RNS

30 September 2013

Camco Clean Energy plc

("Camco" or the "Company")

Interim Results 2013

Camco Clean Energy plc (AIM: CCE), the experienced project developer working to develop, construct, deliver and operate projects that contribute to a sustainable future today announces its results for the six months to 30 June 2013.

Scott McGregor, CEO of Camco said:

"*I am very pleased with how Camco's staff and shareholders have responded to the challenges faced in the first half transition. We enter the last quarter of 2013 and into 2014 with renewed optimism recognising that the efforts made so far in transitioning the business need to continue to deliver a successful outcome.*

Outlook

As was discussed at length in our final results for 2012, the almost total collapse in the EU carbon markets was a shock that many businesses in our sector did not survive. We have now completed our cost reduction program to structure the Company with a lower cost base more appropriate to our current business initiatives and accelerated our business activities in US, Africa and the UK to deliver top-line results as quickly as possible. We are now positioned to benefit from the significant increase in opportunities that we have generated and for the remainder of 2013 and 2014 we will focus on delivering these.

We continue to pursue our pipeline of clean energy projects in the US and in Africa whilst leveraging and expanding our market leading footprint in Sub-Saharan Africa where our consulting practices have run and developed multiple clean energy projects. Our expertise gained through surviving the collapse in the EU carbon markets is being used to augment our leading position in the California carbon markets which is in the process of issuing its first credits."

2013 OPERATIONAL HIGHLIGHTS

- North America power projects
  - Jerome 4.5MW Biogas Facility continues to meet monthly power rate targets enabling it to fully benefit from the fixed rate agreed in its power purchase agreement
  - Reached agreement to acquire the Twin Falls 2.1MW Biogas Facility bringing the Company's biogas portfolio to a capacity of 6.6MW. This acquisition is expected to complete in Q4
- North America carbon
  - California Air Resources ("CAR") Board announced on 24 September 2013 that it was issuing the first carbon offset credits (California Carbon Offsets ("CCOs")) in the Californian carbon market
  - As part of this first compliance offset issue, Camco was issued 54,497 CCOs from a project which destroys ozone depleting substances/gases, which would have otherwise been emitted into the atmosphere
  - Camco has also developed a significant number of the agricultural methane projects currently listed under the Program which are under its management

    - Current auction floor price in the Californian carbon market is USD $10.71 and this floor price will increase by inflation plus 5% each year, providing more overall price certainty for market participants than the European Trading Scheme
    - Upon issuance by CAR of offset credits this will provide the company with important cash flows from its US carbon business
- Africa
    - Recent $1m USAID project awarded to develop biomass power solutions from agricultural waste for local communities in Tanzania and Benin to increasing agriculture productivity
    - The South African government has announced the schedule for the Small IPP Procurement Program with the first round of projects to be submitted in October 2013. The Company has previously announced it has signed a land lease option on a 5MW project which it will submit in the first round and also has under development a further 20MW pipeline of similar size PV projects
- REDT*
    - Passed the first selection phase of the Energy Storage Technology Demonstration Competition organized by the UK Department of Energy & Climate Change (DECC). This phase involved a feasibility study for a 1.2 MWh storage system in Scotland
    - UK Pilot system has performed for the last year as expected, with a proven round-trip efficiency of > 75%
- China carbon
    - Despite the continued low carbon price environment our team continues to deliver some cash flow from its CDM and VER portfolio. The Company has also commenced trading activities in the EU to provide services to EU compliance buyers and sellers
    - Our team continues to work through restructuring our CDM contracts protecting the company from contingent liabilities and addressing our partners' best interests during the collapse of the carbon market
- South East Asia
    - Disposed of its entire 60.1% interest in Camco South East Asia for $6.01m with the proceeds being used to invest in the Company's clean energy project development business in the US and Africa and for general working capital purposes
- Operations
    - As previously announced, the Company continues to keep close control over its cost base and reduce expenditure where possible whilst maintaining operational functionality. The majority of these actions have now been taken including relocating three offices to significantly lower cost facilities

* Camco Clean Energy plc, on a fully diluted basis, has an economic interest of 49% in REDT.

FINANCIAL HIGHLIGHTS for the period ending 30 June 2013

- Cash and cash equivalents of €8.3m which includes cash held in escrow of €2.3m pending completion of the acquisition of the Twin Falls Biogas Facility. Adjusted net cash[(1)] of €6.0 million representing 2.7 pence per share
- Revenue earned in the period of €5.2m with no required carbon fair value adjustment. This compares with €3.7m revenue earned in H2 2012 which the Directors believe is a more comparative period than H1 2012 (€12.2m) as a result of the carbon price fall during the second half of 2012
- Gross profit of €2.6m compared to a gross loss of €7.4m in H2 2012 and a gross profit of €7.6m in H1 2012

- Administration expenses reduced to €4.8m compared to €5.8m in H2 2012 and €6.5m in H1 2012. Administration expenses include depreciation on the Jerome Facility of €0.4m (H2 2012: €0.4m, H1 2012: €nil). A further reduction in administration expenses is anticipated in the second half of the year which will benefit from the full effect of the cost saving measures undertaken in H1 2013

	Unaudited H1 2013	Audited FY 2012	Unaudited H2 2012	Restated Unaudited H1 2012
	€'000	**€'000**	**€'000**	**€'000**
Revenue earned in the period (excluding carbon price fair value adjustment)	5,243	15,883	3,707	12,176
Carbon price fair value adjustment	-	(9,219)	(7,154)	(2,065)
Revenue (including carbon price fair value adjustment)	5,243	6,664	(3,447)	10,111
Gross Profit/(loss)	2,647	186	(7,390)	7,576
Administrative expenses	(4,820)	(12,356)	(5,847)	(6,509)
Results from operating activities	(1,359)	(19,540)	(20,607)	1,067
(Loss)/profit from continuing operations	(2,737)	(23,328)	(23,943)	615

Notes

(1) Adjusted net cash is calculated as follows:

	Unaudited H1 2013	Audited FY 2012	Unaudited H1 2012
	€'000	**€'000**	**€'000**
Cash and cash equivalents	8,301	11,087	16,101
Less cash provided by the lender for sole use in construction of the Jerome Facility	-	-	(456)
Less cash held in escrow pending completion of the acquisition of the Twin Falls Biogas Facility	(2,318)	-	-
Less unsecured loans	-	(4,000)	(3,904)
Adjusted net cash*	5,983	7,087	11,741
Adjusted net cash per share (pence)	2.7p	3.0p	5.0p

* Cash and cash equivalents includes cash held as a debt reserve balance of €0.81m in relation to the Jerome Facility (FY2012: €1.03m; HY2012: €0.97m).

(2) H1 2013 refers to the unaudited 6 month period to 30 June 2013 or as at 30 June 2013, FY 2012 refers to the audited 12 month period to 31 December 2012 or as at 31 December 2012, and H1 2012 refers to the unaudited 6 month period to 30 June 2012 or as at 30 June 2012. H2 2012 refers to the unaudited 6 month period to 31 December 2012.

(3) Carbon Segment

As at H1 2013, the Carbon business had an effective net liability position of €4.5m, a positive improvement of €0.4m from the effective net liability position of €4.9m as at FY2012. The Directors continue to work diligently to reduce the net liability position. The following table sets out this position and how this has altered since FY 2012.

	H1 2013	Change (H1 2013-FY2012)	Adjusted FY2012
	€'000	€'000	€'000
Accrued Income*	-	(516)	516
Intangible Assets - carbon in specie	320	6	313
Work in Progress – Carbon Development Contracts	-	-	-
Other accruals – CDC accruals	(4,837)	(1,662)	(3,175)
Payment on account received	-	2,550	(2,550)
Total	(4,517)	378	(4,896)

** excludes any carbon held in respect of Camco's Jerome biogas facility*

As disclosed in the 2012 annual report and accounts, in addition, a number of fixed price carbon purchase agreements are held in various entities across the Group. With the significant decline in the carbon price over in the 18 month period to 31 December 2012, these fixed price contracts result in a current (as at 30 September 2013) potential un-provided exposure across the Group of €18.5m which had reduced by €2.2m from €20.7m as at 27 June 2013 (the date the 2012 Annual Report and Accounts were published). This exposure, which is being experienced across the industry, arises where entities are required to purchase carbon credits under fixed price purchase agreements at a price that is higher than the current market price at which those entities can sell the carbon credits.

The potential exposure quoted assumes no revenue from carbon credits sales. Along with other companies in the market the Group has been actively working with counterparties to resolve these contracts at terms that are mutually beneficial to both parties; some discussions are ongoing and uncertainties remain on the terms to be agreed. Since 31 December 2011 the Group has successfully resolved 95 of its 107 fixed price contracts.

These resolved contracts had a potential exposure to the Group of €74.7 million; 12 contracts remain to be agreed. The directors consider they have made adequate provision in these accounts for the costs that are likely to be borne, however at this stage there can be no certainty that further costs may not arise.

Enquiries:

Camco Clean Energy +44 (0)20 7121 6100
Scott McGregor, Chief Executive Officer
Jonathan Marren, Chief Financial Officer

N+1 Singer (Nominated Adviser and Broker) +44 (0)20 7496 3000
Andrew Craig
Ben Wright

Consolidated Statement of Financial Position

at 30 June 2013

	Note	**30 June 2013 (unaudited) €'000**	Restated 30 June 2012 (unaudited) €'000	Restated 31 December 2012 (audited) €'000
Non-current assets				
Property, plant and equipment		**15,496**	17,794	16,558
Goodwill on acquisition		**-**	433	-
Intangible assets – carbon in specie		**320**	591	313
Investments in associates and joint ventures		**2,713**	12,888	7,181
Other investments		**3**	3	3
Deferred tax assets		**21**	127	22
		18,553	31,836	24,077
Current assets				
Work in progress - carbon development contracts		**-**	3,337	-
Prepayments and accrued income	3	**1,462**	16,014	1,318
Trade and other receivables	4	**1,311**	8,968	1,184
Cash and cash equivalents	5	**8,301**	16,101	11,087
		11,074	44,420	13,589
Total assets		**29,627**	76,256	37,666
Current liabilities				
Loans and borrowings	6	**(481)**	(10,271)	(4,764)
Trade and other payables	7	**(6,520)**	(14,645)	(7,564)
Deferred Income	8	**(307)**	(338)	(409)
Tax payable		**(230)**	(243)	(173)
		(7,538)	(25,497)	(12,910)
Non-current liabilities				
Loans and borrowings	6	**(10,737)**	(10,785)	(10,797)
Deferred Income	8	**(4,407)**	(4,868)	(4,489)
		(15,144)	(15,653)	(15,286)
Total liabilities		**(22,682)**	(41,150)	(28,196)
Net assets		**6,945**	35,106	9,470

Consolidated Statement of Financial Position (continued)

at 30 June 2013

	30 June 2013 (unaudited) €'000	30 June 2012 (unaudited) €'000	31 December 2012 (audited) €'000
Equity attributable to equity holders of the parent			
Share capital	**2,081**	1,896	1,897
Share premium	**75,640**	75,565	75,565
Share-based payment reserve	**301**	411	301
Retained earnings	**(71,392)**	(43,806)	(68,583)
Translation reserve	**329**	1,156	304
Own shares	**(14)**	(116)	(14)
Total equity	**6,945**	35,106	9,470

Consolidated Statement of Comprehensive Income

for the 6 months to 30 June 2013

Continuing operations	**6 months to 30 June 2013 (unaudited) €'000**	Restated 6 months to 30 June 2012 (unaudited) €'000	12 months to 31 December 2012 (audited) €'000
Revenue:			
Earned in the year	**5,243**	12,176	15,883
Carbon price fair value adjustment	**-**	(2,065)	(9,219)
Revenue	**5,243**	10,111	6,664
Cost of sales	**(2,596)**	(2,535)	(6,478)
Gross profit	**2,647**	7,576	186
Other income – net gain on disposal of joint venture	**771**	-	-
Other income – net gain on disposal of fixed assets	**43**	-	3
Administrative expenses	**(4,820)**	(6,509)	(12,356)
Impairment of Investment in associates and joint ventures	**-**	-	(3,118)
Impairment of Goodwill	**-**	-	(433)
Restructuring charges	**-**	-	(116)
Impairment of Development costs	**-**	-	(2,500)
Impairment of receivables	**-**	-	(1,206)
Results from operating activities	**(1,359)**	1,067	(19,540)
Financial income	**175**	661	76
Financial expenses	**(683)**	(537)	(1,184)
Net financing income	**(508)**	124	(1,108)
Share of loss of equity accounted investees	**(802)**	(533)	(2,573)
(Loss)/ profit before tax	**(2,669)**	658	(23,221)
Income tax	**(68)**	(43)	(107)
(Loss)/ profit from continuing operations	**(2,737)**	615	(23,328)
Discontinued operations			
(Loss)/ profit from discontinued operation (net of tax)	**(72)**	495	(339)
(Loss)/profit for the period	**(2,809)**	1,110	(23,667)
Other comprehensive income			
Exchange differences on translation of foreign operations	**25**	605	(247)
Reclassification from cumulative exchange reserve arising on disposal of subsidiaries	**-**	-	706
Total comprehensive income for the period	**(2,784)**	1,715	(23,208)
Loss/ profit for the period attributable to:			
Equity holders of the parent	**(2,809)**	1,110	(23,667)
(Loss)/profit for the period	**(2,809)**	1,110	(23,667)
Total comprehensive income attributable to:			
Equity holders of the parent	**(2,784)**	1,715	(23,208)
Total comprehensive income for the period	**(2,784)**	1,715	(23,208)

Consolidated Statement of Comprehensive Income
for the 6 months to 30 June 2013

	Note			
Basic (loss)/ profit per share in € cents				
From continuing operations	2	**(1.41)**	0.33	(12.34)
From continuing and discontinued operations	2	**(1.45)**	0.59	(12.52)
Diluted (loss) / profit per share in € cents				
From continuing operations	2	**(1.41)**	0.32	(12.34)
From continuing and discontinued operations	2	**(1.45)**	0.59	(12.52)

Consolidated Statement of Changes in Equity

for the 6 months to 30 June 2013

	Share Capital €'000	Share premium €'000	Share-based payment reserve €'000	Retained Earnings €'000	Translation reserve €'000	Own shares €'000	Total parent equity €'000	Non-controlling interest €'000	Total equity €'000
Balance at 1 January 2013	**1,897**	**75,565**	**301**	**(68,583)**	**304**	**(14)**	**9,470**	**-**	**9,470**
Total comprehensive income for the period									
Profit for the period	**-**	**-**	**-**	**(2,809)**	**-**	**-**	**(2,809)**	**-**	**(2,809)**
Other comprehensive income									
Foreign currency translation differences	**-**	**-**	**-**	**-**	**25**	**-**	**25**	**-**	**25**
Total comprehensive income for the period	**-**	**-**	**-**	**(2,809)**	**25**	**-**	**(2,784)**	**-**	**(2,784)**
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Share-based payments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Issuance of shares	**184**	**75**	**-**	**-**	**-**	**-**	**259**	**-**	**259**
Own shares	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total contributions by and distributions to owners	**184**	**75**	**-**	**-**	**-**	**-**	**259**	**-**	**259**
Total transaction with owners	**184**	**75**	**-**	**-**	**-**	**-**	**259**	**-**	**259**
Balance at 30 June 2013	**2,081**	**75,640**	**301**	**(71,392)**	**329**	**(14)**	**6,945**	**-**	**6,945**

Consolidated Statement of Changes in Equity (continued)

for the 6 months to 30 June 2012

	Share Capital €'000	Share premium €'000	Share-based payment reserve €'000	Retained Earnings €'000	Translation reserve €'000	Own shares €'000	Total parent equity €'000	Non-controlling interest €'000	Total equity €'000
Balance at 1 January 2012	1,892	75,542	559	(44,916)	(155)	(243)	32,679	-	32,679
Total comprehensive income for the period									
Profit for the period	-	-	-	1,110	-	-	1,110	-	1,110
Other comprehensive income									
Reclassification from cumulative exchange reserve arising on disposal of subsidiaries					706		706		706
Foreign currency translation differences	-	-	-	-	605	-	605	-	605
Total comprehensive income for the period	-	-	-	1,110	1,311	-	2,421	-	2,421
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Share-based payments	-	-	6	-	-	-	6	-	6
Issuance of shares	5	23	-	-	-	(27)	-	-	-
Own shares	-	-	(154)	-	-	154	-	-	-
Total contributions by and distributions to owners	5	23	(148)	-	-	127	6	-	6
Total transaction with owners	5	23	(148)	-	-	127	6	-	6
Balance at 30 June 2012	1,896	75,565	411	(43,806)	1,156	(116)	35,106	-	35,106

Consolidated Statement of Changes in Equity (continued)

for the year ended 31 December 2012

	Share capital €'000	Share premium €'000	Share-based payment reserve €'000	Retained earnings €'000	Translation reserve €'000	Own shares €'000	Total parent equity €'000	Non-controlling interest €'000	Total equity €'000
Balance at 1 January 2012	1,892	75,542	559	(44,916)	(155)	(243)	32,679	-	32,679
Total comprehensive income for the year									
Profit for the year	-	-	-	(23,667)	-	-	(23,667)	-	(23,667)
Other comprehensive income									
Reclassification from cumulative exchange reserve arising on disposal of subsidiaries	-	-	-	-	706	-	706	-	706
Foreign currency translation differences	-	-	-	-	(247)	-	(247)	-	(247)
Total comprehensive income for the year	-	-	-	(23,667)	459	-	(23,208)	-	(23,208)
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Share-based payments	-	-	(1)	-	-	-	(1)	-	(1)
Issuance of shares	5	23	-	-	-	(28)	-	-	-
Own shares	-	-	(257)	-	-	257	-	-	-
Total contributions by and distributions to owners	5	23	(258)	-	-	229	(1)	-	(1)
Total transaction with owners	5	23	(258)	-	-	229	(1)	-	(1)
Balance at 31 December 2012	1,897	75,565	301	(68,583)	304	(14)	9,470	-	9,470

Consolidated Statement of Cash Flow
for the 6 months to 30 June 2013

Continuing and discontinued operations	Note	**6 months to 30 June 2013 (unaudited)**	6 months to 30 June 2012 (unaudited)	12 months to 31 December 2012 (audited)
		€'000	€'000	€'000
Cash flows from operating activities				
Cash generated by operations	*(a)*	**(3,175)**	(1,214)	(6,309)
Income tax paid		**-**	(57)	(125)
Net cash from operating activities		**(3,175)**	(1,271)	(6,434)
Cash flows from investing activities				
Disposal of discontinued operations, net of cash disposed		**(72)**	-	3,979
Proceed from sales of investments		**4,613**	3,879	36
Investment in joint venture		**(106)**	-	-
Disposal/(acquisition) of property, plant & equipment		**724**	(1,342)	(1,113)
Net cash from investing activities		**5,159**	2,537	2,902
Cash flows from financing activities				
Proceeds from the issue of share capital		**259**	28	28
Proceeds from new loan		**-**	603	603
Proceeds from Capital Grants		**-**	-	5,170
Repayment of borrowings		**(4,507)**	(123)	(5,080)
Interest paid		**(488)**	(149)	(537)
Net cash from financing activities		**(4,736)**	359	184
Net increase in cash and cash equivalents		**(2,752)**	1,625	(3,348)
Cash and cash equivalents at 1 January		**11,087**	14,270	14,270
Effect of exchange rate fluctuations on cash held		**(34)**	206	165
Cash and cash equivalents held*		**8,301**	16,101	11,087

Notes to the Consolidated Statement of Cash Flow

	6 months to 30 June 2013 (unaudited)	6 months to 30 June 2012 (unaudited)	12 months to 31 December 2012 (audited)
	€'000	€'000	€'000
(a) Cash flows from operating activities			
Profit for the period	**(2,809)**	1,110	(23,667)
Adjustments for:			
Depreciation	**648**	191	616
Impairment of project plant and equipment	**108**	-	528
Amortisation of deferred income	**(146)**	-	(111)
Impairment of investments in associates and joint ventures	**-**	-	3,118
Carbon price fair value adjustment	**-**	2,065	9,219
Impairment loss on CDC assets	**-**	341	3,203
CDC accruals and CDC accrued income	**(534)**	-	-
Non CDC accrued income	**(422)**	-	-
Impairment of goodwill	**-**	-	433
Impairment of receivables	**-**	-	1,206
Share of loss of equity accounted investees	**25**	533	2,573
Loss on sale of discontinued operation, net of tax	**72**	-	339
Gain on sale of investment	**-**	(495)	(3)
Share-based payment transactions	**-**	6	1
Gain on sale of asset	**(151)**	-	-
Income tax expense	**57**	43	107
Finance cost	**496**	392	1,161
Finance income	**(2)**	(596)	(76)
Foreign exchange loss/(gain) on translation	**25**	(41)	23
Interest received	**(5)**	24	45
Interest paid	**-**	(5)	(1)
Impairment loss on development costs	**40**	-	2,109
Operating cash flows before movements in working capital	**(2,598)**	3,568	**823**
Changes in working capital			
(Increase)/decrease in CDC assets	**-**	(478)	-
Decrease in intangible assets	**(7)**	53	331
(Increase)/decrease in prepayments	**(69)**	(142)	522
(Increase) in financial assets	**(90)**	-	-
Change in CDC accruals and CDC accrued income	**(372)**	-	(2,710)
(Increase)/decrease in accrued income – other	**189**	(1,292)	120
Decrease/(increase) in trade and other receivables	**(61)**	280	1,236
Decrease in trade and other payables	**(167)**	(3,178)	(6,631)
(Decrease)/increase in tax provision	**-**	(25)	-
Cash generated by operations	**(3,175)**	(1,214)	(6,309)

Notes

Significant accounting policies

Camco Clean Energy plc (the "Company") is a public company incorporated in Jersey under Companies (Jersey) Law 1991. The address of its registered office is Channel House, Green Street, St Helier, Jersey JE2 4UH. The consolidated interim financial report of the Company for the period from 1 January 2013 to 30 June 2013 comprises of the Company and its subsidiaries (together the "Group").

Basis of preparation

The annual financial statements of the Group for the year ended 31 December 2012 have been prepared in accordance with IFRSs as adopted by the EU ("Adopted IFRSs"). The interim set of financial statements included in this half-yearly report has been prepared in accordance with the recognition and measurement requirements of IFRSs as adopted by the EU. The interim set of financial statements has been prepared applying the accounting policies and presentation that were applied in the preparation of the company's published consolidated financial statements for the year ended 31 December 2012. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2012.

This interim financial information has been prepared on the historical cost basis. The accounting policies applied are consistent with those adopted and disclosed in the annual financial statements for the period ended 31 December 2012. The accounting policies have been consistently applied across all Group entities for the purpose of producing this interim financial report.

The financial information included in this document does not comprise of statutory accounts within the meaning of Companies (Jersey) Law 1991. The comparative figures for the financial year ended 31 December 2012 are not the company's statutory accounts for that financial year within the meaning of Companies (Jersey) Law 1991. Those accounts have been reported on by the company's auditors and delivered to the Jersey Financial Services Commission. The report of the auditors was unqualified.

Estimates

The preparation of the interim financial report in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Restatement of prior year

During the year, the Company clarified its accounting policy in relation to the US Government Grant received in 2012. The grant was classified as deferred income within Current liabilities. Subsequent to the clarification, the majority of the deferred income balance has been reclassified to Non-current liabilities.

As part of the December 2012 audited financial statements, any gains and losses in relation to the disposal of our Advisory business were allocated to the Discontinued Operations segment within the Consolidated Statement of Comprehensive Income. In order to ensure all comparisons remained consistent, the Company has reclassified Other Income – gain on sale of investment of €495,000 to (Loss)/ profit from discontinued operation (net of tax).

Notes (continued)

1 Segmental Reporting

Operating segments

The Group comprises of the following reporting segments:

1. **Carbon:** ***The Carbon Project Development*** teams provide CDC consultancy services on carbon asset development, commercialisation and portfolio management.

2. **Projects:** ***The Clean Energy Project Development*** teams collaborate with industry, project developers, equipment providers and investor groups to create emissions-to-energy projects and maximise sustainable energy production across a range of industries; including agricultural methane, industrial energy efficiency, coal mine methane, municipal solid waste, biomass and landfill gas.

Inter segment transactions are carried out at arm's length.

	Carbon 6 months to 30 June 2013 (unaudited) €'000	Projects 6 months to 30 June 2013 (unaudited) €'000	Total 6 months to 30 June 2013 (unaudited) €'000
Revenue	1,853	3,390	5,243
Fair value adjustment	-	-	-
Total segment revenue	1,853	3,390	5,243
Segment gross profit	583	2,064	2,647
Other Income – Fixed Asset Disposal	-	43	43
Segment administrative expenses	(1,138)	(2,240)	(3,378)
Segment result	(555)	(133)	(688)
Net gain on disposal of joint venture			771
Unallocated expenses			(1,443)
Results from operating activities			(1,359)
Net finance income			(508)
Share of loss equity-accounted investees			(802)
Taxation			(68)
Profit for the period from continuing operations			(2,737)
Discontinued operation			(72)
Profit for the period			(2,809)

Notes (continued)

1 Segmental Reporting *(continued)*

	Carbon 6 months to 30 June 2012 (unaudited) €'000	Projects 6 months to 30 June 2012 (unaudited) €'000	Total 6 months to 30 June 2012 (unaudited) €'000
Revenue	10,184	1,992	12,176
Inter-segment revenue	(2,065)	-	(2,065)
Total segment revenue	8,119	1,992	10,111
Segment gross profit	6,262	1,314	7,576
Segment administrative expenses	(1,930)	(2,696)	(4,626)
Segment result	4,332	(1,382)	2,950
Net gain on disposal of investment			495
Unallocated expenses			(1,877)
Share-based payments			(6)
Restructuring charges			-
Results from operating activities			1,562
Net finance income			124
Share of loss equity-accounted investees			(533)
Taxation			(43)
Profit for the period from continuing operations			1,110
Discontinued operation			-
Profit for the period			1,110

	Carbon 12 months to 31 December 2012 (audited) €'000	Projects 12 months to 31 December 2012 (audited) €'000	Total 12 months to 31 December 2012 (audited) €'000
Revenue	10,752	5,131	15,883
Re-measurement of past revenue	(9,219)	-	(9,219)
Total segment revenue	1,533	5,131	6,664
Segment gross profit	(2,607)	2,793	186
Other Income – gain on sale of investment	-	3	3
Segment administrative expenses	(3,542)	(5,379)	(8,921)
Segment result	(6,149)	(2,583)	(8,732)
Unallocated expenses			(3,434)
Share-based payments			(1)
Restructuring charges			(116)
Impairment of investment			(3,118)
Impairment of goodwill			(433)
Impairment of development costs			(2,500)
Impairment of receivables			(1,206)
Results from operating activities			(19,540)
Net finance expense			(1,108)
Share of loss of equity accounted investees			(2,573)
Taxation			(107)
Loss for the period from continuing operations			(23,328)
Discontinued operation			(339)
Loss for the period			(23,667)

Notes (continued)

2 Profit/(loss) per share

Profit per share attributable to equity holders of the company is as follows;

	30 June 2013 (unaudited) € cents per share	30 June 2012 (unaudited) € cents per share	31 December 2012 (audited) € cents per share
Basic (loss)/ profit profit per share			
From continuing operations	**(1.41)**	0.33	(12.34)
From continuing and discontinued operation	**(1.45)**	0.59	(12.52)
Diluted (loss)/ profit per share			
From continuing operations	**(1.41)**	0.32	(12.34)
From continuing and discontinued operation	**(1.45)**	0.59	(12.52)
lLoss)/ profit used in calculation of basic and diluted loss per share-no dilutive effects	**€'000**	€'000	€'000
From continuing operations	**(2,737)**	615	(23,328)
From continuing and discontinued operation	**(2,809)**	1,110	(23,667)
Weighted average number of shares used in calculation			
Basic	**194,064,665**	188,602,755	189,018,078
Diluted	**194,064,665**	189,354,218	189,018,078

Weighted average number used in calculation (basic):	**30 June 2013 (unaudited) Number**	30 June 2012 (unaudited) Number	31 December 2012 (audited) Number
Number in issue at start of period	**189,678,093**	189,178,093	189,178,093
Effect of own shares held	**-**	(1,409,549)	(1,427,655)
Effect of new shares issued in the period	**4,638,035**	60,773	985,448
Effect of share options exercised	**-**	773,438	282,192
Weighted average of basic shares at end of period	**194,316,128**	188,602,755	189,018,078

Weighted average number used in calculation (diluted):	**Number**	Number	Number
Weighted average number of ordinary shares (basic)	**194,316,128**	188,602,755	189,018,078
Effect of share options on issue	**-**	751,463	-
Weighted average of diluted shares at end of period	**194,316,128**	189,354,218	189,018,078

Notes (continued)

3 Prepayments and accrued income

	30 June 2013 (unaudited) €'000	30 June 2012 (unaudited) €'000	31 December 2012 (audited) €'000
Prepayments	**292**	705	230
Accrued income – CDC accruals*	**-**	14,922	516
Accrued income – other	**1,170**	387	572
	1,462	16,014	1,318

4 Trade and other receivables

	30 June 2013 (unaudited) €'000	30 June 2012 (unaudited) €'000	31 December 2012 (audited) €'000
Trade receivables	**912**	1,063	701
Other receivables	**399**	7,905	483
	1,311	8,968	1,184

5 Cash and cash equivalents

	30 June 2013 (unaudited) €'000	30 June 2012 (unaudited) €'000	31 December 2012 (audited) €'000
Cash on deposit	**5,037**	14,434	10,057
Cash held for restricted use*	**3,264**	1,667	1,030
Cash and cash equivalents	**8,301**	16,101	11,087

* Included within cash and cash equivalents is a debt reserve balance of €812,000 (FY 2012: €1,030,000; HY 2012: €974,000) in relation to the Jerome facility and €Nil (FY 2012: €Nil; HY 2012: €456,000) provided by the lender for sole use in the construction of the Jerome facility.

This balance also includes €2,318,000 (2012: €Nil) held in an Escrow account subject to the completion of the Twin Falls Facility.

6 Loans and borrowings

	30 June 2013 (unaudited) €'000	30 June 2012 (unaudited) €'000	31 December 2012 (audited) €'000
Non-current liabilities			
Secured loans *	**10,737**	10,785	10,797
	10,737	10,785	10,797
Current liabilities			
Unsecured loans	**-**	3,904	4,000
Secured loans *	**481**	6,367	760
Finance Lease liabilities	**-**	-	4
	481	10,271	4,764

* The loans of €481,000 current and €10,737,000 non-current are secured against the assets and operations of the Jerome project.

Notes (continued)

7 Trade and Other Payables

	30 June 2013 (unaudited)	Restated 30 June 2012 (unaudited)	Restated 31 December 2012 (audited)
Trade payables and non CDC accruals	**1,683**	2,486	1,839
Other accruals – CDC accruals	**4,837**	7,849	3,175
Payment on account received	**-**	4,310	2,550
	6,520	14,645	7,564

8 Deferred Income

	30 June 2013 (unaudited) €'000	Restated 30 June 2012 (unaudited) €'000	Restated 31 December 2012 (audited) €'000
Non-current liabilities			
Deferred income - grant	**4,407**	4,868	4,489
	4,407	4,868	4,489
Current liabilities			
Deferred income - grant	**292**	275	288
Deferred income - other	**15**	63	121
	307	338	409

*The 31 December 2012 and 30 June 2012 numbers have been adjusted to reclassify the non-current portion of deferred income into Non-current liabilities.

9 Contingent Liabilities

As disclosed in the 2012 annual report and accounts, a number of fixed price carbon purchase agreements are held in various entities across the Group. With the significant decline in the carbon price over in the 18 month period to 31 December 2012, these fixed price contracts result in a current (as at 30 September 2013) potential un-provided exposure across the Group of €18.5m which had reduced by €2.2m from €20.7m as at 26 June 2013 (the date the 2012 Annual Report and Accounts were signed). This exposure, which is being experienced across the industry, arises where entities are required to purchase carbon credits under fixed price purchase agreements at a price that is higher than the current market price at which those entities can sell the carbon credits.

The potential exposure quoted assumes no revenue from carbon credits sales. Along with other companies in the market the Group has been actively working with counterparties to resolve these contracts at terms that are mutually beneficial to both parties; some discussions are ongoing and uncertainties remain on the terms to be agreed. Since 31 December 2011 the Group has successfully resolved 95 of its 107 fixed price contracts.

These resolved contracts had a potential exposure to the Group of €74.7 million; 12 contracts remain to be agreed. The directors consider they have made adequate provision in these accounts for the costs that are likely to be borne, however at this stage there can be no certainty that further costs may not arise.