



Interim report for the period 1 January – 30 June 2010

Second quarter (1 April – 30 June 2010)

- Net sales during the period were TSEK 14,538 (6,042).
- The operating result before depreciation (EBITDA) was TSEK 10,819 (-2,582).
- The operating result (EBIT) was TSEK 3,124 (-4,757).
- Earnings after tax were TSEK -1,891 (-1,108), which corresponds to SEK -0.06 (-0.08) per share.
- The average income per MWh was SEK 725 (745), of which SEK 420 (512) refers to electricity and SEK 305 (233) refers to electricity certificates.
- A one-off gain relating to the sale of the power grid station in Knäred had a positive impact on earnings of approximately SEK 4.7 million.
- The expansion target for 2010 has largely been achieved (approx. 70 MW compared with a target of 75 MW). Construction of the remaining 5 MW is scheduled to begin in autumn 2010.

The first half (1 January – 30 June 2010)

- Net sales during the period were TSEK 28,831 (6,480).
- The wind energy content of the wind during the period was about 20 per cent below the average for the last 30 years, according to Danish wind energy figures.
- The operating result before depreciation (EBITDA) was TSEK 14,965 (-7,454).
- The operating result (EBIT) was TSEK 698 (-9,957).
- Earnings after tax were TSEK -6,797 (-4,278), which corresponds to SEK -0.27 (-0.29) per share.
- The average income per MWh was SEK 738 (735), of which SEK 420 (522) refers to electricity and SEK 318 (213) refers to electricity certificates.

Significant events after the end of the reporting period

- The company has signed a loan agreement with Nordea for loan funding of the Idhult wind farm (8 Vestas turbines) and of the company's crane and related equipment.
- A decision has been made to increase capacity at the Fröslida wind farm by a further 7.5 MW.

About Arise Windpower

Arise Windpower is one of Sweden's leading companies in onshore wind power. Arise Windpower's business concept is to sell electricity generated at the company's own onshore wind turbines in southern Sweden. The company is aiming to install and put into operation about 300 wind turbines with an annual output of about 2 TWh of green electricity by 2014. Arise Windpower is listed on NASDAQ OMX Stockholm.

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The CEO's comments on Q2 2010

In the second quarter we continued to expand capacity at the company's wind farms, and we now have 102.5 MW in operation or under construction, which is in line with plan.

According to Danish wind energy figures, the energy content of the wind was relatively normal during the period (96 per cent of a normal year).

The construction projects in Idhult (8 Vestas turbines, 16 MW) and Fröslida (6 GE turbines, 15 MW) are going to plan, and the two farms are scheduled to be taken into operation in late autumn 2010. A decision has also been made to add a further 3 turbines (7.5 MW) at the Fröslida farm, which will be taken into operation at the same time as the other turbines.

Construction has begun on the Kåphult wind farm (7 GE turbines, 17.5 MW) and a long-term loan agreement has been concluded with Swedbank. The specific investment cost is about SEK 5.3 per annual kilowatt hour and the estimated pre-tax return comfortably exceeds 10 per cent.

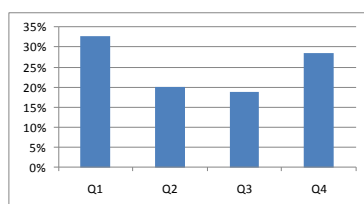
The Swedish krona has continued to strengthen against the euro, which is positive, as a large portion of the company's investments are in euro. Another positive factor is that interest from banks to provide loan funding for wind power projects remains strong. This is partly due to the general decline in the number of wind power projects in Europe but is also explained by the proven success of the company's business model and the fact that the company is now listed.

The company's model of project-funding individual projects as they are realised has proved advantageous, and the company

has therefore chosen, for the time being, to decline an offer of a major SEK 1.5 billion credit facility. This will avoid unnecessary up-front credit expenses.

The sale of the power grid station in Knäred was recognised in the accounts during the quarter, resulting in a one-off gain of about SEK 4.7 million, which is slightly more than the previously communicated figure of SEK 3.8 million.

Wind-wise, the second quarter is seasonally weak, and this proved to be the case this year too. See the following graph, which shows the quarterly distribution of available energy in the wind (wind energy) based on Danish wind energy figures for the years 1979–2009 (www.vindstat.dk).



The best time for annual servicing of the turbines is during the less windy months when the loss of income during standstill periods is generally lowest. All operational turbines were therefore serviced during the reporting period.

The average income per megawatt hour for electricity and electricity certificates in the quarter were slightly above the market price (SEK 725/MWh compared with an average market price at NordPool of SEK 667/MWh), which was due to previous price hedges.

Access to wind turbines has been further secured through a supplementary agreement with GE, which was concluded on favourable terms and covers deliveries also in 2012.

The Swedish Armed Forces have announced certain restrictions on the construction of wind turbines in the proximity of ten named airfields. The company's wind farms which are currently in operation or under construction are not affected by the restrictions. Nor do they affect the company's short-term or long-term expansion targets.

A partnership agreement has been signed with Solid Vind under which Solid, for a limited period, will prospect for new wind turbines in Skåne.

The company's crane has been delivered and an agreement on operation and maintenance of the crane has been signed with Jinert AB, a crane operator in Hässleholm. The crane is now fully employed in lifting the company's turbines in Idhult.

Events after the reporting period: A long-term loan agreement has been signed with Nordea in respect of the Idhult wind farm and the company's crane and related equipment.

The expansion target for 2010 has now largely been achieved, and the company is therefore focusing on the planned expansion in 2011 (approx. 160 MW, which is equivalent to 65–70 turbines) and beyond.

Our projects and operations organisation has been further strengthened and the company's financial position remains very strong, with cash assets of SEK 620 million and a further SEK 446 million in unused credit facilities, grants and committed lines of credit. The company is therefore well equipped for the planned expansion.

Halmstad, August 2010

Peter Nygren

CEO, Arise Windpower AB

■ Comments on Q2 2010

Summary of events

– All turbines, with a combined capacity of 10 MW in Råbelöv and 12.5 MW in Brunsmo, are now operational and have been handed over by the suppliers, Vestas and GE Wind.

– Decisions have been made to build turbines with a capacity of a further 17.5 MW in Kåphult outside Laholm and 7.5 MW in Fröslida outside Hylte, which will increase capacity at the Fröslida farm to 22.5 MW. Both wind farms as well as 16 MW in Idhult outside Mönsterås are being built and are expected to go into operation in the second half of 2010.

– The energy content of the wind in the second quarter was close to normal.

Net sales and earnings

Net sales in the second quarter were TSEK 14,538 (6,042). Expenditure of TSEK 4,647 (3,350) was capitalised. Other income was TSEK 8,422 (-) and refers mainly to a recognised capital gain of SEK 4.7 million (-) relating to the sale of the Knäred facility, standstill payments and a gain of SEK 3.3 million (0.6) relating to power trading, see Note 1 on page 7.

The operating result before depreciation (EBITDA) was TSEK 10,819 (-2,582). The operating result (EBIT) was TSEK 3,124 (-4,757), which includes scheduled depreciation in the amount of TSEK 7,695 (-2,175).

The net financial expense was TSEK -5,689 (-3,254) and the loss before tax was TSEK -2,565 (-1,503). Earnings after tax were TSEK -1,891 (-1,108), which corresponds to earnings per share of SEK -0.06 (-0.08).

The total result for the quarter was a loss of TSEK -11,062 (-3,917) after cash flow hedges of electricity, interest rates and currencies reduced the total result by a net TSEK -9,171.

Investments

Investments in the quarter were TSEK 214,486 (219,253), all of which refers to the planned expansion of wind power capacity. Sales of property, plant and equipment, relating mainly to the electrical installation in Knäred, were TSEK 92,300 (-).

Cash flow

Arise Windpower's cash flow from operating activities was TSEK -6,795 (-50,107) and cash flow after investing activities was TSEK -127,378 (-263,864). Long-term and current interest-bearing liabilities were reduced through repayments, TSEK -3,625 (180,000), while interest payments reduced the cash flow by TSEK -11,308 (-9,014). TSEK 13,800 (-) has been paid into frozen accounts, mainly under agreements on loan funding, resulting in a quarterly cash flow of TSEK -156,111 (-92,878).

■ Comments on H1 2010

Summary of events

– The company completed its IPO and has been listed on the main list of NASDAQ OMX Stockholm since 24 March 2010.

– The company has also completed two share offerings, raising approximately SEK 554 million before issue costs.

Net sales and earnings

Net sales in the first half of 2010 were TSEK 28,831 (6,480). Expenditure of TSEK 8,709 (5,663) was capitalised. Other income was TSEK 9,395 (142) and refers mainly to a recognised capital gain of SEK 4.7 million (-) relating to the sale of the Knäred facility, standstill payments, gains on the sale of externally purchased electricity certificates and a gain of SEK 3.3 million (0.6) relating to power trading, see Note 1 on page 7.

The operating result before depreciation (EBITDA) was TSEK 14,965 (-7,454). Other external expenses include a one-off loss of approximately SEK 1.6 million relating to power trading, see Note 2 on page 7.

The operating result (EBIT) was TSEK 698 (-9,957), which includes scheduled depreciation in the amount of TSEK -14,267 (-2,503). The net financial expense was TSEK -9,920 (-4,153) and the loss before tax was TSEK -9,222 (-5,804). Earnings after tax were TSEK -6,797 (-4,278), which corresponds to earnings per share of SEK -0.27 (-0.29).

The total result for the six-month period was a loss of TSEK -18,501 (-4,728) after cash flow hedges of electricity, interest rates and currencies reduced the total result by a net TSEK -11,704.

Investments

Investments in the first half of 2001 were TSEK 319,030 (338,451), all of which refers to the planned expansion of wind power capacity. Sales of property, plant and equipment, relating mainly to the electrical installation in Knäred, were TSEK 92,300 (-).

Cash flow

Arise Windpower's cash flow from operating activities was TSEK 17,363 (-85,975) and cash flow after investing activities was TSEK -210,848 (-418,930). Long-term and current interest-bearing liabilities were reduced through repayments, TSEK -7,250 (180,000). The share offering raised a net TSEK 525,407 (-) for the Group while interest payments reduced cash flow by TSEK -15,231 (-8,377). TSEK 13,800 (-) has been paid into frozen accounts, mainly under agreements on loan funding, resulting in a six-month cash flow of TSEK 278,278 (-247,307).

Funding and liquidity

Due to previous share offerings the Group reports an interest-bearing net asset of TSEK 26,836 compared with interest-bearing net liabilities of TSEK -308,385 for the same period the year before. The equity/assets ratio at the end of the period was 63.4 (39.2) per cent.

Cash and cash equivalents were TSEK 619,586 (161,615), in addition to which there were unused credits and grants at the end of the period of TSEK 266,000 (237,000).

Taxes

As Arise Windpower only has Swedish subsidiaries, tax has been calculated at the Swedish rate of corporate tax, 26.3 per cent.

Related-party transactions

During the period one Board Director has worked on a number of clearly specified tasks on a contract basis, receiving a market-based compensation of TSEK 882. There have been no other transactions with related parties.

Contingent liabilities

There have been no changes in the Group's contingent liabilities.

Outlook

The company's finances are strong, with cash assets of SEK 620 million as well as unused credits, grants and committed lines of credit totalling a further SEK 446 million. The company's expansion is going to plan. The target is to build 35 new turbines in 2010, including Brunsmo, which would bring the total capacity in operation or under construction at year-end to about 110 MW. The company's long-term target is to build 300 turbines by 2014, representing a total production capacity of about 700 MW.

The IPO in the spring and subsequent share offerings have raised new equity capital for the Group, which together with unused credit facilities and committed lines of credit from banks give the company ample opportunity to achieve its planned expansion until the end of 2011. Any changes in access to new equity and loan capital will need to be continuously monitored and assessed in order to secure the Group's adopted expansion plan, also after 2011.

Financial risks have also diminished compared with last year in line with the

improvement in financial markets. The main focus is on monitoring fluctuations in electricity and certificate prices as well as exchange rates, especially against the euro.

Risks and uncertainties affecting the Group are described on page 16 of the company's 2009 annual report and financial risk management is presented on pages 30–33. No significant changes have taken place that affect the reported risks.

■ Risks and uncertainties

■ Project portfolio status at 30 June 2010

	No. of projects	No. of wind turbines	Total capacity (MW)	Average output per turbine (MW)
Farms in operation and under construction				
In operation	3	22	47	2.1
Under construction	4	24	56	2.3
Project portfolio				
Permits received/acquired	2	8	16	2.0
Permits pending	26	258	549	2.1
Project planning completed	16	122	263	2.2
Leases signed	3	42	92	2.2
Total portfolio	54	476	1,023	2.1

About 15 per cent (approx. 150 MW) of the above project portfolio is affected by the restrictions, which relate to the JAS 39 Gripen fighter aircraft, announced by the Swedish Armed Forces. However, the introduction of such restrictions do not affect the company's expansion plans, as the remaining projects are available for the planned expansion and the lease portfolio is continually replenished. Wind farms in operation or under construction are not affected.

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.

Under construction

Refers to projects where the requisite permits have been obtained, an investment decision has been made by the company's Board of Directors, equity and loan funding is available and procurements have been made representing the majority of the project's total investment cost.

Permits received/acquired

Projects that have received the permits required to start construction but where construction has not yet begun. In some cases Arise Windpower will wait until sufficient wind data is available.

Permits pending

The permit application process has been initiated. The Company is applying for permits to build the wind farm from the relevant 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 requisite permits have been obtained or if a permit application has been rejected.

Project planning completed

After signing land lease agreements Arise Windpower begins project planning work on the site's precise 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

Land lease agreements have been signed after negotiations between landowners and Arise Windpower. Long-term land leases have been concluded for the entire project portfolio, giving the company the right, but not an obligation, to build wind turbines on the leased

properties. For most of the projects, project planning has been initiated but has not yet been completed. The feasibility studies performed by the company before a lease is signed result in a preliminary specification of the siting of the new wind turbines.

■ Parent company

In 2010 the parent company continued to build up the Group, performed most of the project planning for suitable wind locations, concluded leases, produced impact assessments and detailed development plans, obtained building permits, procured products and services, handled the Group's power and certificate trading activities, and performed central services in the Group.

The parent company handles the Group's production plans and electricity hedges in accordance with the adopted financial policy. The electricity-producing subsidiaries (the Arise Wind

Farm companies) sell all generated electricity to the parent company at contracted prices. The parent company then sells the electricity to customers based on bilateral agreements or in the spot market, and the net result of the trades is recognised in net sales.

The gross result in the parent company, which also comprises expenses billed within the Group, including work performed by the company for its own use and capitalised and other income, was TSEK 12,255 (8,489) in the first six months. The net result after tax was TSEK -2,818 (-859). The parent company has paid advances for some investments

on behalf of subsidiaries. Net investments in the first six months of 2010 were TSEK -81,498 (-14,926).

■ Ownership structure

The company's ownership structure is presented on the company's website (www.arisewindpower.se).

■ Financial calendar

- Third quarter (1 Jul – 30 Sep):
17 Nov 2010.
- Fourth quarter (1 Oct – 31 Dec):
February 2011.

DECLARATION OF THE BOARD OF DIRECTORS

The Board of Directors and Chief Executive Officer warrant and declare that this interim report gives a true and fair view of the company's and Group's operations, financial positions and results, and that it describes significant risks and uncertainties faced by the company and the companies included in the Group.

Halmstad, 25 August 2010

Arise Windpower AB (publ)

Pehr G Gyllenhammar
Chairman

Leif Jansson
Director

Ulf Corné
Director

Birger von Hall
Director

Joachim Gahm
Director

Jon G Brandsar
Director

Peter Nygren
CEO

AUDITORS' REVIEW REPORT

We have reviewed the interim report of Arise Windpower AB (publ) for the six-month period 1 January to 30 June 2010. Responsibility for preparing and presenting this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act rests with the Board of Directors and CEO. Our responsibility is to express a conclusion on this interim financial information based on our review.

We have conducted our review in accordance with the Standard on Review Engagements (SÖG) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review involves asking questions, primarily to individuals with responsibility for financial and accounting issues, making analyses and performing other review measures. A review has a different focus and a significantly narrower scope than a full audit conducted in accordance with the Auditing Standard in Sweden (RS) and generally accepted auditing standards. The procedures employed in a review do not enable us to obtain a level of assurance which would make us aware of all significant circumstances that would have been identified in an audit. The conclusion based on a review therefore does not have the same certainty as a conclusion based on an audit.

Based on our review, nothing has come to our attention that would give us reason to believe that the interim financial information has not, in all material respects, been prepared, as regards the Group, in accordance with IAS 34 and the Swedish Annual Accounts Act and, as regards the parent company, in accordance with the Swedish Annual Accounts Act.

Gothenburg, 25 August 2010

Öhrlings PricewaterhouseCoopers AB

Bror Frid
Authorised Public Accountant

CONSOLIDATED INCOME STATEMENT

Amounts in TSEK	2010 Q2	2009 Q2	2010 6 mth	2009 6 mth	2009 12 mth
Net sales	14,538	5,426	28,831	5,864	29,652
Work performed by the company for its own use and capitalised	4,647	3,350	8,709	5,663	13,262
Other operating income Note 1	8,422	616	9,395	758	554
Total income	27,607	9,392	46,935	12,285	43,468
Staff costs	-8,353	-6,890	-15,012	-11,729	-23,353
Other external expenses Note 2	-8,435	-5,084	-16,958	-8,010	-18,388
Operating result before depreciation (EBITDA)	10,819	-2,582	14,965	-7,454	1,727
Depreciation of property, plant and equipment	-7,695	-2,175	-14,267	-2,503	-12,525
Operating result (EBIT)	3,124	-4,757	698	-9,957	-10,798
Financial income	893	3,318	1,176	4,271	7,402
Financial expense	-6,582	-64	-11,096	-118	-8,001
Profit/loss before tax	-2,565	-1,503	-9,222	-5,804	-11,397
Income tax	674	395	2,425	1,526	3,783
Net result	-1,891	-1,108	-6,797	-4,278	-7,614
Earnings per share before dilution, SEK	-0.06	-0.08	-0.27	-0.29	-0.44
Earnings per share after dilution, SEK	-0.06	-0.08	-0.27	-0.29	-0.44

Treasury shares have not been included in calculating earnings per share.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in TSEK	2010 Q2	2009 Q2	2010 6 mth	2009 6 mth	2009 12 mth
Net result	-1,891	-1,108	-6,797	-4,278	-7,614
<u>Other comprehensive income</u>					
Cash flow hedges, unrealised changes in value	-12,445	-3,811	-15,881	-611	1,012
Income tax attributable to components of other comprehensive income	3,274	1,002	4,177	161	-266
Other comprehensive income, net after tax	-9,171	-2,809	-11,704	-450	746
Total comprehensive income	-11,062	-3,917	-18,501	-4,728	-6,868

The comprehensive income is 100 per cent attributable to the shareholders of the parent.

Note 1: Other external income for Q2-10 and 6 mth-10 refers to a net gain of SEK 3.3 million (0.6) on power trading and a gain of SEK 4.7 million (-) on the sale of assets relating to the power grid station in Knäred.

Note 2: Other external expenses for 6 mth-10 refer to a one-off loss of SEK 1.6 million (-) on power trading.

CONSOLIDATED BALANCE SHEET

	2010	2009	2009
- In summary, amounts in TSEK	30 Jun	30 Jun	31 Dec
Property, plant and equipment	1,119,757	678,894	898,061
Financial assets	50,195	13,564	20,214
Other current assets	96,657	86,617	88,544
Cash and cash equivalents	619,586	161,615	341,308
TOTAL ASSETS	1,886,195	940,690	1,348,127
Shareholders' equity	1,195,379	368,859	680,273
Non-current liabilities	577,100	472,400	590,260
Current liabilities	113,716	99,431	77,594
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,886,195	940,690	1,348,127

CONSOLIDATED CASH FLOW STATEMENT

	2010	2009	2010	2009	2009
- In summary, amounts in TSEK	Q2	Q2	6 mth	6 mth	12 mth
Cash flow from operating activities before changes in working capital	4,116	-2,631	8,372	-7,553	1,530
Cash flow from changes in working capital	-10,911	-47,476	8,991	-78,422	-121,418
Cash flow from operating activities	-6,795	-50,107	17,363	-85,975	-119,888
Acquisition of property, plant and equipment	-212,883	-213,757	-320,511	-332,955	-567,640
Sale of property, plant and equipment	92,300	-	92,300	-	-
Cash flow after investing activities	-127,378	-263,864	-210,848	-418,930	-687,528
Change in interest-bearing liabilities	-3,625	180,000	-7,250	180,000	310,000
Interest paid and received	-11,308	-9,014	-15,231	-8,377	-229
Deposits into frozen accounts	-13,800	-	-13,800	-	-
Issue of new shares	-	-	525,407	-	310,143
Cash flow from financing activities	-28,733	170,986	489,126	171,623	619,914
Cash flow for the period	-156,111	-92,878	278,278	-247,307	-67,614
Cash and cash equivalents at beginning of period	775,697	254,493	341,308	408,922	408,922
Cash and cash equivalents at end of period	619,586	161,615	619,586	161,615	341,308
Interest-bearing liabilities at end of period	-592,750	-470,000	-592,750	-470,000	-600,000
Interest-bearing net liabilities (-) / assets (+)	26,836	-308,385	26,836	-308,385	-258,692

CONSOLIDATED SHAREHOLDERS' EQUITY

	2010	2009	2009
- In summary, amounts in TSEK	30 Jun	30 Jun	31 Dec
Opening balance	680,273	373,587	373,587
Total comprehensive income	-18,501	-4,728	-6,868
Issue of new shares incl. income tax	533,007	-	313,554
Use of treasury shares in connection with acquisition of assets	600	-	-
Closing balance	1,195,379	368,859	680,273

KEY RATIOS FOR THE GROUP

	2010	2009	2010	2009	2009
	Q2	Q2	6 mth	6 mth	12 mth
Operational key ratios					
Installed capacity at end of period, MW	46.5	24.0	46.5	24.0	30.0
Electricity production during period, GWh	20.3	7.3	39.1	8.0	36.0
No. of employees at end of period	23	18	23	18	21
Financial key ratios					
EBITDA margin, %	74.4%	neg	51.9%	neg	5.8%
Operating margin, %	21.5%	neg	2.4%	neg	neg
Return on capital employed, %	1.0%	neg	1.4%	neg	0.3%
Return on equity, %	neg	neg	neg	neg	neg
Capital employed, TSEK	1,168,543	677,244	1,168,543	677,244	938,965
Average capital employed, TSEK	1,097,531	542,764	1,044,676	446,731	597,174
Shareholders' equity, TSEK	1,195,379	368,859	1,195,379	368,859	680,273
Average shareholders' equity, TSEK	1,200,610	370,818	1,027,164	371,741	496,410
Interest-bearing net liabilities (-) / assets (+), TSEK	26,836	-308,385	26,836	-308,385	-258,692
Equity/assets ratio, %	63.4%	39.2%	63.4%	39.2%	50.5%
Interest coverage ratio, times	neg	neg	neg	neg	neg
Debt/equity ratio, times	0.6	1.6	0.6	1.6	1.0
Equity per share, SEK	39	25	47	25	39
Equity per share after dilution, SEK	38	23	45	23	36
No. of shares at end of period excl. treasury shares	30,635,570	14,516,385	30,635,570	14,516,385	20,488,570
Average no. of shares	30,629,570	14,516,385	25,562,070	14,516,385	17,502,478
Average no. of shares after dilution	31,569,570	15,966,385	26,556,237	15,966,385	18,832,878

Definitions

EBITDA margin	Operating result before depreciation (EBITDA) / net sales
Operating margin	Operating result (EBIT) / net sales
Return on capital employed	EBITDA / average capital employed
Return on equity	Net result / average shareholders' equity
Equity per share	Shareholders' equity / average number of shares
Interest-bearing net liabilities	Interest-bearing liabilities less cash
Interest coverage ratio	Result after financial income / financial expense
Debt/equity ratio	Liabilities / shareholders' equity
Equity/assets ratio	Shareholders' equity / total assets
Capital employed	Shareholders' equity plus interest-bearing net liabilities

THE GROUP'S SEGMENT REPORTING

Q2

	Wind power operations		Wind power development		Eliminations		Group	
	Q2 -10	Q2-09	Q2 -10	Q2-09	Q2 -10	Q2-09	Q2 -10	Q2-09
Net sales, external	14,538	5,426	-	-	-	-	14,538	5,426
Net sales, internal	-	-	10,346	7,102	-10,346	-7,102	-	-
Work performed by the company for its own use and capitalised	-	-	4,647	3,350	-	-	4,647	3,350
Other income	3,689	616	4,733	-	-	-	8,422	616
Total income	18,226	6,042	19,727	10,452	-10,346	-7,102	27,607	9,392
Operational result	14,247	4,363	19,686	10,452	-9,829	-7,102	24,104	7,713
Operating result before depreciation (EBITDA)	13,670	3,855	5,836	-3,840	-8,687	-2,597	10,819	-2,582
Operating result (EBIT)	6,078	2,041	4,991	-4,201	-7,945	-2,597	3,124	-4,757
Assets	1,120,241	367,910	1,048,716	732,213	-282,762	-159,433	1,886,195	940,690

6 months

	Wind power operations		Wind power development		Eliminations		Group	
	6 mth-10	6 mth-09	6 mth-10	6 mth-09	6 mth-10	6 mth-09	6 mth-10	6 mth-09
Net sales, external	28,831	5,864	-	-	-	-	28,831	5,864
Net sales, internal	-	-	13,347	7,102	-13,347	-7,102	-	-
Work performed by the company for its own use and capitalised	-	-	8,709	5,663	-	-	8,709	5,663
Other income	4,635	704	4,760	54	-	-	9,395	758
Total income	33,466	6,568	26,816	12,819	-13,347	-7,102	46,935	12,285
Operational result	24,677	4,889	26,304	12,819	-12,294	-7,102	38,687	10,606
Operating result before depr. (EBITDA)	23,800	4,381	1,512	-9,238	-10,348	-2,597	14,965	-7,454
Operating result (EBIT)	9,837	2,567	-332	-9,927	-8,806	-2,597	698	-9,957

Note 1: Other external income for Q2-10 and 6 mth-10 refers to a net gain of SEK 3.3 million (0.6) on power trading and a gain of SEK 4.7 million (-) on the sale of assets relating to the power grid station in Knäred.

Note 2: Other external expenses for 6 mth-10 refer to a one-off loss of SEK 1.6 million (-) on power trading.

PARENT COMPANY INCOME STATEMENT

Amounts in TSEK	2010 Q2	2009 Q2	2010 6 mth	2009 6 mth	2009 12 mth
Net sales	3,654	6,563	6,166	7,214	18,086
Work performed by the company for its own use and capitalised	413	778	3,089	1,275	8,627
Other operating income	2,628	-	3,000	-	-
Total income	6,695	7,341	12,255	8,489	26,713
Staff costs	-5,736	-4,805	-10,462	-7,408	-15,869
Other external expenses	-3,996	-3,060	-7,233	-4,803	-9,825
Operating result before depreciation (EBITDA)	-3,037	-524	-5,440	-3,722	1,019
Depreciation of property, plant and equipment	-138	-47	-252	-103	-260
Operating result (EBIT)	-3,175	-571	-5,692	-3,825	759
Financial income	1,575	2,504	2,658	2,669	5,588
Financial expense	-789	-	-789	-9	-9
Profit/loss before tax	-2,389	1,933	-3,823	-1,165	6,338
Income tax	629	-509	1,005	306	-868
Net result	-1,760	1,424	-2,818	-859	5,470
Other comprehensive income	-	-	-	-	-
Comprehensive income	-1,760	1,424	-2,818	-859	5,470

PARENT COMPANY BALANCE SHEET

- In summary, amounts in TSEK	2010 30 Jun	2009 30 Jun	2009 12 mth
Property, plant and equipment	123,580	27,996	41,724
Financial assets	331,650	236,445	323,041
Other current assets	405,007	108,039	134,747
Cash and cash equivalents	425,590	22,103	234,531
TOTAL ASSETS	1,285,827	394,583	734,043
Restricted equity	2,526	1,237	1,715
Unrestricted equity	1,226,547	375,758	696,564
Current liabilities	56,754	17,588	35,764
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,285,827	394,583	734,043

PARENT COMPANY SHAREHOLDERS' EQUITY

- In summary, amounts in TSEK	2010 30 Jun	2009 30 Jun	2009 12 mth
Opening balance	698,279	377,854	377,854
Net result	-2,818	-859	5,470
Issue of new shares	533,012	-	314,963
Use of treasury shares in connection with acquisition of assets	600	-	-8
Closing balance	1,229,073	376,995	698,279

■ Accounting policies

Accounting policies

Arise Windpower applies the International Financial Reporting Standards (IFRS), as adopted by the EU, and the interpretations of these (IFRIC). This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. Unless otherwise stated, the accounting policies are the same as those applied in the latest annual report.

New accounting policies in 2010

New and revised IFRS and interpretations from IFRIC that are applicable for the Group as of 1 January 2010 have not had any significant impact on consolidated earnings or on the Group's financial position.

New or revised IFRS and interpretations are not deemed to have had any significant impact on Arise Windpower's financial statements, with the exception

of IFRS 3 Business Combinations, which states that transaction costs incurred in connection with acquisitions should not be included in the cost of the acquisition but should be expensed in the income statement. Additional descriptions of new and amended accounting policies are found in the latest annual report.

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