>187,911</u>	<u>83,847</u>	<u>845</u>
Depreciation/impairment at 1 January 2011	25,946	47,600	588
Exchange adjustment	-4	-10	0
Disposals	0	0	-20
Depreciation	<u>4,851</u>	<u>6</u>	<u>52</u>
Depreciation/impairment at 30 June 2011	<u>30,793</u>	<u>47,599</u>	<u>620</u>
Carrying amount at 30 June 2011	<u>157,118</u>	<u>36,248</u>	<u>225</u>
Depreciated over	20 years	N/A	3-5 years

Wind turbines under construction are specified as follows:

EUR'000	
Construction projects, Italy	31,809
Construction projects, Poland	0
Development projects, Italy	0
Development projects, Poland	4,439
Development projects, Norway	<u>0</u>
Carrying amount at 30 June 2011	<u>36,248</u>

5. Investments in associates

EUR'000	30/6 2011	30/6 2010
Cost at 1 January	37,793	35,077
Exchange adjustment	-2	-35
Additions	0	440
Cost at 30 June	37,791	35,482
Adjustments 1 January	-637	132
Exchange adjustment	0	-40
Dividends	-300	0
Impairment for the period	0	0
Profit/loss for the period	-779	9
Adjustments at 30 June	-1,716	101
Carrying amount at 30 June	36,075	35,583

Name	Greentech Monte Grighine Srl.	
	1/1 - 30/6 2011	1/1 - 30/6 2010
Registered office	Italy	Italy
Ownership	50%	50 %
Revenue (Greentech's share)	3,787	1,475
EBITDA (Greentech's share)	2,812	1,068
EBIT (Greentech's share)	636	1,066
Profit/loss for the period (Greentech's share)	-862	0
Assets (Greentech's share)	97,129	92,300
Liabilities (Greentech's share)	65,191	60,128
Equity (Greentech's share)	31,938	32,172

Name	Eolica Wojciechowo Sp. z o.o.	
	1/1 - 30/6 2011	1/1 - 30/6 2010
Registered office	Poland	Poland
Ownership	50%	50%
Revenue (Greentech's share)	0	0
EBITDA (Greentech's share)	0	0
EBIT (Greentech's share)	0	0
Profit/loss for the period (Greentech's share)	0	0
Assets (Greentech's share)	1,161	739
Liabilities (Greentech's share)	1	234
Equity (Greentech's share)	1,160	505

EUR'000

Name

Wormlage Windenergieanlagen GmbH & Co KG

	1/1 - 30/6 2011	1/1 - 30/6 2010
Registered office	Germany	Germany
Ownership	50%	50%
Revenue (Greentech's share)	463	316
EBITDA (Greentech's share)	264	178
EBIT (Greentech's share)	130	44
Profit/loss for the period (Greentech's share)	56	-4
Assets (Greentech's share)	4,081	4,483
Liabilities (Greentech's share)	2,587	2,883
Equity (Greentech's share)	1,494	1,600

Name

Tiefental Windenergieanlagen GmbH & Co KG

	1/1 - 30/6 2011	1/1 - 30/6 2010
Registered office	Germany	Germany
Ownership	50%	50%
Revenue (Greentech's share)	255	241
EBITDA (Greentech's share)	185	175
EBIT (Greentech's share)	81	71
Profit/loss for the period (Greentech's share)	27	13
Assets (Greentech's share)	3,974	4,016
Liabilities (Greentech's share)	2,491	2,710
Equity (Greentech's share)	1,483	1,306

Investments in associates are measured in the consolidated balance sheet according to the equity method.

The data provided have been adjusted to the level at which they are recognised in the consolidated financial statements. Not all data are publicly available as not all companies have a duty of disclosure.

At 31 December 2010, Management performed an impairment test of the carrying amount of investments in associates. A description of the assumptions applied is set out in note 15 in the Annual Report for 2010.

6. Equity and loans

The portfolio of treasury shares amounts to 157,952 shares, corresponding to 0.3 % of the share capital. The shares were acquired for a total of EUR 1,975K and represented a market value of EUR 388K at 30 June 2011. The Company's portfolio of treasury shares is held for the purpose of acquiring project companies.

Interest-rate hedging instruments related to loan agreements are recognised at fair value and adjustments to fair value are recorded in the income statement for the period. Reference is made to notes 22 and 26 to the 2010 Annual Report for further details.

7. Share-based payment

Developments in the number of outstanding warrants:

	2011	2010
Outstanding at 1 January	497,500	540,000
Granted during the period	0	0
Lapsed during the period	-7,500	-42,500
Exercised during the period	0	0
Expired during the period	-182,500	0
Outstanding at 30 June	307,500	497,500

Outstanding warrants comprise 50,000 to the Management; 40,000 to senior employees; 20,000 to other employees and 197,500 to laid-off Management and employees.

Date of grant	No of shares	Time of exercise	Fair value per option
11 February 2009	350,000	2011-2012	7.92

The outstanding warrants from the warrant program granted 24 April 2008 has expired.

8. Contingent liabilities

For a description of contingent liabilities, see pp 71-74 of the Annual Report for 2010.

9. Related parties

Information on trading with subsidiaries, associates and members of the Board of Directors during the period is provided below:

EUR'000	1/1 - 30/6 2011	1/1/ - 30/6 2010
Sale of services to group companies	691	1,246
Sale of services to associates	247	107
Purchase of services from board members (legal fee)	0	100
Purchase of services from management member (GWM Renewable Energy) (services fee)	324	0

Transactions with subsidiaries have been eliminated in the consolidated financial statements in accordance with the accounting policies.

Except as set out above, no transactions were made during the period with members of the Board of Directors, Board of Management, senior officers, significant shareholders or any other related parties.

10. Events after the balance sheet date

See this Interim Report pp. 6-15 for a review of events after the balance sheet date.

STATEMENT BY THE BOARD OF DIRECTORS AND THE MANAGEMENT

The Board of Directors and the Management have considered and adopted the Interim Report of Greentech Energy Systems A/S for the period 1 January – 30 June 2011. The Interim Report is presented in accordance with the International Accounting Standard IAS 34 on Interim Financial Reporting and additional Danish disclosure requirements. The accounting policies applied in the Interim Report are unchanged from those applied in the Group's Annual Report for 2010.

We consider the accounting policies appropriate, the accounting estimates reasonable and the overall presentation of the Interim Report adequate. Accordingly, we believe that the Interim Report gives a true and fair view of the Group's financial position, results of operations and cash flows for the period.

In our opinion, the Interim Report includes a true and fair account of the matters addressed and describes the most significant risks and elements of uncertainty facing the Group.

The Interim Report has not been audited or reviewed by the auditors.

Herlev, 29 August 2011

Management:

Sigieri Diaz della Vittoria Pallavicini
CEO

Eugenio de Blasio
Deputy CEO

Mark Fromholt
CFO

Board of Directors:

Peter Høstgaard-Jensen
Chairman

Luca Rovati
Deputy Chairman

Benjamin Guest

Valerio Andreoli Bonazzi

Jean-Marc Janailhac