Press release **22 September 2011**

Acta S.p.A.

Interim Results for the six months ended 30 June 2011

Acta S.p.A ("Acta" or the "Company"), the clean energy products company, today announces its Interim Results for the six months ended 30 June 2011.

First Half Commercial Highlights

●	Hydrogen product line - Core hydrogen product business developing well - Ahead of expectations in product development - Positive technical evaluations and strong customer feedback
●	Italian solar photovoltaic (PV) market - Completion of the EPC installation contracts signed in 2010 for 4.0 MW - New EPC contract confirmed with SPF Energy S.p.A. for 2.7 MW - Reinstatement and revenue recognition of project authorisation sales previously suspended and retention of previously received cash payments - Delay to future authorisation sales due to new Conto Energia IV cap mechanism

First Half Financial Results

●	Revenues of €5.9 million (1H 2010: €146,000)
●	31% reduction in operating loss to €1.6 million (1H 2010: €2.4 million loss)
●	Operating cash outflow of €0.3 million (1H 2010: €1.1 million outflow)
●	Period end cash of €700,000 (1H 2010: €2.4 million)

Highlights since Period End:

●	Hydrogen product and solar PV – Sharp increase in commercial engagement on hydrogen product range – Clarification of PV pipeline status with publication of revised PV register – Confirmation of €830,000 EU grant (LIFE+2010), of which €248,000 due to be received before year end

Robert Drummond, Chairman, said today:

The year to date has seen significant progress for the Company, particularly in the commercialisation of its core hydrogen product range, where our products are gaining significant interest among the largest players of the fuel cell sector. We are establishing key partnership relationships in order to address the most viable fuel cell applications through the most effective commercial channels.

Recent progress in this area has been particularly encouraging, with several of the world's largest fuel cell developers and system integrators now engaged with us under Non Disclosure Agreements and are conducting technical evaluation programmes on our hydrogen generator products for integration into their product applications.

The publication of the revised Register for PV authorisations by the GSE has brought a degree of resolution to the uncertainties which have impacted upon the monetisation of our PV sector activities. Whilst we have made good progress in the delivery of our prior and new EPC contracts, the effect of the new Register and Cap mechanisms will be to delay and reduce our future income from the sale of PV project consents compared to our previous expectations. This development has weakened the strategic fit of the PV sector within our business, and the Board has therefore determined not to enter into further commitments in the PV area in order to concentrate the Company's resources fully upon our hydrogen product activities which are demonstrating significant traction in the marketplace.

For further information please contact:

Acta S.p.A:
Paul Barritt, Chief Financial Officer — Tel: +39 050 644281
www.actagroup.it
www.actaenergy.it

Altium:
Adrian Reed / Phil Frame — Tel: +44 845 505 4343

Media enquiries:
Abchurch Communications Limited
Julian Bosdet / Mark Dixon / Jamie Hooper — Tel: +44 (0) 20 7398 7719
jamie.hooper@abchurch-group.com
www.abchurch-group.com

Chairman's Statement

Introduction

I am pleased to report the interim results for the period ended 30 June 2011. It has been a challenging period with changes in the regulatory framework for the Italian PV market creating uncertainty over the Company's PV activities. I am nevertheless pleased to report that during the same period our hydrogen products business has progressed well and ahead of schedule. I am also pleased that Acta is now seeing a greater degree of clarity in the Italian PV market and has resolved the previous issues over PV authorization sales made during late 2010, which have now been recognised in the revenues of the period.

For the six months ended 30 June 2011, the Company generated turnover of €5.9 million (H1 2010: €146,000) and reduced operating losses by 31% to €1.6 million (H1 2010: €2.4 million). Operating cash outflow was €0.3 million for the period (H1 2010: €1.1 million outflow), and as at 30 June 2011, cash balances stood at €700,000. In the light of the reduction in Company activity in the PV sector we continue to manage the Company's cost base and financing prudently, and as at 15 September 2011, cash balances were €660,000. Over the coming months we expect to see cash inflow from the payment of receivables in relation to completed and completing PV EPC projects and have outstanding grant monies of approximately €1.3 million of which we expect to receive €0.5 million before the year end. In the meantime, we are actively exploring additional sources of expansion finance through our current banking relationships to support the growth of the product sales and the expansion of the Company's production facilities.

Product Review

As previously reported, the Company's core hydrogen product business continues to develop well. The water electrolyser and stack components are highly complementary to the utilisation of fuel cells for back-up power and industrial back-to-base applications such as forklift trucks, which are currently the two stand-out applications where fuel cells can compete on a cost and performance basis with battery alternatives. The Company's commercial engagement with leading suppliers to these markets has given a firm understanding of the size, growth rate and commercial dynamics of these markets, and the Company is pursuing a number of partnerships with leading players to integrate its products into these applications.

Water electrolyser

During the period, the Company has made good progress in exploring a number of new markets for its water electrolyser product range. The Company has made extensive commercial contacts in the US, Canada, UK, Japan, Taiwan, China, Australia and other markets in order to verify the scale of the commercial opportunities for fuel cells and related technologies. These trips have enabled Acta to establish partnership opportunities and also to assess the competitive landscape in the two key markets for this technology.

For both backup power and back-to-base applications, local partners have expressed strong interest in Acta's electrolyser as a recharging system, either onboard or as a separate refueling station. The low cost and high convenience of Acta's solution, compared to existing PEM electrolysers or the use of hydrogen cylinders, allows a more compelling alternative to existing battery technologies. In addition, the Board sees potential for the product in applications where long term backup power is required but where access to the location, e.g. to replace batteries or refill the hydrogen supply, is impractical.

In Asia, the Company identified a number of market leading companies who expressed an interest in integrating Acta's electrolyser into their mid-sized backup power applications, typically for the telecoms sector; for small-scale educational devices, and as a refueling station for fuel cell scooters. The Board is pleased to say that Acta is already shipping individual units to commercial partners for evaluation and prototyping in both the US and Asia. The Board anticipates that it will take approximately six months to finalise product evaluation and integration with these partners and a further six months to achieve commercial sales volumes. Acta looks forward to updating the market in the future as to progress made.

Diesel Enrichment

As indicated in the trading update released by the Company on 27 July 2011, further testing is being undertaken on Acta's diesel enrichment application. The Company is pleased with the progress that has been made on improving the results of the application, including laboratory and on-road testing, and the Company expects to be ready to undertake further independent automotive bench testing shortly.

Grant-Funded Projects

The Company is pleased to report that it has received funding confirmation under the LIFE+2010 grant-funded project, in which Acta, the leading beneficiary, is due to receive €830,000 in grant funding, including €248,000 by the end of 2011 out of the total project value of €4.0 million. Under this project, Acta and its partners will be developing a demonstration plant for the integrated production of hydrogen and magnesium (a hydrogen storage medium) from seawater via renewable energy.

The Group is currently owed €1.1 million in grant contributions and financing for project activities already completed, and has a further portfolio of €2.3 million in approved grant funding to be received over the coming three years against delivery of project stages.

Photovoltaic Review

Through its subsidiary ActaSol and joint venture company, SolGen, Acta has substantially completed the delivery of the EPC installation contracts signed with SPF Energy S.p.A. and with Tesla S.r.l. during 2010. Since the period end SolGen has installed and connected the three additional PV projects sold to SPF Energy in December 2010 and reconfirmed in May 2011. These latter projects included the sale of three project authorizations, for a total of 2.7 MW, developed by Acta during 2010.

In addition the Board is pleased to confirm that the sale of 9.5 MW in project authorizations to an investment company in Rome, against which a corresponding liability had been recorded in the 2010 accounts, has now been recognised in the revenues of the period at a value of €2.4 million along with the cash previously received.

The publication of the revised Register by the GSE has allowed a greater clarity of outlook for the remainder of the Company’s project consent portfolio. 10 of the Company’s projects, totaling 9.4 MW, have been included in the publication of the “Register C List”, indicating that they have been correctly entered into the Register but are outside the Cap for 2011. The Board believes that some or all of the projects will be included within the Cap for the first or second semester of 2012 and will update the market in due course.

Business Outlook

The recent financial strategy of the Company has been to support the development of the core product business through the sale of PV project consents. The Board is extremely pleased that within the Company's core products business, the hydrogen generator product line (water electrolyser) is developing ahead of expectations with positive test results and strong customer feedback. However, as previously reported, legislative changes in the PV sector have adversely affected the Company in this part of its business and the resulting shortfall in Acta's cash flow has impacted the funding of its product development and commercialisation programme.

As such, the Board is constantly reviewing its working capital and funding requirements and has been exploring additional sources of expansion finance through its current banking relationships to support the growth of the product sales and the expansion of the Company's production facilities. The Board has introduced a cost containment programme to safeguard the Company's cash position and to focus its resources on the development of the core product business. The Board believes that the commercial prospects for the Company remain excellent and expects the Company's product activities to reach breakeven and move into profitability during 2012 as commercial sales volumes are achieved on Acta's core hydrogen product range. The Board looks forward to updating the market on its commercial progress in due course.

Condensed consolidated statement of comprehensive income

	Notes	Six months ended 30 June 2011	Six months ended 30 June 2010	Year ended 31 December 2010
		€'000	€'000	€'000
Revenue		5,895	146	7,906
Raw materials and consumables used		(301)	(312)	(4,481)
Personnel expense		(1,389)	(1,411)	(2,536)
Depreciation and amortisation expense		(853)	(162)	(330)
Other operating expenses		(4,998)	(615)	(4,395)
Loss from operations		**(1,647)**	**(2,354)**	**(3,835)**
Financial income		18	1	11
Financial expenses		(34)	(44)	(88)
Loss before tax		**(1,662)**	**(2,397)**	**(3,913)**
Current tax credits		0	0	(15)
Loss for the period		**(1,662)**	**(2,397)**	**(3,928)**
Attributable to:				
Equity holders of the parent		(1,672)	(2,390)	(3,925)
Minority interest		10	(8)	(2)
		(1,662)	**(2,397)**	**(3,928)**
Basic earnings per share (euro cents)	**3**	(3.68)	(5.83)	(9.28)
Diluted earnings per share (euro cents)	**3**	(3.68)	(5.83)	(9.28)

Condensed consolidated statement of financial position

	30 June 2011	30 June 2010	31 December 2010
ASSETS	€'000	€'000	€'000
Non-current assets			
Property, plant and equipment	1,475	1,625	1,496
Goodwill	0	11	0
Intangible assets	1,261	270	1,169
Fixed asset investment	238	0	10
Total non-current assets	**2,974**	**1,905**	**2,675**
Current assets			
Inventories	102	278	201
Trade and other receivables	6,169	1,641	1,230
Work in progress on contracts	2,099	0	4,146
Cash and cash equivalents	700	2,396	4,442
Total current assets	**9,070**	**4,314**	**10,019**
Assets classified as held for sale	**61**	0	**136**
Total Assets classified as held for sale	**61**	0	**136**
Total assets	**12,105**	**6,219**	**12,831**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	284	247	284
Capital reserve	29,534	25,997	29,289
Retained losses	(28,565)	(25,357)	(26,893)
	1,254	887	2,681
Non controlling interests	(2)	(26)	(21)
Total equity	**1,251**	**861**	**2,659**
Non-current liabilities			
Employee benefits - non current	211	138	156
Long-term provisions	1,186	966	800
Long-term borrowings	1,219	1,297	1,196
Total non-current liabilities	**2,616**	**2,402**	**2,152**
Current liabilities			
Other financial liabilities	0	57	2,420
Short-term borrowings	197	202	197
Advance payments on contracts	2,428	0	3,834
Trade and other payables	5,613	2,697	1,569
Total current liabilities	**8,237**	**2,956**	**8,020**
Total liabilities	**10,853**	**5,358**	**10,172**
Total equity and liabilities	**12,105**	**6,219**	**12,831**

Condensed consolidated statement of cash flows

	Six months ended 30 June 2011	Six months ended 30 June 2010	Year ended 31 December 2010
Cash flows from operating activities	€'000	€'000	€'000
Loss for the year	(1,662)	(2,397)	(3,927)
Adjustments for:			
Amortisation of tangible assets	145	145	293
Amortisation and depreciation of intangible assets	708	17	36
Allowance for future risks	203	62	253
Expense recognised in profit or loss in respect of share based payments	245	121	303
Foreign currency translation reserve	0	(5)	0
Net finance income	16	43	77
Payments for assets classified as held for sale	0	0	(136)
(Increase) decrease in trade and other receivables	(2,891)	(353)	(4,099)
(Increase) decrease in inventories	99	(137)	(61)
Increase (decrease) in trade and other payables	2,820	1,448	4,165
Increase (decrease) in provisions and employees' benefits (TFR)	55	4	(35)
Cash outflow from operations	**(261)**	**(1,054)**	**(3,130)**
Interest paid	(34)	(44)	(88)
Net cash from operating activities	**(295)**	**(1,098)**	**(3,218)**
Cash flows from investing activites			
Interest received	18	1	11
Payments for property, plant and equipment	(124)	(63)	(83)
Acquisition of other investments	(227)	0	1
Payments for intangible assets	(725)	(60)	(978)
Finance leases	0	32	32
Net cash used in investing activities	**(1,058)**	**(90)**	**(1,018)**
Cash flows from financing activities			
Proceeds from issue of share capital	0	28	3,045
Proceeds from minority interest	9	0	0
Payment for share issue costs	0	0	(233)
Proceeds from borrowings	23	(2)	2,420
Repayment of borrowings	(2,420)	0	0
Payment of finance lease liabilities	0	(23)	(132)
Net cash inflow from financing activities	**(2,388)**	**4**	**5,101**

Net increase in cash and cash equivalents	(3,742)	(1,183)	864
Cash and cash equivalents at the beginning of the financial year	4,442	3,579	3,579
Cash and cash equivalents at the end of the financial year	**700**	**2,396**	**4,442**

Notes to the interim financial statements
for the six months ended 30 June 2011

1. Basis of preparation

The financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards and in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting.

2. Principal accounting policies

The financial statements have been prepared under the historical cost convention. The same accounting policies, presentation and methods of computation are followed in these financial statements as were applied in the preparation of the Group's financial statements for the year ended 31 December 2010.

3. Loss per share

The calculation is based on information in the table shown below:

	Six months ended 30 June 2011	Six months ended 30 June 2010	Year ended 31 December 2010
	(unaudited)	(unaudited)	(audited)
	€'000	€'000	€'000
Loss	(1,662)	(2,397)	(3.928)
Weighted average number of shares	45,451,632	41,002,812	42,285,960

In accordance with IAS 33.41, the potential ordinary shares have not been treated as dilutive because their conversion to ordinary shares would decrease loss per share for the period.

4. Statement of changes in equity

	Share capital	Capital Reserve	Retained earnings	Minority Interest	Total
	€'000	€'000	€'000	€'000	€'000
Balance at 1 January 2010	**246**	**25,854**	**(22,967)**	**(19)**	**3,114**
Issue of share capital net of expenses	1	27	0	0	28
Foreign currency transalation reserve	0	(5)	0	0	(5)
Share based payment	0	121	0	0	121
Loss for the period	0	0	(2,390)	(8)	(2,397)
Balance at 30 June 2010	**247**	**25,997**	**(25,357)**	**(26)**	**861**
Balance at 1 January 2011	**284**	**29,289**	**(26,893)**	**(21)**	**2,659**
Foreign currency transalation reserve	0	0	0	0	0
Minority interest contribution	0	0	0	9	9
Share based payment	0	245	0	0	245

Loss for the period	0	0	(1,672)	10	(1,662)
Balance at 30 June 2011	**284**	**29,534**	**(28,565)**	**(2)**	**1,251**

5. Board

The financial information for the period 1 January 2011 to 30 June 2011 is unaudited although it has been reviewed by the Company's audit committee. In the opinion of the Directors the financial information for this period presents fairly the position, results of operations and cash flows for the period. The interim report for the six months ended 30 June 2011 was approved by the Directors on 22 September 2011.