Financial report

eam

Q1
2013

EAM Solar ASA

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Highlights for the 1st quarter 2013

- EAM Solar ASA conducted a successful initial public offering of its shares and the Company commenced listing on the Oslo Stock Exchange on the 26th of March 2013. In conjunction with the IPO EAM Solar raised gross EUR 14.8 million in new equity. After repayment of EUR 5.4 million in shareholder loans, the net IPO proceeds will be used to acquire new solar power plants. The IPO pricing of the company where set at NOK 100 per share.

- The Board of Directors has proposed to the Company's annual General Assembly on the 14th of May to distribute the Company's first dividend to its shareholders in July of NOK 5 per share. The distribution to the shareholders will only be based on the free cash flow to equity from the currently owned power plants and will not impair on the proceeds received in the IPO.

- Power production in the 1st quarter where significantly lower than last year due to less solar irradiation, although within the normal variation on a monthly basis. Commercial availability where good at 98,7%. Adjusted for the expensed cost of the IPO, the company posted a positive EBITDA of EUR 133k despite the poor solar conditions.

Key figures

(EUR)	Unaudited **Q1 2013**	Unaudited **Q1 2012**	**2012**	**2011**
Revenues	**496 414**	**500 844**	**3 106 472**	**340 075**
Cost of operations	-81 324	-61 268	-259 260	-25 230
Sales, general and administration expenses	-281 303	-193 481	-1 133 138	-342 639
Acquisition and transaction costs	-326 740	-295 195	-907 671	-1 122 832
EBITDA	**-192 953**	**-49 100**	**806 403**	**-1 150 626**
Depreciation, amortizations and write downs	-345 069	-160 677	-1 036 269	-148 012
Gain on bargain purchase	0	2 668 237	2 668 237	0
EBIT	**-538 022**	**2 458 460**	**2 438 371**	**-1 298 638**
Net financial items	175 601	-312 963	-1 848 331	-41 281
Profit before tax	**-362 421**	**2 145 497**	**590 040**	**-1 339 919**
Income tax gain/(expense)	36 048	31 533	-61 171	355 330
Net income	**-326 373**	**2 177 030**	**528 869**	**-984 589**
Other comprehensive income				
Translation differences	-94 469	297 286	812 044	236 114
Total comprehensive income for the year	**-420 841**	**2 474 316**	**1 340 913**	**-748 475**
Earnings per share:	**-0,26**	**1,81**	**0,44**	**-1,15**
EBIT adjusted	-211 281	85 418	677 805	-175 806
EBITDA adjusted	133 787	246 095	1 714 074	-27 794
Net income adjusted	-332 646	-195 753	-131 189	138 243

Adjusted EBIT, EBITDA and Net income are adjusted for non-recurring items as cost of acquisition and financing, gains from bargain purchase and non-cash currency movements.

Interim report 1st quarter 2013

EAM Solar ASA is a listed investment company on the Oslo Stock Exchange under the ticker EAM. The Company's business is to sell electricity under long-term fixed price sales contracts. The electricity is produced by photovoltaic solar power plants. Initial geographical focus is Italy where the company owns two power plants in the Friuli region in Northern Italy. EAM Solar Park Management AS manages EAM Solar ASA under a long-term management agreement.

Dividends and IPO

Dividend policy

According to the Company's articles of association, all free cash flow to equity is to be distributed to the company shareholders;

"To the extent permitted by applicable law the company shall distribute its entire annual surplus as dividend to its shareholders."

It is the intention of the Board to honour the company's by-laws, and based on this the Board of Directors has proposed to the Annual General Meeting to issue a "dividend" to the Company's shareholders of NOK 5 per share, equivalent to NOK 11.6 million in total.

The dividend will be paid out in the form of a distribution of capital, and subject to the general meetings approval the 14th of May, the dividend will be paid to the company's shareholders in the second half of July 2013.

The distribution to the shareholders marks the start of the intention and ambition behind the creation of EAM Solar ASA, which is to create a listed financial exposure for investors to solar PV power plants under long-term sales contracts of electricity yielding a steady dividend.

The dividend proposal of NOK 5 per share is based on the free cash flow from the power plants currently under ownership and operation. The distribution will not impair or impact the proceeds received from the IPO. The net proceeds from the IPO will be used in its entirety for the purchase of new solar PV power plants.

IPO

It has since the inception in 2011 been the intent to list EAM Solar ASA on an appropriate stock exchange. In June 2012 the company applied for a listing on the Oslo Stock Exchange, but chose to withdraw the application, partly due to market conditions.

The financial markets have proven challenging with regards to raising new equity and listing new companies, not only in Norway, but also throughout Europe and elsewhere.

The listing of the Company is deemed to be an important element in the de-coupling of the ownership to capital (investors) and the ownership of power plants (assets).

EAM experiences that more and more private owners of Solar PV power plants finds themselves in a position whereby their investment is "locked-in" and only chance of releasing the capital, apart from long-term dividend pay-out, is to sell the power plant. A sale of Solar PV power plants is a tedious, costly and lengthy process.

Through the listing of EAM Solar ASA, we have created the opportunity for the financial investors to be able to commit and exit capital from solar power plant investments regardless of the asset. Furthermore, we believe the IPO, will reduce the longer-term cost of capital and thereby benefit the shareholders of the company.

In addition, having a listed and focused company enables EAM Solar ASA to utilise the company's listed shares to conduct paper deals (purchase of assets through issuance of new shares) or equivalent transactions, thereby increasing the strategic opportunities going forward to utilise the company for further acquisitions of solar power plants in Europe.

Operational review and outlook

Acquisition & pipeline

During the first quarter the price for modules delivered in Europe increased by between 15% and 20%. This was mainly driven by Chinese module manufacturers not accepting orders above 1 MWp due to threats of anti-dumping measures from the European Union. European based module suppliers used the opportunity to increase their pricing in the absence of Chinese competition.

The price increase of solar PV modules in Q1 2013 makes new-build projects in Europe more challenging with regards to project developers, EPC contractors and final investors achieving adequate capital returns.

In Italy this affects the possibility of successfully building new solar power plants based on Conto Energia V with FIT electricity prices of EUR 10,6 to 12,6 per MWh since capital returns becomes too low compared to alternative purchases and our investment criteria. EAM is therefore focusing on evaluating projects in the secondary market in Italy.

In Italy there are many second hand projects for sale. EAM is currently evaluating 21 projects. In April we have submitted non-binding, indicative bids for four different projects. The average size of each project is around 5 MWp, and EAM will send further bids on the most attractive projects as part of the screening process.

Medium term opportunities include geographic diversification and projects without subsidies. In addition to Italy, EAM is evaluating opportunities and France and UK, possibly Poland somewhat later. As the first large scale projects at grid parity (= unsubsidized) materialize, EAM has entered into preliminary discussions for such projects in Italy, France and Spain.

Power & performance

Poor weather conditions in Q1 2013 resulted in significantly lower solar irradiation (sun light) compared to Q1 2012. Q1 2012 was exceptionally better than historical average, March 2012 in particular, while Q1 2013 were 15% below the average for the period. However, we expect monthly variations to be significant, but the year as a whole to approach historical averages for solar irradiation and subsequent power production (see note 10).

Power production in Q1 2013 came in at 1,102 MWh, 40% below the same quarter last year (1,818 MWh). Technical availability in the period was 99% and commercial availability (as percent of theoretical maximum) was an estimated 98,7 %, which is deemed good and according to plans and budgets.

The power plants have operated as planned. Grid disturbance problems experienced late 2012 seem solved. After the Q1 inspection in late February the plants have been working without problems.

The main technical activity in the period was to reconfigure all the inverters to comply with the new technical regulations of AEEG Del. 84/2012. The work went smoothly and the two plants are now fully in line with the requirements that will become effective from 1. April 2013.

There is a tendency that the performance ratio (PR) is lower in months with low irradiation and low solar angle. The qualitative understanding is that the power plants are well above expectations in high irradiation periods mainly due to module quality. In average over a year the plant is better than expected.

Financial review

Income Statement

Revenue and production

Revenue in Q1 2013 amounted to EUR 496k, reflecting production and external sales of 1,102 MWh of electrical power and settlement of an insurance claim of EUR 48k. The power production in the period reflects the seasonality of the solar irradiation in the Friuli region in Northern Italy.

Feed-in tariffs accounted for approximately 84% of revenue in Q1 2013, with electricity sales in the market accounting for the remainder. Market prices for electricity have declined further, from approximately EUR 80/Mwh at the beginning of 2012 to approximately EUR 66/MWh in Q1 2013.

All EAM Solar's electricity production is carried out under 20-year sales agreements under the Italian 2010 feed-in tariff scheme, with the Italian renewable energy executive authority GSE (Gestore Servizi Energetici) as commercial counter-party.

Operational cost

Cost of (technical) operations amounted to EUR 81k in the period, mainly consisting of operations and maintenance cost, land rent and insurance. SG&A expenses amounted to EUR 281k, mainly reflecting management costs, accounting and audit, and real estate tax (IMU tax). The expensed IPO amounted to EUR 326k.

Operational earnings

EBITDA for the period came in at a loss of EUR 192k, however, adjusted for the one-off cost related to the IPO EBITDA amounted to EUR 133k for Q1 2013. Reported EBIT for the Q1 2013 was EUR -538k, whereas adjusted Q1 2013 EBIT was EUR -211k.

Net financial items

Q1 2013 net financial items amounted to EUR 175k reflecting a non-cash currency exchange gain of EUR 333k. Gross interest expense relating to the shareholder loan was EUR 157k.

Profit before tax and net income after tax

Profit before tax amounted to EUR -362k in the period, and adjusted for expensed IPO cost it came in at EUR -35k.

Net tax amounted to a gain of EUR 36k, of which EUR -43k is payable and EUR 79k deferred tax gain.

Reported net income after tax was thus EUR -326k for quarter, and loss per share EUR 0.26 on both a basic and diluted basis.

Adjusted for non-recurring items and unrealized currency gain the net income after tax was EUR -332k.

Cash Flow and Balance Sheet Statements

Cash Flow

Cash revenues in Q1 2013 came in at EUR 842k. Net cash flow from operations came in at EUR 1,027k. Cash flow from investments amounted to EUR -66k.

Following the IPO with gross proceeds of EUR 14.85 million and repayment of loans of EUR 5.4 million, net cash flow from financing amounted to EUR 9.4 million.

Cash and cash equivalents were at EUR 713k at the end of 2012, and EUR 10.7 million at the end of Q1 2013.

Balance Sheet

Total assets amounts to EUR 32 million per 31 March 2013, consisting of EUR 20 million in operating assets and EUR 12 million in cash and receivables. Apart from EUR 3.2 million in current liabilities, the total equity by the end of the period is approximately EUR 29 million.

As financial markets seems to improve, the Company will seek to increase its acquisition capacity by assuming debt on the currently 100% equity financed power plants.

Based on current operations, financing and insurance policy, EAM Solar ASA is sufficiently funded to conduct its current business in foreseeable future.

Condensed consolidated interim financial information

Interim condensed statement of comprehensive income

(EUR)	Note	Unaudited Q1 2013	Unaudited Q1 2012	2012	2011
Revenues	4,9	**496 414**	**500 844**	**3 106 472**	**340 075**
Cost of operations	9	-81 324	-61 268	-259 260	-25 230
Sales, general and administration expenses	9	-281 303	-193 481	-1 133 138	-342 639
Acquisition and transaction costs	8,9	-326 740	-295 195	-907 671	-1 122 832
EBITDA		**-192 953**	**-49 100**	**806 403**	**-1 150 626**
Depreciation, amortizations and write downs	7	-345 069	-160 677	-1 036 269	-148 012
Gain on bargain purchase		0	2 668 237	2 668 237	0
EBIT		**-538 022**	**2 458 460**	**2 438 371**	**-1 298 638**
Finance income		333 121	59	4 711	86 740
Finance costs		-157 520	-313 022	-1 853 042	-128 021
Profit before tax		**-362 421**	**2 145 497**	**590 040**	**-1 339 919**
Income tax gain/(expense)	2	36 048	31 533	-61 171	355 330
Profit after tax		**-326 373**	**2 177 030**	**528 869**	**-984 589**
Other comprehensive income					
Translation differences		-94 469	297 286	812 044	236 114
Other comprehensive income for the year, net of tax		**-94 469**	**297 286**	**812 044**	**236 114**
Total comprehensive income for the year		**-420 841**	**2 474 316**	**1 340 913**	**-748 475**
Profit for the year attributable to:					
Equity holders of the parent company		-326 373	2 177 030	528 869	-984 589
Non-controlling interests		0	0	0	0
Equity holders of the parent company		**-326 373**	**2 177 030**	**528 869**	**-984 589**
Total comprehensive income attributable to:					
Equity holders of the parent company		-420 841	2 474 316	1 340 913	-748 475
Non-controlling interests		0	0	0	0
Equity holders of the parent company		**-420 841**	**2 474 316**	**1 340 913**	**-748 475**
Earnings per share:					
Continued operation					
- Basic		**-0,26**	**1,81**	**0,44**	**-1,15**
- Diluted		**-0,26**	**1,81**	**0,44**	**-1,15**

The interim financial statement information has not been subject to audit or review.

Consolidated condensed statement of financial position

(EUR)	Note	Unaudited Q1 2013	Unaudited Q1 2012	2012	2011
ASSETS					
Property, plant and equipment	7	19 306 128	20 335 001	19 533 095	6 563 352
Other long term assets		888 100	441 187	338 210	355 330
Non-current assets		**20 194 227**	**20 776 188**	**19 871 305**	**6 918 682**
Trade receivables		1 197 251	869 950	950 882	429 266
Other current assets		16 515	336 093	598 551	209 770
Cash and short term deposits	6	10 712 022	1 934 449	713 730	8 000 351
Current assets		**11 925 789**	**3 140 492**	**2 263 163**	**8 639 387**
TOTAL ASSETS		**32 120 016**	**23 916 680**	**22 134 468**	**15 558 069**
EQUITY AND LIABILITIES					
Issued capital		3 008 933	1 523 423	1 523 423	1 523 423
Share premium		25 735 043	13 400 695	13 400 695	13 400 695
Paid in capital		**28 743 976**	**14 924 118**	**14 924 118**	**14 924 118**
Translation differences		953 689	533 401	1 048 158	236 114
Other equity		-782 093	1 192 440	-455 720	-984 589
Other equity		**171 597**	**1 725 841**	**592 438**	**-748 475**
Total equity		**28 915 572**	**16 649 959**	**15 516 556**	**14 175 643**
Trade payables	8	2 910 485	40 108	1 004 610	590 729
Income tax payable		162 239	590 671	164 106	175 591
Short term loan - interest bearing	5	93 079	5 917 938	5 420 265	0
Other current liabilities		38 640	718 004	28 931	616 106
Total current liabilities		**3 204 444**	**7 266 721**	**6 617 912**	**1 382 426**
Total liabilities		**3 204 444**	**7 266 721**	**6 617 912**	**1 382 426**
TOTAL EQUITY AND LIABILITIES		**32 120 016**	**23 916 680**	**22 134 468**	**15 558 069**

Oslo 29 April 2013

Paal E Johnsen
Chairman of the Board

Ingelise Arntsen
Board member

Viktor E Jakobsen
Board member

Audun Wickstrand Iversen
CEO

Consolidated condensed statement of changes in equity

(EUR)	Share capital	Share premium fund	Retained earnings	Currency translation reserve	Total equity
Equity as at 5 January 2011 (date of incorporation)	12 838	0	0	0	**12 838**
Capital decrease 14.04.2011	-12 838	0			-12 838
Capital increase 14.04.2011	1 523 423	13 710 804			15 234 227
Costs related to capital increase		-310 109			-310 109
Profit (loss) after tax			-984 589		-984 589
Other comprehensive income				236 114	236 114
Equity as of 31 December 2011	**1 523 423**	**13 400 695**	**-984 589**	**236 114**	**14 175 643**
Equity as at 1 january 2012	**1 523 423**	**13 400 695**	**-984 589**	**236 114**	**14 175 643**
Profit (loss) After tax			528 869		528 869
Other comprehensive income				812 044	812 044
Equity as of 31 December 2012	**1 523 423**	**13 400 695**	**-455 720**	**1 048 158**	**15 516 556**
Equity as at 1 January 2013	**1 523 423**	**13 400 695**	**-455 720**	**1 048 158**	**15 516 556**
Capital increase 25 March 2013	1 485 510	13 369 587			14 855 096
Costs related to capital increase		-1 035 239			-1 035 239
Profit (loss) After tax			-326 373		-326 373
Other comprehensive income				-94 469	-94 469
Equity as of 31 March 2013	**3 008 933**	**25 735 043**	**-782 093**	**953 689**	**28 915 572**

Consolidated condensed cash flow statement

(EUR)	Note	Unaudited **Q1 2013**	Unaudited **Q1 2012**	**2012**	**2011**
Ordinary profit before tax		-372 456	2 145 497	590 040	-1 339 919
Paid income taxes		-15 057	0	-727 658	0
Depreciation		345 069	160 677	1 036 269	148 012
Gain on bargain purchase		0	-2 668 237	-2 668 237	0
Changes in trade receivables and trade payable		1 659 506	-991 305	130 944	861 238
Changes in other accruals		-589 878	58 159	-390 824	188 526
Cash flow from operations		**1 027 184**	**-1 295 209**	**-2 029 466**	**-142 143**
Purchase of property, plant and equipment		-66 240	0	-73 685	0
Acquisition of subsidiary, net of cash acquired		0	-10 985 916	-11 696 898	-6 933 426
Cash flow from investments		**-66 240**	**-10 985 916**	**-11 770 583**	**-6 933 426**
Proceeds from issue of share capital		14 855 096	0	0	14 924 118
Proceeds from new loans		0	5 917 938	6 106 249	0
Repayment of loans		-5 420 265	0	-685 984	0
Cash flow from financing		**9 434 831**	**5 917 938**	**5 420 265**	**14 924 118**
Cash at beginning of period		**713 730**	**8 000 351**	**8 000 351**	**0**
Net currency translation effect		-397 483	297 285	1 093 163	151 802
Net increase/(decrease) in cash and cash equvivalents		9 998 292	-6 065 902	-7 286 621	8 000 351
Cash at end of period		**10 712 022**	**1 934 449**	**713 730**	**8 000 351**

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Notes to the Interim Condensed Consolidated Financial Statements

Note 1 - Basis of preparation

1.1 General accounting principles

EAM Solar ASA (the Group) is a public limited company, incorporated and domiciled in Norway. The registered office of EAM Solar ASA is Dronningen 1, N-0287 Oslo, Norway. The Company was founded 5 January 2011.

The Company is listed on the Oslo Stock Exchange under the ticker EAM.

The main activity of EAM Solar ASA is to own solar power plants with the purpose of creating dividend yield for its shareholders. EAM Solar ASA currently owns two photovoltaic power plants in Italy. The company has three subsidiaries in Italy. The company has no employees.

EAM Solar Park Management AS manages EAM Solar ASA under a long-term management agreement (EAM SPM). EAM SPM is responsible for and conducts all day-to-day operations of EAM Solar ASA directly or through the use of subcontractors.

This interim condensed consolidated financial statement for the first quarter 2013 has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's Annual Report 2012.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2012. Standards and interpretations as mentioned in the Group's Annual Report 2012 Note 1 and effective from 1 January 2012 did not have a significant impact on the Group's consolidated interim financial statements.

1.2. Principal risks and uncertainties

Financial risk

The primary focus of the Group's capital management is to ensure good solidity and liquidity that will support a strong credit rating and healthy capital ratio in order to support its business and maximize shareholders value.

The Group manages its capital structure and makes adjustment to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives policies or processes during the first quarter 2013.

The Group monitors capital using a gearing ratio, which is net debt divided by enterprise value. The Group's policy and ambition is to keep the gearing ratio between 60% and 75%. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents. Capital includes equity attributable to equity holders of the parent.

Following the IPO of the Company in March, the Company is currently debt free. However, as financial markets seems to improve, the Company will seek to increase its acquisition capacity by assuming debt on the currently 100% equity financed power plants.

Market risk

2011 and 2012 marked a dramatic change for the European Solar PV industry whereby the sales prices for Solar PV modules and power plants dropped by between 60 % and 75%. Renewable energy incentives through subsidized electricity sales price contracts for new power plants have been reduced accordingly in major European markets.

Profitability margins of equipment- and module manufacturers and project developers have been compressed on the back of this development to the extent that Europe is experiencing major bankruptcies in the PV equipment and supplier industry.

Today the construction cost for large-scale power plants (above 5MW) in Europe is now about 0.95 to 1.05 MEUR/MW.

The European financial crisis and Basel III funding requirements have reduced European banks possibilities to secure funding for long-term project finance. This has significantly limited the financing of solar power plants in Europe from August 2011. The project financing has shown signs of reopening in 2013 and is expected to gradually recover to the end of the year.

This has affected EAM Solar, although the outcome is positive so far through the acquisition of a power plant of high quality and with a price significantly below market terms in 2012. The negative side is that business development is slower than anticipated in 2011 and 2012.

The market expectations for 2013 vary according to outlook and focus. With the installation rates and cost reductions faster than anticipated, policy objectives in many markets have been reach earlier than expected. Policy makers in many markets have thus reduced the incentives for new power plants significantly.

In Italy the main incentive program will probably expire later 2013, which creates uncertainty regarding the volume of new built solar power plants the next couple of years. As Solar PV power plants have become cheaper, Italian authorities expect 1 – 2 GW of new capacity to be installed annually without subsidies. In Spain, Germany and Italy grid parity projects are under planning and may be constructed in 2014.

The conflict between Chinese and European trade authorities have created uncertainty about the customs duties that may be levied on modules imported after March 2013. This has resulted in an increase in module prices in Europe effectively pushing capital return margins on new-builds outside EAM Solar's investment criteria.

The secondary market is strong, with a steady availability of projects that have been in operation for typically 1 – 3 years. The typical sellers are EPC companies and small to medium scale investors who need to sell assets to improve their financial situation.

With increased financial stress upstream in the PV industry, equipment warranties is considered to be of less value in the future as we expect most equipment manufacturers to disappear in the coming year. EAM Solar ASA's strategy in light of this development is to back product warranties with appropriate insurance policies, as has been implemented on the power plants owned and operated by EAM Solar.

As EAM Solar builds scale of operations, there will be a continuous focus on maintaining flexibility with partner agreements to be able to fully exploit the potential economies.

With the transition from a subsidy-based industry to grid parity, with pure commercial considerations, off-take agreements and new valuation models to factor in new risk elements will have to be developed.

Credit risk

The risk for losses is considered to be low, as the counterpart will be sovereign states in Western Europe. The group has not made any set-off or other derivate agreements to reduce the credit risk in EAM Solar ASA.

Note 2 – Tax

The subsidiaries are partly financed through intercompany loans granted by the Mother Company.

Interest charged on loans from Norway to Italy is subject to a 15% withholding tax in Italy. In the payable withholding tax assessment for the period approximately EUR 28,437,- and are accrued as payable tax expenses. The withholding tax is payable at the time of transfer of funds from Italy to Norway as payment for accrued interest.

Payable tax expense in the period is assessed to EUR 43,495, while deferred taxes are assessed to a tax income of EUR 79,543.

In addition to the above-mentioned taxes, Italy has a real estate tax (IMU), which is paid and expensed as part of the SG&A costs. The IMU tax paid in the period was EUR 23,107.

Note 3 - List of subsidiaries

The following subsidiaries are included in the interim consolidated financial statements:

Company	Country of incorporation	Main operations	Ownership interest	Voting power
EAM Solar Italy 1 Srl	Italy	Solar power plant	100 %	100 %
EAM Solar Italy 2 Srl	Italy	Solar power plant	100 %	100 %
EAM Solar Italy 3 Srl	Italy	Solar power plant	100 %	100 %

Note 4 - Segment information

EAM Solar ASA owns two solar power plants in Italy. EAM Italy 1 Srl owns the Varmo power plant, and EAM Italy 2 Srl owns the Codroipo power plant.

Non-current assets consist of the solar power plants in Italy, deferred tax asset and capitalized acquisition costs.

Information about major customers

Of the groups' revenues of EUR 496,414 in the first quarter, EUR 448,096 consisted of sale of electrical power from the solar power plants to the Company's customer, GSE.

EAM Italy 1		
	Q1 2013	**Q1 2012**
Revenues from external customers	146 055	258 293
EBITDA	62 456	67 916
EBIT	-58 439	56 633
Investments	22 080	710 982
Non-current assets	6 490 655	6 779 223

EAM Italy 2 *(1)*		
	Q1 2013	**Q1 2012**
Revenues from external customers	350 359	242 551
EBITDA	189 719	-86 595
EBIT	-33 174	2 432 249
Investments	44 160	10 274 934
Non-current assets	13 476 954	13 993 258

Other/eliminations		
	Q1 2013	**Q1 2012**
Revenues from external customers	0	-1
EBITDA	-445 127	-30 422
EBIT	-446 408	-30 422
Investments	0	0
Non-current assets	226 618	3 707

Total		
	Q1 2013	**Q1 2012**
Revenues from external customers	496 414	500 844
EBITDA	-192 953	-49 100
EBIT	-538 022	2 458 460
Investments	66 240	10 985 916
Non-current assets	20 194 227	20 776 188

Note 5 - Transactions with related parties

Transactions with related parties

All the transactions have been carried out as part of the ordinary operations and at arms-length prices.

EAM Solar Park Management AS delivers management services to EAM Solar ASA according to a management agreement between the parties. According to this agreement, EAM Solar Park Management AS can charge EAM Solar ASA for direct costs related to the management services provided - amounts above NOK 5 million a year must be approved by the board of directors in EAM Solar ASA.

Furthermore, EAM Solar Park Management AS (EAM SPM) receives 12,5% of the Groups profit as a royalty from EAM Solar ASA (financial participation mechanism). The royalty is based on the fact EAM Solar is developed, created and managed by EAM SPM. The royalty structure aligns the interests of EAM SPM with the interests of the shareholders of EAM Solar ASA.

Cost charged by EAM SPM according to the management agreement amount to EUR 167k in the first quarter 2013. No royalty has been charged in the first quarter.

Loans from shareholders

EAM Solar ASA entered into a NOK 45.000.000 (EUR 6,1m) secured shareholder loan agreement in February 2012. The loan carried an annual interest rate of 13%. Interest paid in Q1 2013 was NOK 1.162.623.

Based on completion of the IPO and equity issue, EAM Solar ASA repaid the remaining outstanding loan of NOK 37.9 million and accrued interest of NOK 0.55 million in March 2013.

At the end of Q1 2013 there remained a further NOK 0,69 million in accrued interest to be paid. This was paid in April 2013.

(NOK)	**Amount**
Sundt AS	231 892
Canica AS	231 892
Bjørgvin Vekst I AS	231 892
Total interest bearing debt	**695 676**

Note 6 - Cash and cash equivalents

(EUR)	**Q1 2013**	**Q4 2012**	**Q3 2012**	**Q2 2012**	**Q1 2012**	**Q4 2011**
Unrestricted cash Norway	9 860 020	249 256	860 075	725	225 149	7 190 050
Unrestricted cash Italy	588 323	203 564	254 943	756 072	1 448 391	720 181
Restricted cash Italy	260 885	260 910	260 910	260 910	260 910	90 120
Cash & cash equivalents	**10 709 227**	**713 730**	**1 375 927**	**1 017 707**	**1 934 449**	**8 000 351**

The group has no credit facilities at the end of the 1st quarter 2013.

Note 7 - Property, plant and equipment

The assets are depreciated based over an economic life of 11 to 20 years and linear depreciation.

(EUR)

2013	**Solar power plant**
Carrying value 1 January 2013	19 533 095
Additions	66 240
Depreciation	-293 207
Carrying value 31 March 2013	**19 306 128**

2012	**Solar power plant**
Carrying value 1 January 2012	6 563 352
Additions	14 006 012
Depreciation	-1 036 269
Carrying value 31 Desember 2012	**19 533 095**

2011	**Solar power plant**
Additions from aquisition of companies	6 711 364
Depreciation	-148 012
Carrying value 31.12.2011	**6 563 352**

5 January 2011 - 31 march 2013	**Solar power plant**
Carrying value 5 January 2011	0
Additions	20 783 616
Accumulated depreciations and write downs	-1 477 488
Carrying value 31 March 2013	**19 306 128**

Note 8 – IPO, equity increase and costs of IPO

The total cost of the IPO (including transaction fee for new equity subscriptions) was EUR 1.36 million. A gross amount of EUR 14.85 million where raised in new equity. Most of the costs related to the IPO and issue of new equity is netted against the equity in the balance sheet. The remaining IPO costs are expensed on the P&L under acquisition and financing costs.

(EUR)

Cost overview IPO	**Amount**
Transaction fee advisors	734 169
Documentation fee advisors	265 270
Costs Oslo SE & FSA	102 413
Other IPO costs (DD, legal, marketing etc.)	260 128
Total cost of IPO	**1 361 979**

Allocation	**Amount**
Cost against equity in balance sheet	1 035 239
Cost expensed in the P&L	326 740
Total cost of IPO	**1 361 979**

Note 9 – Detailed operational cost overview

(EUR)	EAM Solar ASA	EAMSI1	EAMSI2	Norway & Eliminations
Revenues	**496 414**	**146 055**	**350 359**	**0**
Cost of operations	**-81 324**	**-31 666**	**-49 658**	**0**
Land rent	-28 682	-8 696	-19 986	0
Insurance	-12 955	-4 712	-8 243	0
Operation & Maintenance	-34 457	-16 839	-17 618	0
Other operations costs	-5 230	-1 419	-3 811	0
Sales, General & Administration	**-281 303**	**-64 226**	**-139 518**	**-77 558**
Comercial management	-12 500	-6 250	-6 250	0
Accounting, audit & legal fees	-73 200	0	-9 600	-63 600
IMU tax	-23 107	-8 253	-14 854	0
Other external fees	-464	-12 929	-28 536	41 002
EAM SPM direct costs	-167 411	-36 794	-80 278	-50 339
EAM SPM management service contract	0	0	0	0
Other administrative costs	-4 622	0	0	-4 622
Acquisition & financing cost	**-326 740**	**0**	**0**	**-326 740**
Acquisition transaction costs	0	0	0	0
Merger & repatriation costs	0	0	0	0
IPO & financing costs	-326 740	0	0	-326 740
Other non-recurring items	0	0	0	0
EBITDA	**-192 953**	**50 163**	**161 182**	**-404 298**

Note 10 – Power production

The following power plants are included in the consolidated financial statements:

Reported power production (MWh)	**Q1 2013**	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012	FY 2011
Codroipo	**750**	576	1 673	1 701	645	4 595	0
Varmo	**352**	600	811	873	286	2 571	692
Total	**1 102**	**1 176**	**2 484**	**2 574**	**931**	**7 166**	**692**

Actual power production (MWh)	**Q1 2013**	Q1 2012	Q2 2012	Q3 2012	Q4 2012	FY 2012	FY 2011
Codroipo	**750**	1 218	1 673	1 701	645	5 238	3 262
Varmo	**352**	600	811	873	286	2 571	2 623
Total	**1 102**	**1 818**	**2 484**	**2 575**	**931**	**7 808**	**5 885**

Varmo has been in operation since December 2010, while Codroipo commenced operation in May 2011. The power plants are included in the financial report from the financial close (Varmo from September 2011 and Codroipo from March 2012).

Power production follows the seasonality of solar irradiation, which implies that 18% of annual power production is in Q1, 32% in Q2, 35% in Q3 and 15% in Q4.

Electricity production in the first quarter 2013 was 15% lower than historic average irradiation. This deviation is due to normal weather variations. The overall technical availability of the power plants has been close to 99% representing an acceptable level in line with budgets and operational plans.

First quarter 2013

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