



Interim Report for the period 1 January – 30 June 2012

Second quarter (1 April – 30 June 2012)

- Net sales for the quarter amounted to MSEK 46 (40).
- Operating profit before depreciation (EBITDA) was MSEK 35 (25).
- Operating profit (EBIT) amounted to MSEK 12 (9).
- Profit before tax amounted to MSEK -8 (2).
- Net profit amounted to MSEK -6 (1), which corresponds to SEK -0.18 (0.04) per share.
- Average income per MWh was SEK 648 (823), of which SEK 363 (498) per MWh refers to electricity and SEK 285 (325) per MWh refers to electricity certificates.

First half year (1 January – 30 June 2012)

- Net sales for the two quarters amounted to MSEK 107 (81).
- The energy content of the wind during the period was slightly less than the average over the last 30 years according to Danish wind power statistics.
- Operating profit before depreciation (EBITDA) was MSEK 92 (62).
- Operating profit (EBIT) amounted to MSEK 41 (33).
- Profit before tax amounted to MSEK 5 (20).
- Net profit amounted to MSEK 4 (15) which corresponds to SEK 0.11 (0.48) SEK per share.
- Average income per MWh was SEK 631 (805), of which SEK 394 (490) per MWh refers to electricity and SEK 237 (315) per MWh refers to electricity certificates.

About Arise Windpower

Arise Windpower is one of Sweden's leading companies in onshore wind power. Its business concept is to sell electricity generated at the company's own wind turbines. The company's target is to have about 700 MW (equivalent to about 300 wind turbines) in operation or under construction by 2014. Arise Windpower is listed on NASDAQ OMX Stockholm.

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The CEOs comments

Electricity production in Q2 amounted to 70.8 GWh, which is in line with expectations and an increase of 47.5% compared with the same period the previous year. Thanks to favourable price hedging, the Company's average income was at a relatively high level, 648 SEK/MWh as compared to the market price of electricity and electricity certificates for the same period which was 401 SEK/MWh. Profit before tax was, however, negative at MSEK -8. This is due to the fact that this period is normally poor from a wind energy perspective plus that the spot prices for electricity and electricity certificates, i.e. the part that had not been hedged, were at a record low level.

So how has the market developed in Q2?

The expansion of wind power in Sweden has generally slowed down due to the currently prevailing, low electricity and certificate prices. For new investments, it is necessary that revenue has previously been hedged at higher levels than today's, or that the market price rises. Certificate prices have risen slightly recently, which is natural considering the phasing out of certificate-eligible production that will occur in late 2012 and the demand from Norway, factors that reduce the surplus of certificates and lead to increased prices. Electricity prices are, however, still low. Extensive rain, with a record wet June, depressed spot prices below normal levels and filled up water reservoirs. A price rise in electricity can only be expected when the weather becomes cooler and drier.

Suppliers of wind turbines are under pressure and are offering wind turbines at favourable terms. Banks are still interested in financing established players and good projects. The strengthening of the SEK against the EUR and otherwise favourable conditions mean that investment costs of many projects are now lower than the Company's long term investment cost target which is SEK 5.0 per annual kilowatt hour. Preconditions for investing in wind energy consequently look good when the price of electricity and electricity certificates improves.

How is the Company impacted by current market conditions?

A generally constrained wind power market may also provide interesting business opportunities for a company with strong liquidity and a good business model. The price of permitted projects is falling and more come on the market. Consequently the Company is well placed to expand its project portfolio, thus ensuring expansion for years to come. In addition to the Lingbo project (210 MW), which is currently under development with Platina Partners, the company is studying a number of very interesting projects (in terms of wind) in the 100 MW size class. The Company's strategy is therefore to, with a maintained strong level of liquidity, secure and prepares a number of projects but delay construction start until electricity prices

recover. With the possible exception of some smaller projects for which construction can begin on the basis of previous hedges.

The construction of the Jädraås wind farm (203 MW) is on track and the first wind turbines have been raised. Based on experience from this project, which has been successfully developed and half of it sold to Platina Partners, the Company has decided to also offer other investors part ownership in the Company's larger wind farms. This concept leads to the opportunity to generate profits and cash flow early in these wind power projects, and is thus complementary to the current business model comprising full ownership of wind farms and longer-term earnings. In addition, the company can leverage on its organisation and expertise by offering a range of management services to co-owners in the projects.

The model has been briefly presented to Swedish and foreign long-term investors who expressed great interest. In order to substantiate this concept the subsidiary Arise Joint Ventures AB (Arise JV) has been formed.

The Company's objective is to annually implement one major project involving at least 100 MW, projects which in part can be sold on, as well as a number of smaller projects totalling 50 to 100 MW which will be retained in their entirety. Further the strategy is to adapt the build out pace each year to reflect the prevailing market conditions which means that the rate of development may vary from year to year. The Company believes that a smaller amount of MW will begin construction in 2012 given the current low market prices of electricity and electricity certificates.

Other;

- The company's wind farms in operation have been further fine tuned which has resulted in some improvement in power generation.
- The Company has, in connection with this half year closing, made a new assessment of the useful life of its wind turbines and their components based on experience and international developments in the wind power industry. The result was an increase from 20 to 25 years.
- The Company's liquidity remains very strong as does the hedges entered into as regards the estimated production from wind farms in operation (139 MW) during 2012 to 2014.

Halmstad in July 2012

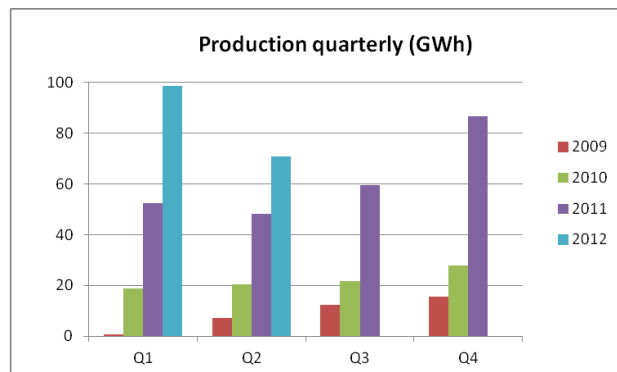
Peter Nygren

CEO Arise Windpower AB (publ)

■ Comments on Q2 2102

Wind power operations

Production during the quarter amounted to 70.8 (48.1) GWh, an increase of 47%, with an effect of 139.2 (124.1) MW in operation at the end of the quarter. The quarterly development of electricity production is shown in the graph below.



The quarter was characterised by normal wind speeds, according to Danish wind power statistics, but was somewhat better than the corresponding quarter in 2011.

The market price for electricity remained low during the quarter due to the mild winter and well-filled hydro reservoirs. Price hedging, however, contributed to the Company's average price level for electricity which amounted to SEK 363 (498) per MWh for the quarter, as compared to the average market price (SYS, system price at Nord Pool) for the quarter which was SEK 253 per MWh. Certificate prices also continued to be low, however due to price hedges, the Company's average income amounted to SEK 285 (325) per MWh, as compared to the average market price (SKM) for the quarter, which was SEK 148 per MWh.

All in all, wind power turbines in operation generated total income amounting to MSEK 46 (41) with an EBITDA of MSEK 35 (33), which represents increases of 13% and 8% respectively compared with the Q2 of 2011. Operating expenses amounted to SEK 150 (164) per MWh, which is a decrease of 8%, and well in line with planned expenses. Depreciation and net financial income, amounted to MSEK -20 (-14) and MSEK -16 (-10), respectively. The increase in these costs is due to the increased number of wind farms that have been taken over (however also please refer to Other Events as concerns assessment of useful life on Page 3).

Despite a large increase in production, profit before tax has decreased from MSEK 9 to MSEK -1, largely due to the negative price trend for electricity and electricity certificates. It is also due to the fact that income from wind farms, which had been commissioned but not

taken over, was higher during the corresponding quarter the previous year. This has affected not only total income but also, more significantly, profits and margins.

Wind power development

Construction of the Jädraås Wind Farm continues, in total 203 MW, of which Arise's share amounts to 101.5 MW. Construction is progressing according to plan and commissioning is expected to take place during the autumn of 2012, with gradual takeover throughout 2012 and the spring of 2013.

No new permits were received during the quarter and no new lease agreements have been signed.

Overall, total income and EBITDA for the quarter in the wind power development segment amounted to MSEK 16 (15) and MSEK -6 (-9), respectively. These increases were mainly due to development fees received and income from project management services, which the Company did not undertake during the corresponding period last year. Operating expenses amounted to MSEK -22 (-24) and profit before tax decreased accordingly to SEK -11, from MSEK -7.

Other events

In connection with the establishment of this half year report, a new assessment has been made concerning the useful life of wind power investments and the depreciation periods for their components. This reassessment has resulted in a prolongation of the useful life from 20 to 25 years. This new assessment is based on the Company's own experience and assessments and is well in line with the practices of other leading wind power companies in Europe. This change is applied from Q2 2012 and has resulted in depreciations being MSEK 5 lower in comparison to previously applied depreciation plans.

Net sales and income

Net sales during the quarter amounted to MSEK 46 (40). In addition, MSEK 5 (9) was capitalised for work on the Company's own account and other operating income amounted to MSEK 8 (7). Thus, total income amounted to MSEK 59 (55).

Operating profit before depreciation (EBITDA) amounted to MSEK 35 (25), of which MSEK 2 (-) refers to development fees from the Jädraås Project. Operating profit (EBIT) amounted to MSEK 12 (9) including depreciation according to plan of MSEK -23 (-17). Net financial expenses were MSEK -20 (-7) and profit before tax amounted to MSEK -8 (2). Net profit was MSEK -6 (-1), which is equivalent to earnings per share of SEK -0.18 (0.04), both before and after dilution.

Investments

The quarter's net investments in property, plant and equipment amounted to MSEK 12 (197) and the entire amount is related to planned wind farm construction. Investments in financial fixed assets have amounted to MSEK 93 (-) during the quarter.

Cash flow

Cash flow from operating activities before changes in working capital amounted to MSEK 51 (28). Investments in property, plant and equipment and financial fixed assets amounted to MSEK -105 (-197), whereupon cash flow after investments amounted to MSEK -96 (-234). Non-current and current interest-bearing liabilities have decreased by MSEK -25 (-1) and interest payments reduced net cash flow by MSEK -28 (-13). As part of the agreed loan financing, MSEK -9 (-21) has been deposited into blocked accounts, after which the cash flow for the quarter amounted to MSEK -157 (-268).

■ Comments on first half year

Wind power operations

Production during the half year amounted to 169.5 (100.4) GWh, an increase of 69%.

The half year was characterised by wind speeds somewhat under normal, according to Danish wind power statistics, however they were a clear improvement on the corresponding quarter in 2011.

The market price for electricity remained low during the first half due to the mild winter and well filled hydro reservoirs. Price hedges, however, helped the Company's average revenue of electricity to amount to SEK 394 (490)/MWh for the half year compared to the average market price (SYS, system price at Nord Pool) of SEK 297/MWh. Certificate prices remained low but, because of hedging, the Company's average income was SEK 237 (315)/MWh compared to the average market price

(SKM) during the half year which amounted to SEK 147/MWh.

Overall wind power operations generated income of MSEK 107 (88) and an EBITDA of MSEK 84 (75), which is an increase of 22% and 13% respectively as compared to the first half of 2011. Operating expenses amounted to SEK 133 (130)/MWh which is an increase of 2% but remains well in line with planned costs. Depreciation and net profit amounted to MSEK -45 (-23) and MSEK -32 (-15) respectively. Increases in these costs can be attributed to the fact that more wind farms have been taken over, (also please refer to Other Events concerning reassessment of useful life on Page 3).

In spite of a sharp increase in production output, earnings before tax decreased from MSEK 37 to MSEK 8 largely due to the negative price trends in electricity and electricity certificates. Also the comparison period included a one-off income item of MSEK 7 on the sale of certificates, and income from commissioned but not yet taken over parks was higher during the same quarter the previous year. This has affected income but also, more significantly, profit and margins.

Wind power development

Overall, total income and EBITDA for the quarter in the wind power development segment amounted to MSEK 37 (27) and MSEK -5 (-16), respectively, for the half year. These increases were mainly due to development fees received and income from project management services, which the Company did not undertake during the corresponding period last year. Operating expenses amounted to MSEK -42 (-43) and profit before tax increased accordingly to MSEK -11, from MSEK -15.

Other Events

In the middle of March 2012, the Company issued a senior and unsecured bond on the Swedish market. The issue volume amounted to MSEK 350, with maturity in 2015. The issue runs with a variable interest rate, STI-BOR (3 months) + 5 percentage points. The bond is listed on NASDAQ OMX Stockholm.

Arise has also signed a Letter of Intent with Platina Partners LLP, with whom the intention is to jointly finance, build, own and manage the Lingbo Project, in total amounting to from 160 up to 210 MW.

Net sales and income

Net sales during the half year amounted to MSEK 107 (81). In addition, MSEK 11 (17) was capitalised for work on own account and other operating income amounted to MSEK 21 (16). Thus, total income amounted to MSEK 139 (114).

Operating profit before depreciation (EBITDA) amounted to MSEK 92 (62), of which MSEK 7 (-) refers to development fees from the Jädraås Project. Operating profit (EBIT) amounted to MSEK 41 (33) including depreciation according to plan of MSEK -51 (-29). Net financial expenses were MSEK -36 (-13) and profit before tax amounted to MSEK 5 (20). Net profit was MSEK 4 (15), which is equivalent to earnings per share of SEK 0.11 (0.48), both before and after dilution.

Investments

The first half year's net investments in property, plant and equipment amounted to MSEK 23 (390) and the entire amount is related to planned wind farm construction. Investments in financial fixed assets have amounted to MSEK 93 (-) during the half year.

Cash flow

Cash flow from operating activities before changes in working capital amounted to MSEK 111 (65). Investments in property, plant and equipment and financial fixed assets amounted to MSEK -116 (-390), whereupon cash flow after investments amounted to MSEK -41 (-291). Non-current and current interest-bearing liabilities have increased by MSEK 312 (301) and interest payments reduced net cash flow by MSEK -46 (-27). As part of the agreed loan financing, MSEK -11 (-26) has been deposited into blocked accounts, after which the cash flow for the quarter amounted to MSEK 213 (-33).

Financing and liquidity

Interest-bearing net liabilities amounted to MSEK 1,290 (844). The equity/assets ratio at the end of the period was 39.3 (49.7) %.

Cash and cash equivalents amounted to MSEK 350 (217) and, at the end of the period; there were also unutilised credits and grants of MSEK 38 (62).

Taxes

As Arise Windpower has only Swedish subsidiaries, tax has been calculated on the basis of the Swedish tax rate which is 26.3%.

Considering the consolidated tax depreciation opportunities, no paid tax is expected to be reported in the next few years.

Related party transactions

There have been no related party transactions during the period.

Contingent liabilities

There have not been any changes in the Group's contingent liabilities. These are described in Note 21 on Page 48 of the 2011 Annual Report.

Events after the end of the reporting period

There are no significant events to report.

Outlook

The Company's finances remain strong and expansion is proceeding largely according to plan. Including the Jädraås Project, Arise has completed or initiated the construction of a total of approximately 340 MW, of which approximately 240 MW comprises Arise's share.

The Company's assessment is that it per year can start construction of 50 to 100 MW from its own project portfolio plus one larger wind farm in the 100 MW category; the latter either independently or jointly with other investors.

Given current prices for electricity and electricity certificates, the Company is likely to build a smaller number of MW in 2012. Instead, the Company's resources in 2012 will focus on the construction of the Jädraås Project, development of its own portfolio of projects and secure the acquisition of additional large projects with or close to permits. The latter may, in part, be offered and sold on to other investors and thus advance cash flow and generate additional profits. In addition, Arise is able to offer a range of management services to co-owners. All in all this means that the company can increasingly leverage on the expertise and organisation it has built up, which suits the company's industrial model well.

The Company's long-term goal remains unchanged; to have approximately 700 MW (which corresponds to approximately 300 wind turbines) in operation or under construction by the end of 2014.

Risks and uncertainties

Significant areas for continuous monitoring and assessment include how the access to new equity and borrowed funding is expected to develop, with the aim of securing the Company's expansion plan during 2012 and beyond.

The financial markets have once again been destabilised during Q2 after a relatively stable start to the year. Interest rate levels have decreased successively at the same time as both electricity prices and certificate prices have continued to fall. The value of the Swedish krona (SEK) against the EUR has strengthened during the year. The focus of monitoring is mainly directed towards the fluctuations and trends in electricity and certificate prices and exchange rates, in particular as concerns the EUR.

The Group's risks and uncertainties are described on Pages 24-26 of the 2011 Annual Report and financial risk management is presented on Pages 42-45. No important changes have occurred that affect reported risks.

■ Status of project portfolio as per 30 June 2012

	No. of projects	No. of wind turbines	Total capacity (MW)	Average output per turbine (MW)
Wind farms in operation and under construction				
In operation	9	64	136	2.1
Under construction	2	34	105	3.1
Project portfolio				
Permits received/acquired	4	12	31	2.6
Permits pending	36	245	659	2.7
Project planning completed	10	56	168	3.0
Leases signed	8	40	120	3.0
Total portfolio	69	451	1,219	2.7

Around 15% (approximately 150 MW) of the above project portfolio is impacted by restrictions relating to JAS. The introduction of such restrictions does not, however, impact the Company's expansion plans as the remaining projects are sufficient for the planned expansion and the lease portfolio is replenished on a continuous basis. Wind farms in operation or under construction are not affected. The total number of MW in the portfolio may both increase and decrease over time which is natural as the date for the start of the construction phase approaches and as poor wind locations are eliminated, as well as locations where there are conflicting interests and obstacles to operations. New leases are, therefore, continuously added in pace with the signing of new leasing agreements.

Projects are categorised based on the following criteria

In operation

Wind power projects where the wind farm has been taken into production after completion of test runs and is generating electricity. During the first three months, the turbines are calibrated and the first major service performed. The turbines do not produce to full capacity during this period. Full, normal production can therefore only be expected three months after approval of test runs and handover.

Under construction

Refers to projects for which the requisite permits have been obtained, an investment decision has been made by the Company's Board of Directors, equity and loan financing is available and for which procurements have been made representing the majority of the project's total investment costs.

Permits received/acquired

Projects which have received the permits required for the initiation of construction but in which construction is yet to be started up. In some cases, Arise Windpower is awaiting the availability of sufficient wind data.

Permits pending

The first stage in a permit application is a consultation stage in which the Company applies for permits to build the wind farm from regional and local authorities. If the transmission network is to be built by Arise Elnät, the Company will also apply for a concession to operate the network from the Swedish Energy Markets Inspectorate. This stage is concluded when all of the requisite permits have been obtained or if a permit application has been rejected.

Project planning completed

After signing land lease agreements, the Company begins project plan-

ning work on the basis of the site's specific wind power characteristics. The area is carefully analysed and the exact coordinates of the planned turbines are determined. The initial wind studies are based on theoretical maps but, at a later stage, actual wind measurements are made using the Company's wind measuring equipment.

Leases signed

Leases are signed after negotiations between landowners and the Company. Long-term land leases have been concluded for the entire project portfolio, giving the Company the right, but not the obligation, to construct wind turbines on the leased properties. For most of the projects, project planning has been initiated but is yet to be completed. The feasibility studies performed by the Company prior to the signing of a lease provide a preliminary specification of the number and location of the new wind turbines.

■ Parent company

The Parent Company has been responsible for the primary activities of identifying suitable wind locations, obtaining leases, producing impact assessments and detailed development plans, obtaining building permits, managing the procurement of products and services, handling the Group's electricity and electricity certificate trading activities and carrying out administrative services.

The Parent Company handles the Group's production plans and electricity hedges in accordance with established finance policy. Some, but not all, of the electricity-producing subsidiaries (the Arise Wind Farm companies) sell their electricity production to the Parent Company at a contracted price. A similar arrangement was initiated from the beginning of the year in the sub-group Arise Wind Farm 2, in which the Company's subsidiaries Arise Wind Farm 3, Arise Wind Farm 5 and Arise Wind Farm 6 sell the major part of their production to their Parent Company. The Parent Company, Arise Windpower (like Arise Wind Farm 2) sells on the

electricity on the basis of bilateral agreements or on the spot market. From 2012, these intra-Group trading activities will be recognised as gross income in the income statement.

The Parent Company's total income during the quarter amounted to MSEK 146 (104), while purchasing costs, personnel and other external costs, as well as depreciation, totalled MSEK 152 (95), of which the operating profit amounted to MSEK -6 (9). Net profit was MSEK -8 (9). The Parent Company's net investments amounted to MSEK 108 (17).

■ Ownership structure

A list detailing the Company's ownership structure can be found on the Company website at (www.arisewindpower.se).

■ Accounting principles

Arise Windpower complies with IFRS (International Financial Reporting Standards) and interpretations thereof (IFRIC) as adopted by the EU. This interim report has been prepared in accordance with IAS 34 "Interim Financial Reporting". The Parent Company's accounts have

been prepared in accordance with the Swedish Annual Accounts Act and RFR 2. The accounting principles are consistent with those applied in the most recent annual report for 2011, in which they are described in Note 1 on pages 33-36.

In connection with the establishment of the half year report, a new estimate has been made concerning the useful life of wind power investments and the depreciation periods for their components. This reassessment has resulted in a prolongation of their useful life from 20 to 25 years. This change is applied from Q2 2012 and has resulted in depreciations being MSEK 5 lower in comparison to previously applied depreciation plans.

■ Review by the auditor

This report has not been subject to review by the Company's auditor.

■ Financial calendar

- Third quarter (1 July – 30 Sept): 7 Nov 2012.
- Fourth quarter (1 Oct – 31 Dec): 15 February 2013.

BOARD ASSURANCE

The Board of Directors declare that this half year, Interim Report provides a true and fair view of Company and Group operations, financial position and results as well as describing the risks and uncertainties faced by the Company and the companies included in the Group.

Halmstad 19 July 2012
Arise Windpower AB (publ)

Pehr G Gyllenhammar
Chair of the Board

Birger von Hall
Member of the Board

Joachim Gahm
Member of the Board

Jon G Brandsar
Member of the Board

Maud Olofsson
Member of the Board

Peter Nygren
CEO and Member of the Board

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CONSOLIDATED INCOME STATEMENT

(Amounts in MSEK)	2012 Q 2	2011 Q 2	2012 6 months	2011 6 months	2011 Full year
Net sales	46	40	107	81	180
Capitalised work on own account	5	9	11	17	31
Other operating income Note 1	8	7	21	16	74
Total income	59	55	139	114	286
Personnel costs	-12	-11	-22	-20	-45
Other external expenses	-11	-19	-24	-32	-64
Operating profit before depreciation (EBITDA)	35	25	92	62	177
Depreciation of property, plant and equipment	-23	-17	-51	-29	-73
Operating profit (EBIT)	12	9	41	33	104
Financial income	4	1	7	2	8
Financial expenses	-25	-8	-43	-15	-46
Profit before tax	-8	2	5	20	65
Income tax	2	-1	-1	-5	-18
Net profit for the period	-6	1	4	15	47
Earnings per share before dilution, SEK	-0.18	0.04	0.11	0.48	1.46
Earnings per share after dilution, SEK	-0.18	0.04	0.11	0.48	1.46

Treasury shares that the Company held in 2011 have not been included in calculating earnings per share.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Amounts in MSEK)	2012 Q 2	2011 Q 2	2012 6 months	2011 6 months	2011 Full year
Net profit for the period	-6	1	4	15	47
<u>Other comprehensive income</u>					
Income/expenses recognised directly in equity					
Cash flow hedges	-32	-27	4	-19	-109
Translation differences	-3	-	-6	-	-6
Income tax attributable to components of other comprehensive income	9	7	1	5	30
Other comprehensive income for the period, net after tax	-25	-20	-2	-14	-84
Total comprehensive income	-31	-19	3	1	-37

Comprehensive income is 100% attributable to the shareholders of the parent company.

CONSOLIDATED BALANCE SHEET

- in summary, amounts in MSEK	2012 30 June	2011 30 June	2011 31 Dec
Property, plant and equipment	2,099	2,039	2,127
Financial assets	577	80	488
Other current assets	142	87	128
Cash and cash equivalents	350	217	137
TOTAL ASSETS	3,168	2,423	2,880
Equity	1,245	1,205	1,243
Non-current liabilities	1,661	1,049	1,349
Current liabilities	262	169	287
TOTAL EQUITY AND LIABILITIES	3,168	2,423	2,880

CONSOLIDATED CASH FLOW STATEMENT

- in summary, amounts in MSEK	2012 Q 2	2011 Q 2	2012 6 months	2011 6 months	2011 Full year
Cash flow from operating activities before changes in working capital	51	28	111	65	177
Cash flow from changes in working capital	-42	-65	-36	34	22
Cash flow from operating activities	9	-37	75	99	200
Investment in property, plant and equipment	-12	-197	-23	-390	-522
Investment in associated companies	-	-	-	-	-8
Investment in other financial fixed assets	-93	-	-93	-	-291
Cash flow after investing activities	-96	-234	-41	-291	-622
Changes in interest-bearing liabilities	-25	-1	312	301	606
Interest paid and received	-28	-13	-46	-27	-56
Deposits, blocked accounts	-9	-21	-11	-26	-52
New share issue	-	-	-	10	11
Cash flow from financing activities	-62	-35	254	258	509
Cash flow for the period	-157	-268	213	-33	-113
Cash and cash equivalents at period start	507	485	137	250	250
Cash and cash equivalents at period end	350	217	350	217	137
Interest-bearing liabilities at period end	-1,724	-1,107	-1,724	-1,107	-1,412
Blocked cash at period end	84	46	84	46	73
Interest-bearing net liabilities	-1,290	-844	-1,290	-844	-1,203

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

- in summary, amounts in MSEK	2012 30 June	2011 30 June	2011 31 Dec
Opening balance	1,243	1,195	1,195
Total comprehensive income	2	1	-37
New share issue, net incl. deferred tax	-	10	58
Utilisation of treasury shares for the acquisition of assets	-	-	28
Closing balance	1,245	1,205	1,243

KEY RATIOS FOR THE GROUP

	2012 Q 2	2011 Q 2	2012 6 months	2011 6 months	2011 Full year
<u>Operational key ratios</u>					
Installed capacity at period end, MW	139.2	124.1	139.2	124.1	136.1
Electricity production during period, GWh	70.8	48.1	169.5	100.4	246.6
No. of the employees at period end	39	32	39	32	35
<u>Financial key ratios</u>					
EBITDA margin, %	77.2%	64.0%	86.0%	76.4%	98.1%
Operating margin, %	26.3%	21.9%	38.8%	40.9%	57.4%
Return on capital employed, %	8.9%	5.0%	8.9%	5.0%	8.7%
Return on equity, %	2.9%	0.3%	2.9%	0.3%	3.9%
Capital employed, MSEK	2,536	2,049	2,536	2,049	2,446
Average capital employed, MSEK	2,490	1,935	2,475	1,867	2,031
Shareholders' equity, SEK	1,245	1,205	1,245	1,205	1,243
Average shareholders' equity, SEK	1,261	1,215	1,255	1,208	1,209
Interest-bearing net liabilities	1,290	844	1,290	844	1,203
Equity/assets ratio, %	39.3%	49.7%	39.3%	49.7%	43.2%
Interest coverage ratio, times	neg.	1.2	1.1	2.4	2.4
Debt/equity ratio, times	1.0	0.7	1.0	0.7	1.0
Equity per share, SEK	37	39	37	39	39
Equity per share after dilution, SEK	36	38	36	38	38
No. of shares at period end, excl. treasury shares	33,428,070	30,928,070	33,428,070	30,928,070	33,428,070
Average number of shares	33,428,070	30,928,070	33,428,070	30,781,820	32,031,820
Average number of shares after dilution	34,258,070	31,553,070	34,258,070	31,505,987	32,817,320

Note 1 – Other operating income

(MSEK)	2012 Q 2	2011 Q 2	2012 6 months	2011 6 months	2011 Full year
Other income relating to electricity and certificates	-	1	-	7	8
Income from crane rental	1	6	2	9	16
Development fees	2	-	7	-	37
Project management and administrative services	5	-	10	0	5
Other items	1	0	2	0	9
	8	7	21	16	74

GROUP SEGMENT REPORTING
Q2

(MSEK)	Wind power operations		Wind power development		Eliminations		Group	
	Q2-12	Q2-11	Q2-12	Q2-11	Q2-12	Q2-11	Q2-12	Q2-11
Net sales external	46	40	-	-	-	-	46	40
Net sales internal	-	-	3	1	-3	-1	-	0
Capitalised work on own account	-	-	5	9	-	-	5	9
Other operating income Note 2	0	1	8	6	-	-	8	7
Total income	46	41	16	15	-3	-1	59	55
Operating expenses	-11	-8	-22	-24	9	2	-23	-29
Operating profit before depreciation (EBITDA)	35	33	-6	-9	6	1	35	25
Depreciation	-20	-14	-1	-1	-2	-2	-23	-17
Operating profit (EBIT)	15	19	-7	-10	4	0	12	9
Net financial income/expense	-16	-10	-4	2	-	-	-20	-7
Profit before tax	-1	9	-11	-7	4	0	8	2
Assets	2,186	2,056	983	367	-	-	3,169	2,423

Note 2 - Other operating income

Other income relating to electricity and certificates	-	1	-	-	-	-	-	1
Income from crane rental	-	-	1	6	-	-	1	6
Development fees	-	-	2	0	-	-	2	-
Project management and adm. services	-	-	5	-	-	-	5	-
Other items	0	0	1	0	-	-	1	0
	0	1	8	6	-	-	8	7

Half year

(SEK)	Wind power operations		Wind power development		Eliminations		Group	
	2012	2011	2012	2011	2012	2011	2012	2011
Net sales external	107	81	-	-	-	-	107	81
Net sales internal	-	-	5	1	-5	-1	-	-
Capitalised work on own account	-	-	11	17	-	-	11	17
Other operating income Note 3	0	7	21	9	-	-	21	16
Total income	107	88	37	27	-5	-1	139	114
Operating expenses	-23	-13	-42	-43	17	4	-47	-52
Operating profit before depreciation (EBITDA)	84	75	-5	-16	12	3	92	62
Depreciation	-45	-23	-2	-2	-4	-4	-51	-29
Operating profit (EBIT)	40	51	-7	-17	9	-1	41	33
Net financial income/expense	-32	-15	-4	2	-	-	-36	-13
Profit before tax	8	37	-11	-15	9	-1	5	20

Note 3 – Other operating income

Other income relating to electricity and electricity certificates	-	7	-	-	-	-	-	7
Income from crane rental	-	-	2	9	-	-	2	9
Development fees	-	-	7	-	-	-	7	-
Project management and adm. services	-	-	10	-	-	-	10	-
Other items	0	-	2	0	-	-	2	0
	0	7	21	9	-	-	21	16

PARENT COMPANY INCOME STATEMENT

(MSEK)	2012 Q 2	2011 Q 2	2012 6 months	2011 6 months	2011 Helår
Sales of electricity and electricity certificates	39	33	108	86	175
Sale of services, own employees	9	1	15	1	9
Development fees	3	-	13	-	42
Capitalised work on own account	4	5	9	10	18
Other operating income	-	1	1	7	16
Total income	55	40	146	104	260
Purchase of electricity and electricity certificates	-47	-29	-124	-72	-174
Personnel costs	-8	-7	-15	-13	-30
Other external expenses	-6	-5	-11	-9	-17
Operating profit before depreciation (EBITDA)	-6	-1	-5	11	39
Depreciation of property, plant and equipment	-1	-1	-2	-1	-3
Operating profit (EBIT)	-6	-2	-6	9	36
Financial income	1	2	5	3	7
Financial expenses	-5	-	-9	-	-7
Profit after financial items	-10	0	-11	12	36
Group contribution	-	-	-	-	-18
Profit before tax	-10	0	-11	12	18
Income tax	3	-	3	-3	-5
Net profit and total comprehensive income for period	-7	0	-8	9	13

PARENT COMPANY BALANCE SHEET

- in summary, amounts in MSEK	2012 6 months	2011 6 months	2011 Full year
Property, plant and equipment	133	98	119
Financial assets	1,197	708	1,101
Other current assets	96	365	69
Cash and cash equivalents	290	175	96
TOTAL ASSETS	1,716	1,347	1,385
Restricted equity	3	3	3
Non-restricted equity	1,315	1,242	1,323
Non-current liabilities	350	-	-
Current liabilities	49	102	60
TOTAL EQUITY AND LIABILITIES	1,716	1,347	1,385

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

- in summary, amounts in MSEK	2012 30 June	2011 30 June	2011 31 Dec
Opening balance	1,326	1,226	1,226
Total comprehensive income for the period	-8	9	13
New share issue	-	10	58
Utilisation of treasury shares for the acquisition of assets	-	-	28
Closing balance	1,317	1,245	1,326

DEFINITIONS

EBITDA margin

Operating profit before depreciation (EBITDA) as a percentage of net sales.

Operating margin

Operating profit (EBIT) as a percentage of net sales.

Return on capital employed

Rolling 12 months operating profit before depreciation (EBITDA) related to quarterly average capital employed for the period.

Return on equity

Rolling 12 months net profit related to quarterly average equity for the period.

Equity per share

Equity divided by the average number of shares.

Interest-bearing net liabilities

Interest-bearing liabilities less cash and blocked accounts.

Interest coverage ratio

Profit before tax plus financial expenses as a percentage of financial expenses.

Debt/equity ratio

Interest-bearing net liabilities as a percentage of equity.

Equity/assets ratio

Equity as a percentage of total assets.

Capital employed

Equity plus interest-bearing net liabilities.