



Interim Report for period 1 January – 30 June 2013

Second quarter (1 April – 30 June 2013)

- Net sales during the quarter amounted to MSEK 42 (46).
- Operating profit before depreciation (EBITDA) amounted to MSEK 44 (35), of which Arise's share of profit from the associated company owning the Jädraås project contributed with MSEK 2 (-).
- Profit before tax amounted to MSEK 4 (-8).
- Profit after tax totalled MSEK 3 (-6), corresponding to SEK 0.10 (-0.18) per share.
- Total power production amounted to 120 (71) GWh, of which the segment Own wind operations produced 64 (71) GWh and the segment Co-owned wind power operations produced 57 (-) GWh.
- Average income from Own wind power operations amounted to SEK 662 (648) per MWh, constituting SEK 401 (363) per MWh from electricity and SEK 261 (285) per MWh from electricity certificates.

First half-year (1 January – 30 June 2013)

- Net sales during the quarter amounted to MSEK 96 (107).
- Wind energy content during the period was approximately 20% lower than the statistical 30-year average according to Danish wind energy statistics.
- Operating profit before depreciation (EBITDA) amounted to MSEK 98 (92), of which share of profits in the associated company owning the Jädraås project contributed MSEK 15 (-).
- Profit before tax amounted to MSEK 16 (5).
- Profit after tax totalled MSEK 16 (4) corresponding to SEK 0.48 (0.11) per share.
- Total power production amounted to 250 (170) GWh, of which Own wind operations produced 139 (170) GWh and Co-owned wind power operations produced 111 (-) GWh.
- Average income from Own wind power operations amounted to SEK 690 (631) per MWh, constituting SEK 403 (394) per MWh for electricity and SEK 287 (237) per MWh from electricity certificates.

About Arise

Arise is one of Sweden's leading companies in onshore wind power. Its business concept is to sell electricity generated by the Company's own onshore wind turbines. The Company's target is to construct and manage 1,000 MW onshore wind power by 2017, of which the Company owns 500 MW. Arise is listed on NASDAQ OMX Stockholm.

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Comments from the CEO

Second quarter 2013

In terms of wind, the quarter began slightly better than normal, with a total production of more than 128 GWh including production in leased out wind farms, a notable increase (81%) compared with the same period last year. Profit before tax amounted to MSEK 4, which is satisfactory considering that the second quarter usually constitutes the financially weakest period of the year in terms of wind production. Development fees attributable to the Jädraås project contributed positively to the results. Average income was SEK 662 per MWh, approximately 28% over of the spot price for the same period.

Events during the period

The inauguration of the Jädraås wind farm on 28 May marked the completion of that construction project. Total investment costs came in somewhat lower than budgeted and the wind farm was put into operation on schedule. On the same positive note, updated wind analyses performed by independent consultants show that the wind farm should be able to produce about 11 GWh more per year than estimated at the time of the investment decision.

The construction of the three smaller wind farms Skogaby, Stjärnarp and Bohult in southern Sweden (totally 25.4 MW) is proceeding as planned. During the period, loan agreements totalling slightly more than MSEK 280 have been signed with DNB and Swedbank for the three projects.

An additional wind turbine (Skäppentorp, 3.3 MW) has been leased out in its entirety until May next year. The lease agreement is expected to produce a positive impact on income of slightly less than MSEK 1 on a full year basis, compared with selling produced electricity at current forward rates. Further wind farms may be leased out during the autumn.

The Company's lifting crane has been leased out for a 12 month period. Due to the completion of the Jädraås project and the leasing of the company crane, the Company has been able to decrease its workforce by five full time positions, effective since 1 June.

Electricity and certificate prices

Forward rates for electricity have decreased somewhat during the quarter. Continued low levels in water reservoirs and dry weather forecasts counteract a continued price decline in the short term. In the long term the development of electricity prices follows macroeconomic developments. Signs of an economic slowdown in China are pressing coal prices. However, the price is balanced, to a certain degree, by the EU's decision to reallocate CO₂ quotas, somewhat increasing CO₂ prices and thereby the cost of coal-based electricity production.

Certificate prices decreased temporarily during April and May and traded at their lowest levels, just under SEK 160 per MWh. These low prices were partly due to a weak trading interest resulting from a larger number of holidays during the period, and were also due to the filing of the certificate returns on 31 March. The primary reason, however, was the decision of the Swedish Energy Agency to sanction the increased allocation of production permits in the existing certified plants. This decision took the market by surprise and certificate prices fell sharply. The price has since then recovered somewhat.

The interest in Swedish land-based wind power from foreign investors is strong at the moment. The reason is probably the lack of alternative infrastructure and renewable energy investments and that the political risk in Sweden is considered low. As previously announced, Arise plans to divest a certain portion of its operational assets for the purpose of financing new projects and to increase the Company's profitability and earnings. Discussions with a number of foreign investors have been commenced and the Company is looking to reach an agreement during the second half of 2013. Freed-up capital will be reinvested in projects ready for construction.

Focus for Q3 2013

In terms of investments, the Company's focus will be on the construction of the three smaller wind farms in southern Sweden. The projects are on schedule and about half of the fifteen turbines will be constructed in Q3. All turbines will be operational in Q4.

The operational focus will remain on the optimisation of wind farms in operation in order to achieve higher production levels.

As regards project development, the focus is on the Solberg project (86 MW), as well as on a number of other projects ready for construction in southern Sweden. The project portfolio has been reinforced with two additional projects, encompassing about 260 MW, of which one has received the necessary permits. In total, the Company now has approximately 200 MW in licensed projects and other projects exceeding 1 000 MW, are awaiting issue of permits. Projects for the planned expansion up until the end of 2017 are, therefore, considered to be secured.

In addition, the Company aims to secure additional land in Scotland for further expansion after 2017.

Halmstad, July 19, 2013

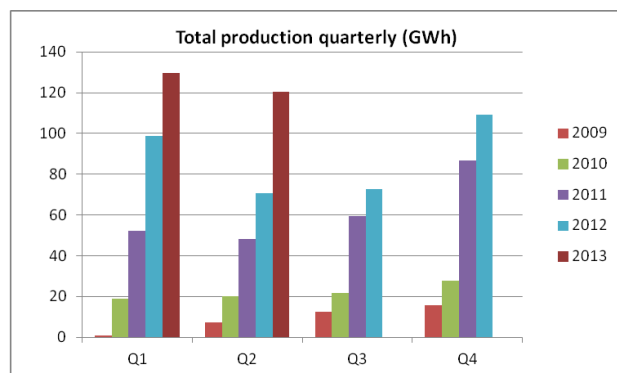
Peter Nygren

CEO, Arise AB (publ)

■ Comments on Q2 2013

Own wind power operations

Production of Own wind power operations during the quarter amounted to 63.6 (70.8) GWh in the Company's wholly-owned farms, a decrease of 10% or 7.2 GWh. The decrease is due to the fact that leased out wind farms, producing 8.0 GWh during the quarter, are no longer included in the Company's production. The inclusion of this portion of the production would entail an increase in total production of 1%, in spite of weak wind levels. Quarterly production development is shown in the graph below. The Company's share in co-owned projects, for example, the Jädraås project, contributed a further 57 GWh, which is reported under the segment, Co-owned wind power operations below.



Total production includes both Own (excluding leased out wind farms and turbines) and Co-owned operations

The quarter was characterised by wind levels in southern Sweden which, according to the Danish wind index, were somewhat lower than average. Wind levels were slightly above average in the corresponding quarter in the previous year. The market price of electricity rose in April, but subsequently fell, failing to reach the expected seasonal levels, primarily due to good availability in Swedish and Finnish nuclear power stations, as well as low carbon and CO₂ prices across Europe. However, price hedging contributed to the Company's average income from electricity amounting to SEK 401 (363) per MWh during the quarter, 21% over market price (SYS, system price Nord Pool Spot) for the same period (SEK 331 per MWh). Certificate prices, having risen strongly during the first quarter, fell heavily in the second quarter. Thanks to positive price hedging, the Company's average income for certificates amounted to SEK 261 (285) per MWh, or 39% over the market price (SKM) for the same period (SEK 187 per MWh).

In total, Own wind power operations generated income of MSEK 47 (46) and an EBITDA of MSEK 36 (35), which implies an increase in income of 3% and of 1% in EBITDA compared with the second quarter of 2012. Leasing of wind farms is included in income, amounting to MSEK 6 (-). Operating expenses amounted to SEK 190 (150) per

MWh, which is an increase of 30% and is, primarily, due to lower production volumes resulting from leasing activities but is also partially due to increased costs for the internal programmes implemented to enhance turbine performance. Depreciation and net financial income amounted to MSEK -21 (-20) and MSEK -16 (-16), respectively, similar to the figures reported during the same quarter in the previous year. Profit before tax for Q2 is, therefore, equal to the same quarter last year, MSEK -1.

Co-owned wind power operations

All amounts in this segment reporting refer to the 50% owned Jädraås project and reflect Arise's share in this project. The construction of the Jädraås wind farm totalling 203 MW, of which Arise's share amounts to 101.5 MW, was completed during the quarter. Commissioning was initiated in October 2012, and all of the farm's 66 turbines were taken over between Q4 in 2012 and Q2 2013. Calibration of the turbines was conducted on an on-going basis and, by the end of the quarter, all turbines had been taken over. Electricity production amounted to 56.8 (-) GWh.

The segment generated income of MSEK 27 (-) and profit before tax of MSEK 2 (-). Average income amounted to SEK 471 per MWh, with SEK 322 per MWh referring to electricity and SEK 149 per MWh referring to electricity certificates.

Wind power development

In total, income and EBITDA for wind power development amounted to MSEK 23 (11) and MSEK 7 (-6), respectively, during the quarter. The increase in net sales is primarily due to the receipt of development fees of MSEK 14, compared with MSEK 2 in the corresponding period previous year. Operating expenses decreased to MSEK -21 (-22), net financial items improved to MSEK -2 (-4) and profit before tax increased to MSEK 3 (-11).

Other events

The construction of the projects Skogaby, Stjärnarp and Bohult, all located in southern Sweden, has been initiated. The 15 turbines have a combined installed effect of 25.4 MW and are estimated to produce 86 GWh on an annual basis. The total investment is slightly over MSEK 400 and is fully funded by loan agreements with DNB and Swedbank for a total of approximately MSEK 280.

An agreement has been reached between Platina Partners and Arise regarding Arise's assumption of the main responsibility for the management of the Jädraås wind farm, 203 MW.

In accordance with the decision of the Annual General Meeting of Shareholders, Arise Windpower AB (publ) changed its name to Arise AB (publ).

Net sales and income

Net sales during the quarter amounted to MSEK 42 (46). Other operating income amounted to MSEK 25 (8) including the receipt of development fees of MSEK 14 (2) for the Jädraås project. Total income amounted, therefore, to MSEK 67 (54).

During the quarter, MSEK 6 (5) of own work was capitalised for own account. The Company's share of profits in associated companies amounted to MSEK 2 (-) and referred, in its entirety, to the 50% ownership of the Jädraås project. Reported profit represents net profit, that is, after taxes.

Operating profit before depreciation (EBITDA) amounted to MSEK 44 (35). The increase is primarily due to the receipt of development fees as a result of the successful completion of the Jädraås project, which compensated lower production levels within Own wind power operations, following weaker wind conditions. Operating profit (EBIT) amounted to MSEK 22 (12) including depreciation according to plan of MSEK -22 (-23). Net financial income was MSEK -18 (-20) and profit before tax amounted to MSEK 4 (-8). Profit after tax was MSEK 3 (-6), equivalent to earnings per share of SEK 0.10 (-0.18) both before and after dilution.

Investments

Net investments in property, plant and equipment for the quarter amounted to MSEK 66 (12), the entire amount refers to wind power development. No investments have been made in financial fixed assets during the quarter (-).

Cash flow

Cash flow from operating activities before changes in working capital amounted to MSEK 44 (51). Changes in working capital contributed with MSEK -23 (-42). Investments in tangible fixed assets and financial fixed assets totalled MSEK -66 (-105), after which cash flow after investing activities amounted to MSEK -46 (-96). Non-current and current interest-bearing liabilities decreased by MSEK -35 (-25), and cash flow, net of interest payments, decreased by MSEK -21 (-28). Payments to blocked accounts totalled MSEK -4 (-9), after which cash flow for the quarter, including investments, was MSEK -106 (-157).

■ Comments on the first half of 2013

Own wind power operations

The first half of the year was characterised by wind levels which, according to the Danish wind index, were approximately 20% below normal levels, while the wind levels in the corresponding period in the previous year were normal.

Production of Own wind power operations amounted to 139.4 (169.5) GWh during the period, a decrease of 18% or 30.1 GWh. To a certain degree, this decrease is due to the fact that leased out wind farms, which produced 9.7 GWh, are no longer included in the Company's production. If this portion of the production would be included in full the total production decreased by 12 %.

The market price of electricity was relatively low during the first half of the year, and the price continued to decline throughout the period, with the average market price amounting to SEK 344 per MWh. Price hedging within the segment Own wind power operations contributed, however, to an increase in average income from electricity of SEK 403 (394) MWh, that is, 17% above the market price. Certificate prices decreased significantly towards the end of the period. Price hedging contributed to the average income from certificates within the segment amounting to SEK 287 (237) per MWh, or 38% higher than the average market price during the period, which was SEK 208 per MWh.

In total, Own wind power operations generated income of MSEK 102 (107) and an EBITDA of MSEK 77 (84), which entails a decrease in income and EBITDA of 4% and 9%, respectively, compared with the first half of the year in 2012. Operating expenses amounted to SEK 180 (133) per MWh, which is an increase of 35% and is, primarily, due to weaker winds, resulting in lower production levels and losses in production due to leasing activities; however, this can also be explained, to a certain degree, by increased costs for the internal programmes implemented to enhance turbine performance. Depreciation and net financial income amounted to MSEK -41 (-45) and MSEK -32 (-32), respectively, similar to the amounts reported during the same period in the previous year.

An 18% decline in production resulted in lower net sales by MSEK 19, while a higher average price contributed to an increase in net sales of MSEK 8, compared with the first half of the year in 2012. Profit before tax for the first six months decreased from MSEK 8 to MSEK 4, which can, in all material respects, be attributed to lower production volumes.

Co-owned wind power operations

Within this segment, production of electricity amounted to 110.8 (-), net sales were MSEK 57 (-) and profit before taxes was MSEK 19 (-) for the first half of the year. Average income amounted to SEK 514 per MWh, with SEK 399 per MWh referring to electricity and SEK 176 per MWh referring to electricity certificates.

Wind power development

In total, income and EBITDA for Wind power development amounted to MSEK 33 (26) and MSEK 6 (-5), respectively, during the first half of the year. The increase

is primarily due to the receipt of development fees of MSEK 14, compared with MSEK 7 during the corresponding period in the previous year. Operating expenses decreased to MSEK -38 (-42) and operating profit increased from MSEK -7 to MSEK 4. Net financial items decreased to MSEK -7 (-4), primarily due to interest on the bond loan which resulted in a decrease in losses before tax from MSEK -11 to MSEK -3.

Other events

An option agreement has been signed regarding the acquisition of a project in Norway (130 MW) for which permits are pending. An agreement has also been signed regarding the right to lease land along the Scottish west coast and to apply for a permit to construct a major wind farm (approximately 150 MW) on that location.

The wind farm Södra Kärra (10.8 MW) has been leased out in its entirety for one year. This lease agreement is expected to produce a positive impact on profit of approximately MSEK 4 on a full year basis, compared with selling electricity at current forward rates. The lease agreement dictates that the client has full right of disposal over the production capacity and the energy produced. Income attributable to the agreement will be reported under Other income. Electricity sales in the segment Own wind power operations are expected to be reduced by approximately 36 GWh on an annual basis as a result of the lease.

Net sales and income

The production volumes of Own- and Co-owned wind power operations amounted to 250 (170) GWh, an increase of 48%.

Net sales during the period amounted to MSEK 96 (107) and Other operating income to MSEK 32 (21). This implies that the Comprehensive income amounted to MSEK 129 (128).

Capitalised work for own account amounted to MSEK 12 (11) and the share of profits in associated companies amounted to MSEK 15 (-) and referred, in its entirety, to the 50% ownership of the Jädraås project. The profit represents net profit, that is, after taxes.

Operating expenses increased to MSEK -57 (-47), which meant that operating profit before depreciation (EBITDA) totalled MSEK 98 (92), including development fees of MSEK 14 (7) for the Jädraås project and lease of wind turbines of MSEK 6 (-). Operating profit (EBIT) amounted to MSEK 55 (41), including depreciation according to plan of MSEK -44 (-51). Net financial income was MSEK -38 (-36), for which reason profit before tax amounted to MSEK 16 (5). Profit after tax was MSEK 16 (4), equivalent of earnings per share of SEK 0.48 (0.11) before and after dilution.

Investments

In the first half of the year, net investments in tangible and financial fixed assets amounted to MSEK 146 (116), and the entire amount refers to wind power development according to plan.

Cash flow

Cash flow from operating activities before changes in working capital amounted to MSEK 99 (111). Changes in working capital decreased the cash flow by MSEK -35 (-47). Investments in tangible fixed assets and financial fixed assets totalled MSEK -146 (-116), after which cash flow after investing activities amounted to MSEK -83 (-52). Non-current and current interest-bearing liabilities decreased by MSEK -50 (323), and cash flow, net of interest payments, decreased by MSEK -47 (-46). Payments to blocked accounts totalled MSEK -4 (-11), after which cash flow for the half of the year, including investments, was MSEK -184 (213).

Financing and liquidity

Interest-bearing net liabilities amounted to MSEK 1,394 (1,290). The equity/assets ratio at the end of the period was 38.7% (39.3%).

Cash and cash equivalents amounted to MSEK 157 (350) and at the end of the period there were also unutilised credits and grants of MSEK 288 (38).

Taxes

As Arise has only Swedish subsidiaries, tax has been calculated on the basis of the Swedish tax rate, which is 22.0%.

Considering the Group's fiscal depreciation possibilities, it is deemed that no paid tax will be reported in the near future.

Transactions with related parties

In the period, the Parent Company received development fees from the associated company, Sirocco Wind Holding AB, for a total of MSEK 28, of which MSEK 14 have been taken up as income in the Group. For additional information regarding transactions with related parties, please refer to Note 22 in the 2012 Annual Report.

Contingent liabilities

No changes have taken place in the Group's reported contingent liabilities. These are described on page 61 under Note 21 of the Annual Report for 2012.

Events after the end of the reporting period

No significant events have taken place after the end of the reporting period.

Future prospects

The Company currently has 139 MW of its own capacity in full operation, which is expected to generate approximately 350 GWh on an annual basis. Of this amount, 44 GWh (Södra Kärna and Skäppentorp) has been leased out in its entirety, resulting in income of approximately MSEK 30 on an annual basis, of which approximately MSEK 20 will be recognised as income during 2013. Taking into account the decrease in production levels compared with estimates in Q1 and the leasing activities, electricity production in the segment Own wind power operations is estimated to amount to approximately 285 GWh in the current year. In addition, wind farms currently under construction can generate a further 10 GWh, entailing a net total of 295 GWh. In addition, the Company owns 50% of the Jädraås farm which has been fully operational since the end of the first quarter of 2013. The farm is expected to generate 570 GWh on an annual basis, of which the Company's portion corresponds to 285 GWh.

The projects Skogaby, Stjärnarp and Bohult, which are currently under construction, have a low investment cost per kilowatt hour produced (approximately SEK 4.6 per kWh). The majority of the Company's planned projects have an investment cost in the interval SEK 4.2 to 4.8 per kilowatt hour, certain projects actually even lower than this. This represents a good indication that the Company will be able to increase its installed base and, in doing so, distribute fixed expenses over a greater number of kilowatt hours produced, with increased profitability as a result.

The Company will continue to expand its service offering, to consolidate the operations and to exploit opportunities for continued expansion. The Company is of the opinion that the possibilities of further strengthening its position in the Nordic market are very good.

The Company's long-term target is to have 1,000 MW constructed and under management by the end of 2017, of which the Company will continue to own 500 MW. Including the Jädraås wind farm and the three projects now under construction, the Company has 367 MW under management and owns 265 MW. The electricity production from all of these 265 MW is estimated to amount to slightly more than 700 GWh per year, equivalent to around 10% of all wind power produced in Sweden during 2012.

Risks and factors of uncertainty

Significant areas for continuous monitoring and assessment include the manner in which the access to new and borrowed capital is expected to develop, with the aim of securing the Company's expansion plan during 2013 and beyond.

The financial markets have remained relatively stable during the first half of the year. Interest rate levels and the Euro exchange rate appear to have stabilised at the same time as electricity prices have decreased during the first half of the year. Certificate prices have fluctuated significantly between the first two quarters, with an increase in the first and a decrease in the second. The focus of the Company's monitoring is primarily on fluctuations and the development of electricity and certificate prices, as well as on exchange rates, particularly as regards the EUR.

The Group's risks and factors of uncertainty are described in pages 33-34 in the Annual Report for 2012 and the financial risk management is presented on pages 52-57. No significant changes have taken place impacting the reported risks.

Status of the project portfolio as per 30 June 2013

	No. of projects	No. of wind turbines	Total output (MW)	Average output per turbine (MW)
Wind farms in operation and under construction				
In operation	11	98	241	2.5
Under construction	3	15	25	1.7
Project portfolio				
Permits received/acquired	7	45	132	2.9
Permits pending	15	226	697	3.1
Project planning completed	-	-	-	-
Leases signed	8	37	111	3.0
Total portfolio	44	421	1,206	2.9

The projects are categorised according to the following criteria

In operation

Wind power projects where the wind farm has been handed over after completion of test runs and is generating electricity. During the first three months, the turbines are calibrated and a comprehensive first service is performed. The turbines do not reach optimum production during this initial period. Full and normal production can, consequently, be expected three months after the approval of the test runs and take over.

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 as regards the majority of the project's total investment costs.

Permits received/acquired

Projects which have received the permits required for construction to begin, but where construction has not yet been initiated. In certain cases, Arise is awaiting the availability of sufficient wind data.

Permits pending

The first stage in a permit application is the 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 upon the rejection of the permit application.

Project planning completed

After signing land lease agreements, the Company begins project planning 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.

Signed Leases

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 the majority 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 serve as 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 consequence descriptions, producing detailed plans and obtaining building permits, undertaking negotiations, handling the Group's trading operations in electricity and electricity certificates and carrying out administrative services.

The Parent Company manages the Group's production plans and electricity hedging in accordance with the adopted finance policy. A portion, but not all, of the electricity producing subsidiaries sell their electricity production to the Parent Company at a contractually agreed price. A similar arrangement is in place in the sub-group, Arise Wind Farm 2, in which this company's subsidiaries, Arise Wind Farm 3, Arise Wind Farm 5 and Arise Wind Farm 6, primarily sell their production to their parent company. The

Parent Company, Arise (as well as Arise Wind Farm 2) sells on the electricity to clients based on bilateral agreements or on the spot market. These intra-Group trading activities are reported at gross value in the income statement.

The Parent Company's total income during the period amounted to MSEK 165 (137) and purchasing costs, personnel, other external costs and capitalised work for own account, as well as depreciation of fixed assets, totalled MSEK -165 (-144), whereby operating income amounted to MSEK 0 (-6). Net income after tax amounted to MSEK 6 (-8). The Parent Company's net investments, excluding internal restructuring of subsidiaries, amounted to MSEK -365 (109).

■ Ownership structure

A list of the Company's owners can be found on the Company's website (www.arisewindpower.se).

■ Accounting principles

Arise follows IFRS (International Financial Reporting Standards) as adopted by the EU and interpretations of such standards (IFRIC). This interim report has been prepared in accordance with IAS 34, "Interim Financial Reporting". The Parent Company's reporting has been prepared in accordance with the Annual Accounts Act and RFR2. The accounting principles are consistent with those applied in the most recent Annual Report for 2012, in which the principles are described in Note 1 on pages 40-45.

■ Review by the auditor

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

■ Financial calendar

- Third quarter (1 Jul – 30 Sep): 13 Nov 2013.
- Fourth quarter (1 Oct – 31 Dec): 14 Feb 2014.

BOARD ASSURANCE

The Board of Directors declare that this first half year, Interim Report, provides a true and fair view of the 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 2013

Arise AB (publ)

Pehr G Gyllenhammar
Chairman

Birger von Hall
Member of the Board

Joachim Gahm
Member of the Board

Maud Olofsson
Member of the Board

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CONSOLIDATED INCOME STATEMENT

(Amounts in MSEK)	2013 Q2	2012 Q2	2013 6 months	2012 6 months	2012 Full year
Net sales	42	46	96	107	210
Other operating income Note 1	25	8	32	21	38
Total income	67	54	129	128	248
Capitalised work on own account	6	5	12	11	19
Personnel costs	-13	-12	-26	-22	-46
Other external expenses	-17	-11	-31	-24	-53
Share in income of associated companies	2	0	15	0	9
Operating profit before depreciation (EBITDA)	44	35	98	92	177
Depreciation of property, plant and equipment	-22	-23	-44	-51	-122
Operating income (EBIT)	22	12	55	41	54
Financial income	3	4	7	7	16
Financial expenses	-21	-25	-46	-43	-93
Profit/loss before tax	4	-8	16	5	-22
Deferred tax	-1	2	0	-1	6
Net Profit/loss for the period	3	-6	16	4	-16
Earnings per share before dilution, SEK	0.10	-0.18	0.48	0.11	-0.47
Earnings per share after dilution, SEK	0.10	-0.18	0.48	0.11	-0.47

Treasury shares held by the Company have not been included in calculating Earnings per share.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Amounts in MSEK)	2013 Q2	2012 Q2	2013 6 months	2012 6 months	2012 Full year
Net profit/loss for the period	3	-6	16	4	-16
<u>Other comprehensive income</u> Note 4					
Items which can be reclassified in the income statement					
Cash flow hedges	27	-19	54	24	-5
Translation differences	20	9	6	6	-17
Share of other comprehensive income in associated companies	10	-24	16	-33	-65
Income tax attributable to components of other compr. income	-12	9	-17	1	12
Other comprehensive income for the period, net after tax	45	-25	59	-2	-74
Total comprehensive income for the period, net after tax	48	-31	75	2	-90

Comprehensive income is 100% attributable to the shareholders of the Parent Company.

CONSOLIDATED BALANCE SHEET

Summarised (Amounts in MSEK)	2013 30 Jun	2012 30 Jun	2012 31 Dec
Property, plant and equipment	2,265	2,099	2,162
Financial fixed assets	579	577	591
Other current assets	169	142	114
Cash and cash equivalents	157	350	341
TOTAL ASSETS	3,170	3,168	3,207
Equity	1,227	1,245	1,152
Non-current liabilities	1,553	1,661	1,603
Current liabilities	391	262	452
TOTAL EQUITY AND LIABILITIES	3,170	3,168	3,207

CONSOLIDATED CASH FLOW STATEMENT

Summarised (Amounts in MSEK)	2013 Q2	2012 Q2	2013 6 months	2012 6 months	2012 Full year
Cash flow from operating activities before changes in working capital	44	51	99	111	116
Cash flow from changes in working capital	-23	-42	-35	-47	53
Cash flow from operating activities	20	9	64	64	170
investment in property, plant and equipment	-66	-12	-146	-23	-77
investments in associated companies	0	-	0	-	0
investments in other financial fixed assets	0	-93	0	-93	-99
Cash flow after investing activities	-46	-96	-83	-52	-6
Change in interest-bearing liabilities	-35	-25	-50	323	304
Interest paid and received	-21	-28	-47	-46	-81
Deposits, blocked accounts	-4	-9	-4	-11	-12
Cash flow from financing activities	-60	-62	-101	265	210
Cash flow for the period	-106	-157	-184	213	204
Cash and cash equivalents at the beginning of period	263	507	341	137	137
Cash and cash equivalents at the end of the period	157	350	157	350	341
Interest-bearing liabilities at the end of the period	1,640	1,724	1,640	1,724	1,690
Blocked cash and cash equivalents at the end of the period	-89	-84	-89	-84	-85
Interest-bearing net liabilities	1,394	1,290	1,394	1,290	1,265

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Summarised (Amounts in MSEK)	2013 30 June	2012 30 June	2012 31 Dec
Opening Balance	1,152	1,243	1,243
Total comprehensive income for the period	75	2	-90
Acquisition of own shares	-	-	-1
Closing balance	1,227	1,245	1,152

KEY RATIOS FOR THE GROUP

	2013 Q2	2012 Q2	2013 6 months	2012 6 months	2012 Full year
<u>Operational key ratios</u>					
Installed capacity at the end of the period, MW	139.2	139.2	139.2	139.2	139.2
Own electricity production during the period, GWh	63.6	70.8	139.4	169.5	326.1
Co-owned electricity production during the period, GWh	56.8	0.0	110.8	0.0	25.3
Number of employees at the end of the period	38	39	38	39	44
<u>Financial key ratios</u>					
EBITDA-margin, %	105.2%	77.2%	102.4%	86.0%	84.0%
Operating margin, %	52.7%	26.3%	57.1%	38.8%	25.9%
Return on capital employed, %	7.3%	8.9%	7.3%	8.9%	7.2%
Return on equity, %	-0.3%	2.9%	-0.3%	2.9%	-1.3%
Capital employed, MSEK	2,621	2,536	2,621	2,536	2,417
Average capital employed, MSEK	2,564	2,490	2,515	2,471	2,460
Shareholders' equity, MSEK	1,227	1,245	1,227	1,245	1,152
Average shareholders' equity, MSEK	1,203	1,261	1,186	1,255	1,219
Interest-bearing net liabilities	1,394	1,290	1,394	1,290	1,265
Equity/assets ratio, %	38.7%	39.3%	38.7%	39.3%	35.9%
Interest coverage ratio	1.2	neg.	1.4	1.1	neg.
Debt/equity ratio	1.1	1.0	1.1	1.0	1.1
Equity per share, SEK	37	37	37	37	34
Equity per share after dilution, SEK	36	36	36	36	34
Number of shares at the end of the period, excl. treasury shares	33,373,876	33,428,070	33,373,876	33,428,070	33,373,876
Average number of shares	33,400,973	33,428,070	33,373,876	33,428,070	33,400,973
Average number of shares after dilution	34,230,973	34,258,070	34,203,876	34,258,070	34,230,973

Note 1 - Other operating income	2013	2012	2013	2012	2012
(Amounts in MSEK)	Q 2	Q 2	6 months	6 months	Full year
Income from leased wind farms	5	-	6	-	-
Income from leased crane	1	1	3	2	11
Development fees	14	2	14	7	7
Project management and administrative expenses	3	5	6	10	13
Other items	2	1	4	2	7
	25	8	32	21	38

GROUP SEGMENT REPORTING

Q2	Own wind power operations		Co-owned wind power operations		Wind power development		Eliminations		Group	
(Amounts in MSEK)	Q2-13	Q2-12	Q2-13	Q2-12	Q2-13	Q2-12	Q2-13	Q2-12	Q2-13	Q2-12
Net sales, external	42	46	27	-	-	-	-27	-	42	46
Net sales, internal	-	-	-	-	3	3	-3	-3	-	-
Other operating income Note 2	5	-	-	-	20	8	-	-	25	8
Total income	47	46	27	-	23	11	-30	-3	67	54
Capitalised work on own account	-	-	-	-	6	5	-	-	6	5
Operating expenses	-11	-11	-7	-	-21	-22	10	9	-30	-23
Share of profits in associated companies	-	-	-	-	-	-	2	-	2	-
Operating profit before depreciation (EBITDA)	36	35	20	-	7	-6	-18	6	44	35
Depreciation and write-downs Note 3	-21	-20	-5	-	-1	-1	5	-2	-22	-23
Operating profit (EBIT)	15	15	15	-	6	-7	-13	4	22	12
Net financial income/expense	-16	-16	-13	-	-2	-4	13	-	-18	-20
Profit/loss before tax (EBT)	-1	-1	2	-	3	-11	0	4	4	-8
Assets	2,152	2,186	1,634	-	1,018	983	-1,634	-	3,170	3,169

Note 2 - Other operating income										
Income from leased wind farms	5	-	-	-	-	-	-	-	5	-
Income from leased crane	-	-	-	-	1	1	-	-	1	1
Development fees	-	-	-	-	14	2	-	-	14	2
Project management and administrative services	-	-	-	-	3	5	-	-	3	5
Other items	0	-	-	-	2	1	-	-	2	1
	5	-	-	-	20	8	-	-	25	8

Note 3 - Depreciation and write-downs of property, plant and equipment

This item includes a reversal of MSEK 2 from a provision reported in Q4 2012 of MSEK 24, referring to development projects reported in the segment, Wind power development.

6 months	Own Wind power operations		Co-owned wind power operations		Wind power development		Eliminations		Group	
(Amounts in MSEK)	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net sales, external	96	107	57	-	-	-	-57	-	96	107
Net sales, internal	-	-	-	-	7	5	-7	-5	-	-
Other operating income Note 4	6	-	-	-	26	21	-	-	32	21
Total income	102	107	57	-	33	26	-64	-5	129	128
Own work capitalised	-	-	-	-	12	11	-	-	12	11
Operating expenses	-25	-23	-10	-	-38	-42	17	17	-57	-47
Share of profits in associated companies	-	-	-	-	-	-	15	-	15	-
Operating profit before depreciation. (EBITDA)	77	84	47	-	6	-5	-32	12	98	92
Depreciation and write-downs Note 5	-41	-45	-12	-	-2	-2	12	-4	-44	-51
Operating income (EBIT)	36	40	35	-	4	-7	-20	9	55	41
Net financial income/expense	-32	-32	-16	-	-7	-4	16	-	-38	-36
Profit/loss before tax (EBT)	4	8	19	-	-3	-11	-4	9	16	5

Note 4 - Other operating income

Income from leased wind farms	6	-	-	-	-	-	-	-	6	-
Income from leased crane	-	-	-	-	3	2	-	-	3	2
Development fees	-	-	-	-	14	7	-	-	14	7
Project management and administrative services	-	-	-	-	6	10	-	-	6	10
Other items	0	-	-	-	3	2	-	-	3	2
	6	-	-	-	26	21	-	-	32	21

Note 5 - Depreciation and impairments of tangible fixed assets

The item includes a reversal of MSEK 4 of a total provision of MSEK 24 in the fourth quarter 2012 in the segment Wind Power Development.

Note 6 - Additional disclosures pursuant to IFRS 13

Fair value hierarchy

All of the financial instruments measured at fair value belong to level 2 in the fair value hierarchy. These derivatives consist of electricity futures, currency futures and interest rate swaps. The reporting of financial instruments is described on pages 52-57 in the Annual Report 2012. The Group's financial assets and liabilities measured at fair value as of the balance sheet date are shown in the table below.

(Amounts in MSEK)	2013 30 Jun	2012 31 Dec
Assets		
Derivatives held for hedging perspectives		
- of which other receivables	10	4
- of which cash and cash equivalents	-1	-1
Liabilities		
Derivatives held for hedging perspectives		
- of which other liabilities	-135	-196

PARENT COMPANY INCOME STATEMENT

(Amounts in MSEK)	2013 Q2	2012 Q2	2013 6 months	2012 6 months	2012 Full year
Sale of electricity and certificates	60	39	115	108	190
Sale of services, own employees	5	9	10	15	20
Development fees	30	3	30	13	13
Other operating income	7	0	11	1	12
Total income	102	51	165	137	236
Capitalised work on own account	2	4	4	9	13
Purchases of electricity and electricity certificates	-70	-47	-135	-124	-221
Personnel costs	-8	-8	-16	-15	-30
Other external expenses	-12	-6	-18	-11	-25
Operating profit/loss before depreciation (EBITDA)	14	-6	0	-5	-27
Depreciation of property, plant and equipment	-1	-1	0	-2	-28
Operating income (EBIT)	13	-6	0	-6	-55
Financial income	9	1	15	5	23
Finance expenses	11	-5	-8	-9	-38
Profit/loss after financial items	34	-10	7	-11	-70
Group contributions	0	0	0	0	-1
Profit/loss before taxes	34	-10	7	-11	-71
Deferred tax	-7	3	-2	3	14
Net profit/loss and total comprehensive income for the period	26	-7	6	-8	-57

PARENT COMPANY BALANCE SHEET

(Amounts in MSEK)	2013 Q2	2012 Q2	2013 6 months	2012 6 months	2012 Full year
Property, plant and equipment	80	133	80	133	80
Financial fixed assets	902	1,197	902	1,197	1,268
Other current assets	759	96	759	96	137
Cash and cash equivalents	84	290	84	290	242
TOTAL ASSETS	1,825	1,716	1,825	1,716	1,728
Restricted equity	3	3	3	3	3
Non-restricted equity	1,270	1,315	1,270	1,315	1,265
Non-current liabilities	350	350	350	350	350
Current liabilities	202	49	202	49	110
TOTAL EQUITY AND LIABILITIES	1,825	1,716	1,825	1,716	1,728

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

(Amounts in MSEK)	2013 30 Jun	2012 30 Jun	2012 31 Dec
Opening balance	1,267	1,326	1,326
Total comprehensive income for the period	6	-8	-57
Acquisition of own shares	-	-	-1
Closing balance	1,273	1,317	1,267

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