



PRESS RELEASE

Halmstad, 7 November 2012

Arise Windpower broadens its business model and raises its target

Background

Since its founding in 2007 Arise has evolved into Sweden's leading onshore wind power company. In its first five years of operation about SEK 5 billion has been invested in wind farms totalling 342 MW. Of these the company owns, directly and indirectly, 241 MW. The development has been rapid, with a focus on quality and cost effectiveness. The company's investment and operating costs have gradually been reduced and are now below what was communicated at the time of the company's IPO.

The company's large-scale approach has been made possible through a carefully considered strategy and by maintaining control over the whole value chain. One example is the Jädraås project, northern Europe's largest onshore wind power project. The Jädraås wind farm has been built in a fast pace, with the first kilowatt hour delivered just 12 months after start of construction. The company was also the first independent power producer in Sweden to be listed on the stock exchange.

The company is now broadening its operations and raising its level of ambition.

Broadened business model and new goal

The purpose of broadening the business model is to, beside debt, finance the company's continued growth through internally generated cash flows as well as increasing profitability. This will make Arise an even more attractive company for its shareholders, partners, other investors and employees.

The new goal is to have 1,000 MW of onshore wind power constructed and under management by the end of 2017, of which 500 MW will remain in the ownership of the company.

Arise has developed a unique expertise and competitive edge in large-scale onshore wind power. The broadened business model will enable the company to explore this advantage even more. The company will, as in the Jädraås project, partly divest operational wind farms or projects that are ready to build, while developing and maintaining operational management. This will serve to create additional income for the company

As part of its broadened business model, Arise has used the current market situation to initiate a consolidation of the Swedish wind power market. The project portfolio has been expanded significantly through agreements giving the company the right to acquire and build five projects with a total capacity of around 500 MW.

Under its broadened business model, Arise will have three main sources of income:

Production and sale of electricity and electricity certificates

Production of electricity and electricity certificates from wind farms owned by Arise will remain the most important source of long-term cash flows and profitability. The company's goal is to, through a higher degree of funding from internally generated cash flows, achieve direct or indirect ownership of 500 MW by 2017.



Project development

The principal task is to develop, build and finance projects. By partly divesting projects or operational wind farms, profits and capital will be released that can be reinvested in new projects. The company's goal is to build 1,000 MW by the end of 2017.

Operational management

The company provides and coordinates service, production monitoring as well as production optimisation of wholly or partly owned assets over the course of their economic lifetime. The goal is to operationally manage 1,000 MW by the end of 2017.

Outlook 2013

The company currently has 139 MW in full operation, which is expected to generate around 350 GWh annually. The production is price hedged to 43 per cent in 2013 at a price of about SEK 800/MWh. The remaining portion will be sold at spot prices. In addition, the company owns half of the Jädraås wind farm, which is expected to be fully operational in the first quarter of 2013. The wind farm is expected to generate approximately 570 GWh annually of which the company's share represents 285 GWh. Starting in September 2013 prices have been hedged in accordance with applicable loan terms. Production up until September 2013 will be sold at spot prices.

In the winter/spring 2013, the company is planning to commence construction of about 30 MW from its own project portfolio. In addition, equity is available for the construction of another 50 MW. The company also intends to find a co-investor for the Solberg project (78 MW).

In 2012 the company has expanded its range of services, consolidated operations and secured opportunities for a significant expansion through agreements giving the company the right to acquire a number of large wind power projects. The company looks with confidence to the coming year and sees very good opportunities to further strengthen its position in the Nordic market.

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ARISE WINDPOWER AB (publ)

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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 1,000 MW of onshore wind power constructed and under management by 2017, of which 500 MW will remain in the ownership of the company. Arise Windpower is listed on NASDAQ OMX Stockholm.

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