INTERIM REPORT 1 JANUARY – 30 JUNE 2016

Second quarter (1 April – 30 June 2016)

- Net sales for the quarter amounted to MSEK 90 (60).
- Operating profit before depreciation and amortisation (EBITDA) amounted to MSEK 17 (45), of which results from associated companies impacted by MSEK 0 (-2). Operating cash flow was MSEK -7 (33).
- Profit/loss before tax amounted to MSEK -34 (-7), including an impairment of MSEK 12 (1) for the Bohult wind farm due to technology-related factors.
- Profit/loss after tax amounted to MSEK -27 (-7), or SEK -0.81 (-0.22) per share.
- Power production totalled 116 GWh (178), of which 68 GWh (106) referred to Own wind power operations and 48 GWh (72) to Co-owned wind power operations. The decrease is due to weaker winds.
- Average income from Own wind power operations was SEK 386 per MWh (469), of which SEK 245 per MWh (307) referred to electricity and SEK 142 per MWh (162) to electricity certificates.
- The Kölvallen project was acquired in its entirety and is expected to comprise output of about 200 MW when it is constructed, and an investment decision for the divested Solberg project 75 MW was made.

First half of the year (1 January – 30 June 2016)

- Net sales for the period amounted to MSEK 226 (138).
- Operating profit before depreciation and amortisation (EBITDA) amounted to MSEK 56 (115), of which results from associated companies impacted by MSEK 0 (11). Operating cash flow was MSEK 75 (88).
- Profit/loss before tax amounted to MSEK -42 (10), including an impairment of MSEK 12 (1) for the Bohult wind farm due to technology-related factors.
- Profit/loss after tax amounted to MSEK -30 (7), or SEK -0.89 (0.22) per share.
- Power production totalled 281 GWh (406), of which 156 GWh (228) referred to Own wind power operations and 124 GWh (177) to Co-owned wind power operations. The decrease is due to weaker winds.
- Average income from Own wind power operations was SEK 441 per MWh (518), of which SEK 306 per MWh (361) referred to electricity and SEK 136 per MWh (158) to electricity certificates.

Significant events after the end of the reporting period

- A conditional agreement for the sale of the Bohult wind farm, 12.8 MW, was signed with Allianz Global Investors. The sale is expected to be completed not later than the fourth quarter of 2016.

About Arise

Arise is one of Sweden's leading wind power companies, with the business concept of developing, building and managing onshore wind farms on its own account and on behalf of investors. The Company is listed on Nasdaq Stockholm.

Arise AB (publ), Box 808, SE-301 18 Halmstad, Sweden tel. +46 35 20 20 900, Corporate Identity Number 556274-6726

E-mail: info@arise.se, www.arise.se

Halmstad, 19 July 2016

Daniel Johansson
CEO

"It is highly gratifying that after the end of the second quarter we signed a conditional agreement to sell our operational Bohult wind farm to Allianz Global Investors"

CEO's statement

It was enjoyable to meet all our committed shareholders at the Annual General Meeting in Halmstad at the beginning of May! We also arranged a relatively well-attended Capital Markets Day at the end of May where we presented our view of the market conditions and our strategy going forward. We are clearly focusing on expanding our project portfolio to further strengthen our development operations and to secure new wind-farm management assignments on behalf of customers.

We are also continuing our work on bringing the Kölvallen project to market around year-end. A key milestone is to secure a legal force permit from the Land and Environmental Court of Appeal.

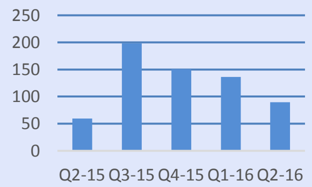
On 10 June, five parliamentary parties presented a Swedish energy policy agreement, which included phasing out tax on nuclear power plants over two years and gradually reducing property tax for hydropower plants over four years. The agreement also confirmed that no subsidies would be granted to new nuclear power and the liability to pay damages in the event of accidents would be increased. Furthermore, the agreement is expected to lead to an increase in reserves to the Nuclear Waste Fund, which is to be used to pay for the disposal of spent nuclear fuel, for example.

The agreement set a target of 100% renewable electricity production by 2040. The electricity-certificate system is to be extended by ten years and an additional 18 TWh of renewable output is to be built between 2020 and 2030. It is positive that a decision has been announced on the main features of Sweden's energy policy, although much work remains to be done to clarify the proposals and direction.

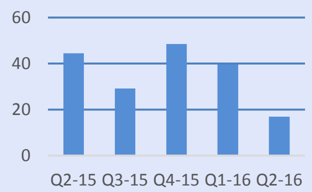
It is highly gratifying that after the end of the second quarter we signed a conditional agreement to sell our operational Bohult wind farm to Allianz Global Investors. The purchase consideration totals MEUR 19.1 and essentially only a technical final inspection remains to be completed before the deal can be finalised in the autumn. We reported an impairment loss for Bohult in the second quarter, which was due to technology-related factors noted in connection with inspections of the farm. Overall, we believe that this transaction is positive for Arise. We are opportunistic as regards own wind power operations and are continuing to prioritise cash flow and reducing debt.

The second quarter had weaker wind conditions than normal. The second and third quarters are seasonally weak. A clear positive note was that electricity spot prices have risen significantly, even though prices remain unsatisfactory, due to such factors as the generally lower levels of water reservoirs. Longer forward contracts also continued to rise. Electricity certificate prices continued to fall despite the upward adjustment of the quota curve for electricity certificates since the start of the year and the continued decline of the surplus of electricity certificates. We interpret this trend as perceived uncertainty in the market weighing more heavily than fundamental factors.

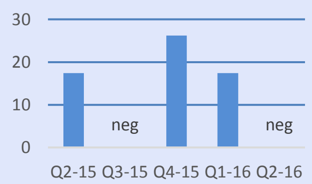
Net sales, MSEK



Operating profit before depreciation (EBITDA), MSEK



Operating profit/loss (EBIT), MSEK



Net sales and results

MSEK	Q2 2016	Q2 2015	H1 2016	H1 2015
Net sales	90	60	226	138
Operating profit before depreciation (EBITDA)	17	45	56	115
Operating profit/loss (EBIT)	-17	17	1	62
Profit/loss before tax	-34	-7	-42	10

Comments on the second quarter

Earnings for the quarter were impacted by weaker wind conditions than normal and sustained low electricity and certificate prices, although electricity prices did start to recover slightly. At the same time, project sales and management increased total income compared with the year-earlier period. Total production, including the company's share in the Jädraås project, fell to 116 GWh (178). The average price for the company's own production declined SEK 82 to SEK 386 per MWh (469), partly due to the discontinuation of wind-farm leases. Net sales rose MSEK 30 due to higher development and management income, and the gross recognition of development income. Other operating income declined because of the discontinuation of crane rentals.

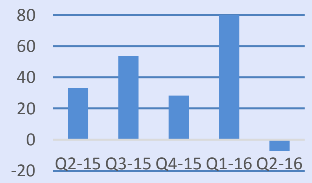
Operating expenses totalled MSEK 76 (28), of which MSEK 53 (0) was attributable to sales and contracts and MSEK 24 comprised comparable operating expenses. Own capitalised work amounted to MSEK 3 (2). Profit/loss from associates was MSEK 0 (-2).

Despite increased profits in development and management, EBITDA fell MSEK 28 due to lower production and average prices. EBIT declined MSEK 34, which was also due to the impairment loss of MSEK 12 (1) recognised for the Bohult wind farm. Net financial items improved, due to among other currency effects. The loss before tax was MSEK -34 (-7) and loss after tax was MSEK -27 (-7).

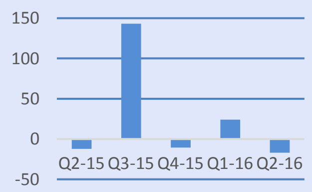
Comments on the first half of the year

Weaker wind conditions than normal resulted in a decline in total production, including Jädraås to 281 GWh (406). The average price for the company's own production fell SEK 77 to SEK 441 per MWh (518). Net sales rose MSEK 88 due to higher development and management income, and the gross recognition of development income. Operating expenses totalled MSEK 174 (53) of which MSEK 48 was attributable to comparable operating expenses. Own capitalised work amounted to MSEK 4 (5). Profit from associates was MSEK 0 (11). Despite increased profit in development and management, lower production and average prices resulted in EBITDA declining by MSEK 59. EBIT fell MSEK 61, which was also due to the impairment loss of MSEK 12 (1) recognised for the Bohult wind farm. Net financial items improved, due to among other currency effects and the profit/loss before tax declined to MSEK -42 (10) and profit/loss after tax to MSEK -30 (7).

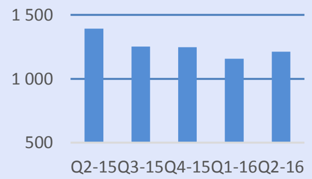
Operating cash flow, MSEK



Investments (-) / disposals (+), MSEK



Net interest-bearing debt, MSEK



Cash flows and investments

Comments on the second quarter

Cash flow from operating activities before changes in working capital was MSEK 16 (37). Changes in working capital amounted to MSEK -23 (-4), driven by such factors as ongoing external projects that have not yet been settled. The total operating cash flow was thereby MSEK -7 (33). Due to the acquisition of the Kölvallen project, cash flow from investing activities amounted to MSEK -17 (-12). Cash flow after investing activities thus amounted to MSEK -24 (21). No bank overdraft facilities were utilised and repayments were made on project loans and annual repayments were made on bond loans during the quarter. Accordingly, the net of non-current and current interest-bearing liabilities reduced cash flow by MSEK 63 (60), interest of MSEK 19 (21) was paid and interest of MSEK 0 (1) was received. Net payments to and from blocked accounts totalled MSEK 2 (0), and warrants were issued after which cash flow for the quarter amounted to MSEK -104 (-59).

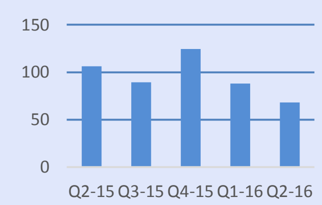
Comments on the first half of the year

Cash flow from operating activities before changes in working capital was MSEK 56 (92). Changes in working capital amounted to a MSEK 19 (-4), driven by such factors as settlement of projects in the first quarter and the accumulation of working capital in ongoing external projects. The total operating cash flow was thus MSEK 75 (88). Projects were both acquired and divested during the period, after which cash flow from investing activities amounted to MSEK 7 (-16). Accordingly, cash flow after investing activities amounted to MSEK 82 (72). A bank overdraft facility was repaid and repayments were made on project loans and annual repayments were made on bond loans during the period. Accordingly, the net of non-current and current interest-bearing liabilities reduced cash flow by MSEK 104 (78), interest of MSEK 38 (48) was paid and interest of MSEK 1 (5) was received. Net payments to and from blocked accounts totalled MSEK -2 (0), and warrants were issued after which cash flow for the period amounted to MSEK -60 (-48).

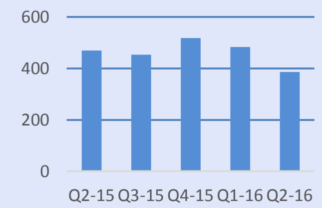
Financing and liquidity

Net interest-bearing debt amounted to MSEK 1,212 (1,392). Cash and cash equivalents were MSEK 143 (110) and unutilised bank overdraft facilities amounted to MSEK 50 (0). In addition, Arise has a MSEK 50 holding in its senior unsecured bonds. The equity/assets ratio at the end of the period was 40 (42) per cent.

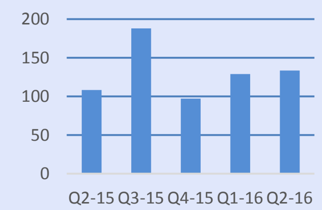
Production, GWh



Average prices, SEK per MWh



Specific operating expenses, SEK per MWh



Own wind power operations

MSEK	Q2 2016	Q2 2015	H1 2016	H1 2015
Income	27	50	69	119
Operating expenses	-10	-12	-21	-23
Operating profit before depreciation (EBITDA)	17	38	48	96
Operating profit/loss (EBIT)	-16	14	-7	47
Profit/loss before tax	-28	-5	-38	7

Comments on the second quarter

Production from the company's wholly-owned farms declined to 68 GWh (106), down 36%, or about 38 GWh, due to the unusually poor wind conditions in the period and the stronger winds than normal in the year-earlier period. A smaller part of this decline was also the result of the divestment of the Skogaby wind farm in September 2015.

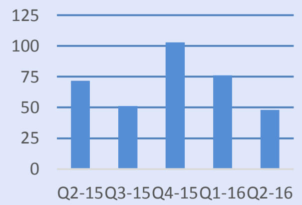
Average income for electricity amounted to SEK 245 per MWh (307) and for electricity certificates to SEK 142 per MWh (162), corresponding to 1% below and 4% above, respectively, the market price of electricity (SE4) and certificates (SKM) during the period.

Net sales declined by MSEK 18 due to lower production and by MSEK 6 as a result of lower average prices compared with the year-earlier period. In total, net sales fell MSEK 23 and EBITDA MSEK 21 year-on-year. The specific operating expense rose to SEK 140 per MWh (108) due to lower production. An impairment requirement was identified following certain technical inspections at the Bohult wind farm, and an impairment loss of MSEK 12 (0) was recognised due to technology-related factors. EBIT after depreciation/amortisation and impairment amounted to a profit/loss of MSEK -16 (14). Net financial items improved due to among other currency effects. Loss before tax declined by MSEK 23 to MSEK -28 (-5).

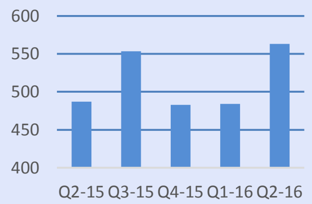
Comments on the first half of the year

Production in the company's wholly-owned farms fell to 156 GWh (228) as a result of abnormally weaker wind conditions and better winds than normal in the year-earlier period. Average income for electricity amounted to SEK 306 per MWh (361) and for electricity certificates to SEK 136 per MWh (158), corresponding to 29% above and 5% under, respectively, the market price of electricity (SE4) and certificates (SKM) during the period. Net sales declined by MSEK 37 due to lower production and by MSEK 12 as a result of lower average prices compared with the year-earlier period. In total, net sales fell MSEK 49 and EBITDA MSEK 47 year-on-year. The specific operating expense increased to SEK 134 per MWh (101) due to lower production. EBIT after depreciation/amortisation and impairment amounted to MSEK -7 (47). Profit/loss before tax declined to MSEK -38 (7) including an improvement of net financial items due to among other currency effects.

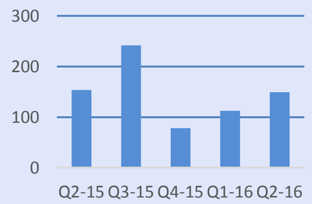
Production, GWh



Average prices, SEK per MWh



Specific operating expenses, SEK per MWh



Co-owned wind power operations

MSEK	Q2 2016	Q2 2015	H1 2016	H1 2015
Income	27	35	64	88
Operating expenses	-7	-11	-16	-22
Operating profit before depreciation (EBITDA)	20	24	48	66
Operating profit/loss (EBIT)	4	8	16	34
Profit/loss before tax	-8	-4	-7	10

Comments on the second quarter

The figures in the segment refer to Arise's 50 per cent stake or 101.5 MW, in the Jädraås project. Electricity production in the second quarter totalled 48 GWh (72), which was lower than normal due to weaker wind conditions in the period and stronger winds than normal in the year-earlier period. Average income was SEK 563 per MWh (485), of which SEK 365 per MWh (308) refers to electricity and SEK 198 per MWh (177) refers to electricity certificates.

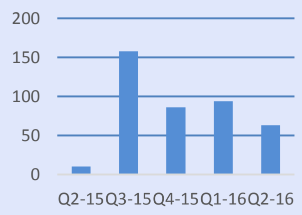
The lower production reduced net sales by MSEK 11, while the higher average price increased net sales by MSEK 3 compared with 2015. Overall, the segment's net sales and EBITDA dropped by MSEK 8 and MSEK 4 respectively. Due to lower service costs the specific operating expense decreased to SEK 149 per MWh (154). Depreciation, amortisation and net financials were largely unchanged, which meant that operating profit and profit/loss before tax decreased by MSEK 4.

Under the chosen form of financing, cash flows from the project accrue to the shareholders through repayment of shareholder loans before any dividends are paid from the project. However, given the current market conditions, the Company intends to continue using its cash flow for the repayment of external loans in the project.

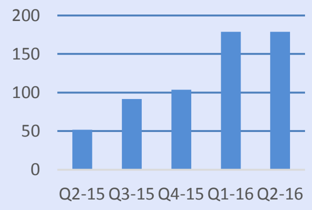
Comments on the first half of the year

Electricity production in the period totalled 124 GWh (177), which was lower than normal due to weaker wind conditions in the period and stronger winds than normal in the year-earlier period. Average income was SEK 515 per MWh (497), of which SEK 359 per MWh (325) refers to electricity and SEK 156 per MWh (171) refers to electricity certificates. The lower production reduced net sales by MSEK 26, while the higher average price increased net sales by MSEK 2 compared with 2015. Overall, the segment's net sales and EBITDA dropped by MSEK 24 and MSEK 18 respectively. The specific operating expense was largely unchanged at SEK 127 per MWh (125) despite lower production due to lower service costs. Depreciation, amortisation and net financials were largely unchanged, which meant that operating profit and profit/loss before tax decreased by MSEK 18 and MSEK 17 respectively.

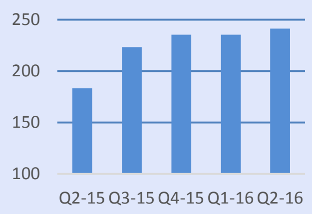
Development and management income, MSEK



Divested projects, accumulated, MW



External management assignments, accumulated, MW



Development and management

MSEK	Q2 2016	Q2 2015	H1 2016	H1 2015
Income	66	24	162	40
Cost of sold projects and construction work	-53	0	-126	0
Other operating expenses and capitalised work	-11	-16	-23	-31
Operating profit before depreciation (EBITDA)	2	8	12	9
Operating profit/loss (EBIT)	2	5	12	4
Profit/loss before tax	-4	0	0	-8

Comments on the second quarter

The construction of Mombyåsen and Ryssbol progressed according to or better than plan, and the construction commenced on the Solberg project that was divested to Fortum in the first quarter. In addition, the Kölvallen project was acquired and work on bringing the project to market is being conducted pending a legal force permit. Discussions are being held regarding acquisitions of several development projects. Tenders have also been submitted for additional management agreements. Income increased MSEK 41 to MSEK 66 (24) year-on-year despite development and management income falling compared with the preceding quarter when major settlements were made. However, the higher level of activity contributed to a MSEK 53 increase in the cost of sold projects and construction contracts. Other operating expenses and capitalised work were slightly lower compared with the preceding year. As a result, EBITDA fell a total of MSEK 6 to MSEK 2 (8). Depreciation/amortisation and impairment amounted to MSEK 0 (-3) and net financial items weakened slightly. Combined, this meant that EBIT declined MSEK 4 and profit/loss before tax fell MSEK 4.

Comments on the first half of the year

The Brotorp project was settled during the period, and the Solberg project was divested to Fortum and construction started. At the same time, other ongoing construction projects progressed according to or better than plan. The Kölvallen project was acquired. The company worked actively on expanding the project portfolio and the asset management operations. Income increased MSEK 122 to MSEK 162 (40) compared with the year-earlier period. However, the higher level of activity contributed to a MSEK 126 increase in the cost of sold projects and construction contracts. Other operating expenses and capitalised work fell MSEK 8 year-on-year. As a result, EBITDA increased a total of MSEK 3 to MSEK 12 (9). Depreciation/amortisation and impairment amounted to MSEK 1 (5) and net financial items improved slightly. Combined, this meant that EBIT increased MSEK 8 and profit/loss before tax rose MSEK 8.

Project portfolio

Arise has an extensive project portfolio in Sweden with a total output of about 600 MW and is currently evaluating a number of projects in Norway. Fully constructed this would correspond to an investment level of SEK 6-9 billion. In Scotland, preliminary project planning work is underway on projects with a combined output of about 150 MW.

Other significant events

There are no other significant events to report.

Related-party transactions

No transactions with related parties took place during the period.

Contingent liabilities

There were no changes to the Group's contingent liabilities. These contingent liabilities are described in more detail on page 81 under Note 21 in the 2015 Annual Report.

Significant events after the end of the period

A conditional agreement for the sale of the Bohult wind farm, 12.8 MW, was signed with Allianz Global Investors. The purchase consideration amounts to MEUR 19.1 on a debt and cash-free basis. Provided that the sale is completed, the effect on cash flow after repayment of loans and swaps is expected to amount to slightly more than MSEK 90, incl. the release of blocked funds. The transaction is expected to have a marginal impact on earnings for 2016. An additional purchase consideration may be received depending on future production levels. Arise will also perform asset management services at the farm under a five-year management agreement. The sale is expected to be completed not later than the fourth quarter of 2016.

Outlook

Low power and electricity certificate prices are challenging in terms of profitability of own and co-owned wind farms. Lately there has been a certain increase in power prices and based on fundamental factors we are carefully optimistic as concerns the future price development. We follow market developments carefully and act in the market when we believe we can create value. As concerns ownership of wind farms we are opportunistic and continuously evaluate our options. We see good opportunities to strengthen our market position within development and asset management, primarily on the Swedish market.

Risks and uncertainties

Risks and uncertainties affecting the Group are described on pages 46-47 of the company's 2015 Annual Report and financial risk management is presented on pages 71-77. No significant changes have taken place that affect the reported risks.

Ownership structure

A presentation of the ownership structure is available on the company's website (www.arise.se)

Parent Company

The Parent Company's operations comprise developing projects (project planning to identify suitable wind locations, signing leasehold agreements, producing impact assessments, preparing detailed development plans and permits), divesting projects to external investors, building new projects, managing projects internally and externally (technically and financially) and managing the Group's electricity and electricity-certificate trading activities.

The Parent Company manages the Group's production plans and electricity hedges in accordance with the adopted financial policy.

The electricity-generating subsidiaries sell their output at spot prices to Arise, which sells it on to the spot market. These intra-Group trading activities are recognised on a gross basis in the income statement.

The Parent Company's total income amounted to MSEK 225 (202) for the first half of the year, and purchases of electricity and certificates, the lease of wind power facilities, personnel and other external expenses, work performed by the company for its own use and capitalised and depreciation/amortisation of non-current assets totalled MSEK 239 (207), resulting in EBIT of MSEK -14 (-5). A net financial expense of MSEK -42 (-34) and Group contributions of MSEK 121 (67) led to net profit after tax of MSEK 47 (22). The Parent Company's net investments amounted to MSEK -20 (8).

Accounting policies

Arise 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. The Parent Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 of the Swedish Financial Reporting Board. The accounting policies are consistent with those applied in the most recent annual report for 2015.

Review by the auditor

This report is unaudited.

Financial calendar

- Third quarter (1 July-30 September) 11 November 2016
- Fourth quarter (1 October-31 December) 17 February 2017
- First quarter (1 January-31 March) 4 May 2017

Assurance from Board of Directors

The Board of Directors and the CEO hereby assure that this half-yearly report provides a fair review of the company's and the Group's operations, financial position and earnings and describes the material risks and uncertainties facing the company and the companies included in the Group.

Halmstad, 19 July 2016

Arise AB (publ)

Joachim Gahm Chairman	Maud Olofsson Board member	Peter Gyllenhammar Board member
Jon G Brandsar Board member	Daniel Johansson CEO	

For further information, please contact

Daniel Johansson, CEO, tel. +46 702 244 133

Linus Hägg, CFO, tel: +46 702 448 916

CONSOLIDATED INCOME STATEMENT

(Amounts rounded to the nearest MSEK)		2016 Q 2	2015 Q 2	2016 6 months	2015 6 months	2015 Full year
Net sales	Note 1	90	60	226	138	487
Other operating income	Note 2	0	12	1	15	21
Total income		**90**	**72**	**227**	**153**	**508**
Capitalised work on own account		3	2	4	5	10
Personnel costs		-10	-10	-18	-21	-51
Other external expenses	Note 3	-67	-18	-156	-32	-250
Share of profits/loss in associates	Note 4	-	-2	-	11	-25
Operating profit before depreciation (EBITDA)		**17**	**45**	**56**	**115**	**193**
Depreciation of property, plant and equipment	Note 6,9	-34	-27	-56	-53	-250
Operating profit/loss (EBIT)		**-17**	**17**	**1**	**62**	**-58**
Financial income		0	0	-1	0	1
Financial expenses		-18	-24	-41	-52	-107
Profit/loss before tax		**-34**	**-7**	**-42**	**10**	**-164**
Deferred tax		7	0	12	-3	8
Net profit/loss for the period		**-27**	**-7**	**-30**	**7**	**-156**
Earnings per share before dilution, SEK		-0.81	-0.22	-0.89	0.22	-4.67
Earnings per share after dilution, SEK		-0.81	-0.22	-0.89	0.22	-4.67

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Amounts rounded to the nearest MSEK)	2016 Q 2	2015 Q 2	2016 6 months	2015 6 months	2015 Full year
Net profit/loss for the period	**-27**	**-7**	**-30**	**7**	**-156**
Other comprehensive income					
Items that may be reclassified to the income statement					
Translation differences for period	0	-	-1	-	-
Cash flow hedges	-14	18	-32	21	37
Currency hedging	2	-2	3	-7	-5
Share of other comprehensive income in associates	-	37	-	33	57
Income tax attributable to components of other comprehensive income	3	-12	6	-11	-21
Other comprehensive income for the period, net after tax	**-10**	**41**	**-24**	**37**	**69**
Total comprehensive income for the period	**-37**	**34**	**-53**	**44**	**-87**

Comprehensive income is attributable in its entirety to the Parent Company's shareholders.

CONSOLIDATED BALANCE SHEET

(Condensed, amounts rounded to the nearest MSEK)	2016 30 Jun	2015 30 Jun	2015 31 Dec
Property, plant and equipment	1,777	2,135	1,836
Non-current financial assets	536	521	509
Other current assets	125	116	219
Cash and cash equivalents	143	110	203
TOTAL ASSETS	**2,581**	**2,882**	**2,767**
Equity	1,037	1,222	1,090
Non-current liabilities	1,338	1,482	1,437
Current liabilities	205	178	240
TOTAL EQUITY AND LIABILITIES	**2,581**	**2,882**	**2,767**

CONSOLIDATED CASH FLOW STATEMENT

(Amounts rounded to the nearest MSEK)	2016 Q 2	2015 Q 2	2016 6 months	2015 6 months	2015 Full year
Cash flow from operating activities before changes in working capital	**16**	**37**	**56**	**92**	**218**
Cash flow from changes in working capital	-23	-4	19	-4	-48
Cash flow from operating activities	**-7**	**33**	**75**	**88**	**170**
Investments in property, plant and equipment	-19	-13	-28	-16	-28
Sales of property, plant and equipment	3	0	36	0	145
Cash flow after investing activities	**-24**	**21**	**82**	**72**	**287**
Change in interest-bearing liabilities	-63	-60	-104	-78	-156
Interest paid	-19	-21	-38	-48	-92
Interest received	0	1	1	5	7
Net payment to blocked accounts	2	0	-2	0	1
New issue / warrants	1	-	1	-	-
Cash flow from financing activities	**-80**	**-80**	**-142**	**-120**	**-241**
Cash flow for the period	**-104**	**-59**	**-60**	**-48**	**46**
Cash and cash equivalents at the beginning of the period	247	169	203	157	157
Cash and cash equivalents at the end of the period	**143**	**110**	**143**	**110**	**203**
Interest-bearing liabilities at the end of the period	1,375	1,524	1,375	1,524	1,474
Blocked cash at the end of the period	-20	-22	-20	-22	-22
Net interest-bearing debt Note 12	**1,212**	**1,392**	**1,212**	**1,392**	**1,248**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Condensed, amounts rounded to the nearest MSEK)	2016 30 Jun	2015 30 Jun	2015 31 Dec
Opening balance	1,090	1,178	1,178
Total comprehensive income for the period	-53	44	-87
Value adjustment of issued warrants	1	-	-
Closing balance	**1,037**	**1,222**	**1,090**

KEY PERFORMANCE INDICATORS FOR THE GROUP

	2016 Q 2	2015 Q 2	2016 6 months	2015 6 months	2015 Full year
Operational key performance indicators					
Installed capacity at the end of the period, MW	253.5	260.7	253.5	260.7	253.5
Own electricity production during the period, GWh	68.1	106.2	156.3	228.2	442.1
Co-owned electricity production during the period, GWh	48.1	71.7	124.3	177.3	331.6
Total electricity production during the period, GWh	116.3	177.9	280.6	405.5	773.8
Number of employees at the end of the period	30	30	30	30	31
Financial key performance indicators					
EBITDA margin, %	18.7%	61.8%	24.9%	75.0%	37.9%
Operating margin, %	neg	24.1%	0.3%	40.3%	neg
Return on capital employed (EBIT), %	neg	4.6%	neg	4.5%	neg
Return on adjusted capital employed (EBITDA), %	6.0%	8.8%	5.7%	8.5%	7.7%
Return on equity, %	neg	neg	neg	neg	neg
Capital employed, MSEK	2,249	2,614	2,249	2,614	2,338
Average capital employed, MSEK	2,243	2,610	2,352	2,679	2,502
Equity, MSEK	1,037	1,222	1,037	1,222	1,090
Average equity, MSEK	1,055	1,205	1,099	1,197	1,150
Net interest-bearing debt	1,212	1,392	1,212	1,392	1,248
Equity/assets ratio, %	40.2%	42.4%	40.2%	42.4%	39.4%
Interest coverage ratio, times	neg	0.7	0.0	1.2	neg
Debt/equity ratio, times	1.2	1.1	1.2	1.1	1.1
Equity per share, SEK	31	37	31	37	33
Equity per share after dilution, SEK	31	37	31	36	33
No. of shares at the end of the period, excl. treasury shares	33,373,876	33,373,876	33,373,876	33,373,876	33,373,876
Average number of shares	33,373 876	33,373,876	33,373,876	33,373,876	33,373,876
Average number of shares after dilution	33,653,876	33,379,876	33,516,876	33,556,543	33,379,876

Note 1 - Net sales	**2016**	**2015**	**2016**	**2015**	**2015**
(Amounts rounded to the nearest MSEK)	**Q 2**	**Q 2**	**6 months**	**6 months**	**Full year**
Electricity income	16	33	47	82	150
Certificate income	10	17	21	36	73
Development income and management fees	64	10	158	20	264
	90	**60**	**226**	**138**	**487**

Note 2 - Other operating income	**2016**	**2015**	**2016**	**2015**	**2015**
(Amounts rounded to the nearest MSEK)	**Q 2**	**Q 2**	**6 months**	**6 months**	**Full year**
Income from crane rental	-	2	-	5	7
Profits from sales of non-current assets	-	9	-	9	11
Other items	0	1	1	1	4
	0	**12**	**1**	**15**	**21**

Note 3 - Other external expenses	**2016**	**2015**	**2016**	**2015**	**2015**
(Amounts rounded to the nearest MSEK)	**Q 2**	**Q 2**	**6 months**	**6 months**	**Full year**
Cost of sold projects and construction work	53	-	126	-	174
Other items	14	18	29	32	76
	67	**18**	**156**	**32**	**250**

Note 4 – Share of profits from associates	**2016**	**2015**	**2016**	**2015**	**2015**
(Amounts rounded to the nearest MSEK)	**Q 2**	**Q 2**	**6 months**	**6 months**	**Full year**
Share of profits in associates (net after tax, 22%)	-14	-8	-19	-2	-50
IAS 28 adjustment	14	-	19	-	-
Financial income from associates (gross before tax)	7	6	13	13	26
Less uncapitalised share	-7	-	-13	-	-
	-	**-2**	**-**	**11**	**-25**

Financial income from associates is attributable to granted shareholder loans, which are treated as long-term investments in associates and are therefore considered to have the same characteristics as an equity injection.

GROUP SEGMENT REPORTING

Quarter 2	**Own wind power Operations**		**Co-owned wind power operations**		**Development and management**		**Eliminations**		**Group**	
(Amounts rounded to the nearest MSEK)	**Q2-16**	**Q2-15**	**Q2-16**	**Q2-15**	**Q2-16**	**Q2-15**	**Q2-16**	**Q2-15**	**Q2-16**	**Q2-15**
Net sales, external	26	50	27	35	63	10	-27	-35	90	60
Net sales, internal	-	-	-	-	2	2	-2	-2	-	-
Other operating income Note 5	0	0	-	-	0	12	-	-	0	12
Total income	27	50	27	35	66	24	-29	-37	90	72
Capitalised work on own account	-	-	-	-	3	2	-	-	3	2
Operating expenses	-10	-12	-7	-11	-67	-19	7	13	-76	-28
Share of profits from interests in associates	-	-	-	-	-	-	-	-2	-	-2
Operating profit before depr. (EBITDA)	**17**	**38**	**20**	**24**	**2**	**8**	**-22**	**-26**	**17**	**45**
Depreciation and impairment Note 6	-33	-24	-16	-16	0	-3	16	16	-34	-27
Operating profit/loss (EBIT)	**-16**	**14**	**4**	**8**	**2**	**5**	**-6**	**-10**	**-17**	**17**
Net financial income/expense Note 7	-12	-19	-12	-12	-5	-4	12	12	-18	-24
Profit/loss before tax (EBT)	**-28**	**-5**	**-8**	**-4**	**-4**	**0**	**6**	**2**	**-34**	**-7**
Assets	1,977	2,250	1,567	1,590	148	173	-1,111	-1,131	2,581	2,882

Note 5 - Other operating income										
Income from crane rental	-	-	-	-	-	2	-	-	-	2
Profit from sale of non-current assets	-	-	-	-	-	9	-	-	-	9
Other items	0	0	-	-	0	0	-	-	0	1
	0	0	-	-	0	12	-	-	0	12
Note 6 - Depreciation and impairment of property, plant and equipment										
Depreciation/amortisation	-22	-24	-16	-16	0	-2	16	16	-22	-27
Impairment and reversal of impairment	-12	-	-	-	-	-1	-	-	-12	-1
Depreciation and impairment	-33	-24	-16	-16	0	-3	16	16	-34	-27
Note 7 - Net financial income/expense										
Total net financial income	-13	-20	-18	-18	-5	-4	18	18	-18	-24
Less interest expenses on shareholder loans	1	1	7	6	-1	-1	-7	-6	-	-
Net financial income/expense excl. shareholder loans	-12	-19	-12	-12	-5	-4	12	12	-18	-24

The Own and Co-owned wind power operations segments are recognised excluding internal interest expenses on shareholder loans. The corresponding item has been eliminated from the Wind power development segment.

6 months	Own wind power Operations		Co-owned wind power operations		Development and management		Eliminations		Group	
(Amounts rounded to the nearest MSEK)	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
Net sales, external	69	118	64	88	157	20	-64	-88	226	138
Net sales, internal	-	-	-	-	4	5	-4	-5	-	-
Other operating income Note 8	0	0	-	-	0	15	-	-	1	15
Total income	69	119	64	88	162	40	-68	-93	227	153
Capitalised work on own account	-	-	-	-	4	5	-	-	4	5
Operating expenses	-21	-23	-16	-22	-153	-35	16	27	-174	-53
Share of profits from interests in associates	-	-	-	-	-	-	-	11	-	11
Operating profit before depr. (EBITDA)	**48**	**96**	**48**	**66**	**12**	**9**	**-52**	**-56**	**56**	**115**
Depreciation and impairment Note 9	-55	-49	-32	-32	-1	-5	32	32	-56	-53
Operating profit/loss (EBIT)	**-7**	**47**	**16**	**34**	**12**	**4**	**-20**	**-24**	**1**	**62**
Net financial income/expense Note 10	-31	-40	-24	-24	-12	-12	24	24	-42	-52
Profit/loss before tax (EBT)	**-38**	**7**	**-7**	**10**	**0**	**-8**	**3**	**1**	**-42**	**10**

Note 8 - Other operating income										
Income from crane rental	-	-	-	-	-	5	-	-	-	5
Profit from sale of non-current assets	-	-	-	-	-	9	-	-	-	9
Other items	0	0	-	-	0	1	-	-	1	1
	0	0	-	-	0	15	-	-	1	15
Note 9 - Depreciation and impairment of property, plant and equipment										
Depreciation/amortisation	-44	-49	-32	-32	-1	-4	32	32	-44	-53
Impairment and reversal of impairment	-12	-	-	-	-	-1	-	-	-12	-1
Depreciation and impairment	-55	-49	-32	-32	-1	-5	32	32	-56	-53
Note 10 - Net financial income/expense										
Total net financial income	-32	-41	-37	-37	-10	-11	37	37	-42	-52
Less interest expenses on shareholder loans	1	1	13	13	-1	-1	-13	-13	-	-
Net financial income/expense excl. shareholder loans	-31	-40	-24	-24	-12	-12	24	24	-42	-52

Note 11 - Fair value of financial instruments

Fair value hierarchy

All financial instruments that are measured at fair value belong to Level 2 of the fair value hierarchy. Derivatives comprise electricity futures, currency futures and interest-rate swaps. Measuring the fair value of currency futures is based on published forward rates in an active market. The measurement of interest-rate swaps is based on forward interest rates derived from observable yield curves. The discounting does not have any material impact on the valuation of derivatives in Level 2. The recognition of financial instruments is described on pages 71-77 of the 2015 Annual Report. The table below presented the Group's financial assets and liabilities measured at fair value at the balance-sheet date.

	2016	**2015**	**2015**
(Amounts rounded to the nearest MSEK)	**30 Jun**	**30 Jun**	**31 Dec**
Assets			
Derivatives held for hedging purposes			
- Interests in associates	-2	-25	-2
- Derivative assets	5	7	16
Liabilities			
Derivatives held for hedging purposes			
- Derivative liabilities	-89	-61	-59

Note 12 – Net interest-bearing debt

	2016	**2015**
(Amounts rounded to the nearest MSEK)	**30 Jun**	**30 Jun**
Non-current liabilities	1,338	1,482
- of which interest-bearing non-current liabilities	1,316	1,458
Current liabilities	205	178
- of which interest-bearing current liabilities	59	66
Long and short term interest bearing debt	1,375	1,524
Cash and cash equivalents at the end of the period	-143	-110
Blocked cash at the end of the period	-20	-22
Net interest-bearing debt	**1,212**	**1,392**

PARENT COMPANY INCOME STATEMENT

(Amounts rounded to the nearest MSEK)	2016 Q 2	2015 Q 2	2016 6 months	2015 6 months	2015 Full year
Sales of electricity and electricity certificates	30	38	70	109	154
Leasing of wind farms	-4	26	39	71	135
Development income and management fees	66	11	116	22	79
Other operating income	0	0	0	0	1
Total income	**93**	**76**	**225**	**202**	**369**
Capitalised work on own account	-3	3	-2	6	13
Purchases of electricity and electricity certificates	-31	-37	-72	-111	-158
Rental of wind power facilities	4	-26	-39	-71	-135
Cost of sold projects and construction work	-53	-	-94	-	-60
Personnel costs	-9	-9	-17	-18	-45
Other external expenses	-6	-8	-13	-12	-28
Operating profit/loss before depreciation (EBITDA)	**-4**	**-1**	**-12**	**-3**	**-43**
Depreciation of property, plant and equipment	-2	-1	-2	-2	-35
Operating profit/loss (EBIT)	**-6**	**-2**	**-14**	**-5**	**-78**
Financial income	1	7	1	15	29
Financial expenses	-9	-22	-44	-49	-393
Profit/loss after financial items	**-14**	**-17**	**-56**	**-39**	**-442**
Group contribution	70	52	121	67	138
Profit/loss before tax	**56**	**35**	**65**	**28**	**-304**
Deferred tax	-12	-8	-18	-6	0
Net profit/loss for the period	**43**	**28**	**47**	**22**	**-304**

PARENT COMPANY BALANCE SHEET

(Condensed, amounts rounded to the nearest MSEK)	2016 30-jun	2015 30-jun	2015 31-dec
Property, plant and equipment	43	82	55
Non-current financial assets	2,279	2,597	2,271
Other current assets	148	119	145
Cash and cash equivalents	57	58	154
TOTAL ASSETS	**2,527**	**2,855**	**2,626**
Restricted equity	3	3	3
Non-restricted equity	1,032	1,311	985
Non-current liabilities	1,239	1,284	1,318
Current liabilities	254	258	320
TOTAL EQUITY AND LIABILITIES	**2,527**	**2,855**	**2,626**

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

(Condensed, amounts rounded to the nearest MSEK)	2016 30 Jun	2015 30 Jun	2015 31 Dec
Opening balance	987	1,292	1,292
Total comprehensive income for the period	47	22	-304
New issue / warrants	1	-	-
Closing balance	**1,035**	**1,314**	**987**

DEFINITIONS OF KEY RATIOS

EBITDA margin
EBITDA as a percentage of total income.

Operating margin
EBIT as a percentage of total income.

Return on capital employed
Rolling 12-month EBIT as a percentage of quarterly average capital employed for the period.

Return on adjusted capital employed
Rolling 12-month EBITDA as a percentage of quarterly average capital employed for the period.

Return on equity
Rolling 12-month net profit as a percentage of quarterly average equity for the period.

Equity per share
Equity divided by the average number of shares.

Equity per share after dilution
Equity divided by the average number of shares after dilution

Net financial items
Financial income less financial expenses

Average equity
Quarterly average equity for the period

Average capital employed
Quarterly average capital employed for the period

Operating cash flow
Cash flow from operating activities after changes in working capital

Net interest-bearing debt
Interest-bearing liabilities less cash and blocked cash and cash equivalents.

Interest coverage ratio
Profit before tax plus financial expenses as a percentage of financial expenses.

Debt/equity ratio
Net interest-bearing debt as a percentage of equity.

Specific operating expenses, SEK per MWh
Operating expenses for electricity production divided by electricity production during the period.

Equity/assets ratio
Equity as a percentage of total assets.

Capital employed
Equity plus net interest-bearing debt.

GENERAL INFORMATION ABOUT KEY FIGURES

In its reporting, Arise applies key ratios based on the company's accounting. The reason that these key ratios are applied in the reporting is that Arise believes that it makes it easier for external stakeholders to analyse the company's performance.