Press release **30 September 2013**

Acta S.p.A.

Interim Results for the six months ended 30 June 2013

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 2013.

First Half Commercial Highlights

●	**Sales and Marketing** - Launch of the Acta Power: a hydrogen battery with autonomous refuelling - Rapid increase in product sales, shipment numbers and average selling price - Sales partner appointed for SE Asia telecoms market - Distributor appointed for Indian industrial gas and telecom back-up power market - First commercial sales of large system achieved in India, Indonesia, Africa and Taiwan - First Acta Power trials for telecom back-up power application in Australia and Africa
●	**Operational and Product Development** - Development of the Acta Power based on Future-E fuel cell with Ballard stack - Four-fold expansion of production area - Standardisation of product range on modular components - Implementation of web interface for full remote system management and assistance - Recruitment of 14 new staff in commercial, production, engineering and installation

First Half Financial Results

●	Product sales of €231,000 (1H 2012: €43,000; Full year 2012: €151,000)
●	Total revenues of €238,000 (1H 2012: €101,000 excluding photovoltaic EPC services; €276,000 including photovoltaic EPC services)
●	Operating loss of €1.9 million (1H 2012: €1.5 million loss), reported as operating profit of €0.5 million after reversal of share option expenses of €2.4 million
●	Fundraising of £2.4 million before expenses completed in January 2013
●	Operating cash outflow of €0.8 million (1H 2012: €1.4 million outflow)
●	Period end cash of €1.1 million (1H 2012: €1.1 million)

Highlights since Period End:

●	**Business Development** - Two additional trials for telecom back-up power in the Philippines - Renewable energy storage trial in UK (20kW wind turbine) - Appointment of Shanghai Sunwise Energy Systems as distributor for China (back-up power, industrial gas and automotive) - First repeat order for an Acta Power for operational evaluation in Africa

Robert Drummond, Chairman, said today:

"The first half of 2013 has been a landmark period in the development of Acta's commercial activities.

Since we launched the Acta Power onsite hydrogen generation system at Hannover Messe in April 2013 the commercial response has been immediate and highly encouraging. We have already sold and shipped our first Acta Power units for installation into operational live site trials with various major mobile phone operators in Asia and Africa.

These results show an increases in both volume and average unit price contributing to a strong improvement in revenues from system sales, resulting in a growth in product revenues of over 100% in each of the last two six-month periods.

Furthermore 48% of our system customers since 2011 have placed a repeat order, while 24% of customers have placed multiple orders of five units or more.

This has given us much encouragement that our product is meeting the price and performance requirements of the market, and that we will see increasing adoption of our Acta Power system in back-up power and renewable energy storage applications."

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Chairman's Statement

Introduction

The first half of 2013 has been a landmark period in the development of the commercial activities of the Company.

Following our analysis of the market potential for onsite hydrogen generation systems, the current development of fuel cell demand, and the time to market for developing an integrated fuel cell and electrolyser system together with our partners, we made the strategic decision in early 2013 to bring our own integrated hydrogen energy storage system to market.

This we achieved with the launch of the Acta Power at Hannover Messe in April 2013. The Acta Power is a back-up power and renewable energy storage system. It has been designed with the needs of the telecommunications sector in mind and provides an advanced technical solution to the problem of supplying back-up power to telecom base stations located in bad grid or off-grid sites.

The commercial response to this product, leveraging on the market traction that our innovative electrolysers had already established, has been immediate and highly encouraging. Following the launch we quickly sold and shipped our first Acta Power units with continuing interest and further sales. Acta Power units are now installed, or due to be installed, into operational live site trials with various major mobile phone operators in Asia and Africa. Without exception, the initial feedback from the evaluations in progress has been positive.

Our commercial metrics continue to improve, with increases in both volume and average unit price contributing to a strong improvement in revenues from system sales. The number of products sold per half-year over the last eighteen months has increased from 22 (1H 2012) to 32 (2H 2012) to 43

(1H 2013); while the average selling price per item has increased from €2,000 (1H 2012) to €3,600 (2H 2012) to €5,500 (1H 2013). These two trends have contributed to a rapid growth in product revenues.

We are also seeing increasing levels of repeat orders, with customers coming back for more and/or larger systems. Since the beginning of 2011, 48% of our system customers have placed a repeat order, while 24% of customers have placed multiple orders of five units or more.

For the six months ended 30 June 2013, the Company generated turnover of €231,000 relating to product sales in the period. This should be compared to product sales of €43,000 during the first half of 2012, and €108,000 during the second half of 2012, and represents a growth rate of over 100% in product revenues for each of the last two six-month periods.

Total revenues for the period were €238,000 (1H 2012: €276,000 including R&D services and other revenues of €58,000 and photovoltaic EPC revenues of €175,000, now discontinued).

An operating loss of €1,851,000 was registered for the period (1H 2012: €1,488,000 operating loss), which becomes an operating profit of €547,000 following the reversal of share option costs for €2,398,000. These costs relate to the 2005 to 2008 Share Option Plans which were previously expensed and, having now expired and been cancelled at the 2013 AGM, have been reversed in accordance with IFRS treatment. The increase in operating loss is due to higher operating costs in the period (commercial and production staff and facilities) as we equip the Company for growth.

Operating cash outflow fell to €805,000 for the period (1H 2012: €1,384,000 outflow) and benefited from a favourable movement in working capital following the disposal of photovoltaic activities during the period. Cash and equivalents at the period end were €1,070,000 (1H 2012: €1,098,000) following investing activities of €634,000 and net cash inflow from financing activities of €2,331,000.

In addition to the period end cash balances, the Company is expecting to receive a further €694,000 from grant project funding during the fourth quarter of the year, and an additional €1.1 million of grant project funding during 2014-2015. This is on top of the €326,000 already received during 2013. This financing, plus the operational cash flow generated from the gross margin contributions on product sales and bank financing, will be used to fund the expected sales growth going forwards. Due to the expected acceleration of future sales growth the Board continues to monitor the working capital position carefully to assess the future funding requirements of the Company.

Commercial Review

Acta Power: the "Hydrogen Battery"

The Acta Power is an energy storage system that integrates Acta's unique electrolyser technology with a fuel cell system, coupled with an advanced remote monitoring, management and servicing interface. The system has been designed to meet the needs of the large and rapidly growing market for back-up power systems for telecom base stations in remote, bad-grid and off-grid locations in Asia, Africa and elsewhere.

By generating its own hydrogen on site, the system avoids the cost and logistics barriers of delivering bottled hydrogen to the site. At €30,000 - €40,000 for a 4kW fuel cell power, $1m^3/h$ hydrogen generating capacity system suitable for base station applications, the capital cost is approximately half the current selling price of comparable systems using a fuel cell and standard PEM electrolyser. The low maintenance and service costs make the system cost-competitive with battery or diesel systems over a two-three year period, since the replacement cycle of batteries and the frequent maintenance and refuelling requirements of gensets can be avoided. In addition the system offers a significantly lower theft risk than these traditional solutions, which is an important cost and service factor in remote locations, where security guards patrols are sometimes required to prevent theft.

In June 2013, Acta shipped its first two Acta Power units for live site installation with two major telecommunications operators in Australia and Africa, and post-period end Acta has negotiated two additional trials with major telecommunications companies in the Philippines, the first of which have been shipped with the second due to ship in October. The duration of the evaluation period is three months in each case, although time must also be allowed for system shipment, initial installation and local engineer training, site preparation and live site installation.

Further trials of the system are under negotiation in Indonesia, Malaysia and elsewhere, and further opportunities are expected to arise through the Company's distribution partnerships with the specialised engineering and support companies MVS in India and Sunwise in China. The take-up rate of further trials is also expected to accelerate once the success of the initial live site trials has been demonstrated.

Management believes that the Acta Power product addresses a very substantial market opportunity. More than 50,000 telecom base stations per annum are currently being installed in China, India, Indonesia and SE Asia, and a growing proportion of these are in off-grid locations where the Acta Power can offer significant cost savings and performance benefits.

Due to the size of the base station networks managed by leading mobile phone operators, a full evaluation of a base station system will typically be specified in the range of tens to hundreds of units, with a six to eighteen month installation and trial period. Acta's sales opportunities for the Acta Power system, arising from the telecom trials currently in progress, are estimated in the range of 100 to 250 units over the next 12 to 18 months.

Electrolyser Systems

The Company's renewable energy-powered electrolysers also address the market for domestic renewable energy storage systems, and in July 2013 Acta announced the first sale of one of its electrolysers for a 20kW wind turbine application, based on a farm in Cheshire, UK. In this application, surplus renewable energy that cannot be fed into the grid or consumed immediately on site will be converted to hydrogen and stored for later use to power a domestic boiler.

Orders and shipments of the Company's larger electrolysers (500L/h and 1,000L/h) have increased during the first half of the year, including shipment of systems to the Company's partners MVS, an industrial gas system manufacturer based in India, and to APFCT, a fuel cell scooter producer in Taiwan, and to M-Field, a well-respected fuel cell producer and system integrator in Taiwan.

MVS is launching its new business division at the end of September 2013 to address industrial and telecom back-up power systems in India based on Acta's 1000L/h electrolyser. APFCT has been undertaking a beta-test of an 80-scooter fleet and hydrogen refuelling system in South Taiwan sponsored by the Taiwanese Government. Two electrolysers shipped to APFCT at the end of June are due to be demonstrated in the next few weeks to a panel of government officials. This project is now moving towards its next stage of implementation, which is intended to involve a 3,000-scooter trial. Acta's other Taiwanese partner, fuel cell back-up power producer M-Field, has been increasing its order levels to support additional trials in the telecoms sector, and is now investing in CSA product certification to address this market.

The sales opportunities for the Company's mid to large electrolysers, based upon the indications of its partners and their customers, are estimated in the range of 100 to 300 systems over the next two years.

Finally, the Company has continued to improve the performance of its electrolyser systems including the redesign of the product range on a simplified modular structure to increase productivity, reduce system cost and assembly time, and to facilitate the outsourcing of component production. Significant product enhancements have been made to the smaller systems designed for the educational and laboratory markets and sales of these units continue to grow.

Grant-Funded Projects and Research Services

The Company received EU grant funding of €182,000 in June 2013 relating to the new Alkammonia grant project, and other grant receipts of €144,000 during the period and post-period end. €694,000 is due to be received during the fourth quarter of 2013 in relation to the FIT grant project, and a further €1.1 million in grant funds during 2014 to 2015.

No third-party research activities were undertaken during the period as the final stage of the Company's research contract funded by the US Department of Defense concluded at the end of 2012.

Long Term Provisions

On 24 April 2013 the Company completed of the sale of its 50% joint venture SolGen Scarl to its former joint venture partner, Fedi Impianti. This has allowed the risk provisions accrued at 31 December 2012 relating to the completion of this transaction to be extinguished. At the end of the June 2013 the Florence Court of Appeal rejected the Company's appeal against the arbitration judgement issued in 2010 relating to the contractual relations between Acta and its 90% subsidiary Idea Lab for the use of a patent previously licensed to Acta by Idea Lab. Following legal advice the Board has decided to appeal the decision to the High Court, a process which is expected to take a number of years. An increase in provisions has been recognised in relation to this case to provide fully for potential future liabilities. The net effect of these two movements has been a reduction in long term provisions of €261,000 during the period.

Operational Progress

The Company has made a number of important additions to its team in the year to date, with the recruitment of 11 staff during the first half and a further three post-period end. These have included the appointment of a sales manager for SE Asia specialised in the telecoms sector, and the recruitment of key staff in the areas of engineering, production and installation. An internal customer service team including installation, training and service engineers is being assembled and the Company has begun the build-out of a qualified local service network to support customer field trials and system installations.

As previously noted, the Company has expanded its production facilities through new $600m^2$ rented premises adjacent to the current headquarters. The new premises have provided a four-fold increase in the Company's production area, with an option to expand into an additional $600m^2$. While not yet fully operational the expansion has allowed the Company to rationalise its assembly and logistics operations providing a significant interim improvement in capacity. When fully operational the Company expects the new premises to provide adequate production capacity for its revenue expectations throughout 2014 and 2015.

Business Outlook

We expect to see a substantial increase in the level of activity in field evaluations in the telecommunications and energy storage markets with the current phase moving through to larger, second stage evaluations and new systems being installed in existing and new territories. The early stage roll-out of these product evaluations, while representing a relatively small financial commitment on the part of the customer, has the potential to provide significant revenue growth to Acta during the second half of 2013 and into 2014.

We have made significant advances in our product engineering and the streamlining of production to allow us to face the next phase of our growth with confidence. We believe that the standardisation of components and the outsourcing of sub-component assembly, while increasing internal production resources including staffing and stock levels, will be key to our success over the next 18 months.

While fuel cells have now demonstrated their effectiveness and commercial maturity in stationary applications such as back-up power, the cost and logistics of hydrogen delivery have continued to limit market adoption. There is a growing consensus in the industry that onsite hydrogen generation is the answer to this problem and the Board believes that the significant commercial interest shown in the Acta Power system demonstrates that we have developed the right solution to meet the needs of this market and we look forward to the future growth of the Company with optimism.

Condensed consolidated statement of comprehensive income

	Notes	Six months ended 30 June 2013 €'000	Six months ended 30 June 2012 €'000	Year ended 31 December 2012 €'000
Revenue		238	276	436
Raw materials and consumables used		(58)	(31)	(140)
Personnel expense		*(908)*	*(916)*	*(1,678)*
Share Option Costs reverse previous years		*2,398*	*0*	*0*
Total personnel expense		1,490	(916)	(1,678)
Depreciation and amortisation expense		(157)	(185)	(424)
Other operating expenses		(966)	(632)	(1,268)
Result from operations		**547**	**(1,488)**	**(3,074)**
Financial income		8	12	25
Financial expenses		(39)	(41)	(82)
Result before tax		**516**	**(1,517)**	**(3,131)**
Current tax credits		0	1	(3)
Result for the period from continuing operations		**516**	**(1,516)**	**(3,134)**
Discontinued operations: result for the period		0	(3)	0
Result for the period		**516**	**(1,519)**	**(3,134)**
Attributable to:				
Equity holders of the parent		520	(1,526)	(3,134)
Minority interest		(4)	6	(0)
		516	**(1,519)**	**(3,134)**
Basic earnings per share (euro cents)	**3**	0.37	(1.96)	(3.51)
From continuing activities		0.37	(1.96)	(3.51)
From discontinued activities		0.00	0.00	0.00
		0.37	(1.96)	(3,51)
Diluted earnings per share	**3**	0.37	(1.96)	(3.51)
From continuing activities		0.37	(1.96)	(3.51)
From discontinued activities		0.00	0.00	0.00
		0.37	(1.96)	(3.51)

Condensed consolidated statement of financial position

	30 June 2013	30 June 2012	31 December 2012
ASSETS	€'000	€'000	€'000
Non-current assets			
Property, plant and equipment	1,019	1,202	1,076
Intangible assets	1,625	974	1,082
Fixed asset investment	6	5	6
Total non-current assets	**2,650**	**2,181**	**2,164**
Current assets			
Inventories	416	61	127
Trade and other receivables	1,683	2,125	2,824
Work in progress on contracts	0	350	0
Cash and cash equivalents	1,070	1,098	178
Total current assets	**3,169**	**3,634**	**3,129**
Assets classified as held for sale	0	2,992	0
Total Assets classified as held for sale	**0**	**2,992**	**0**
Total assets	**5,819**	**8,807**	**5,293**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	843	589	842
Capital reserve	31,204	31,517	33,602
Retained losses	(31,739)	(30,647)	(32,255)
	308	1,459	2,189
Shareholders receivables - share capital	0	0	(253)
Shareholders receivables - net capital reserve	0	0	(2,142)
Non controlling interests	5	2	(4)
Total equity	**313**	**1,461**	**(210)**
Non-current liabilities			
Employee benefits - non current	237	186	216
Long-term provisions	1,047	443	1,308
Long-term borrowings	1,146	1,258	1,230
Total non-current liabilities	**2,430**	**1,887**	**2,754**
Current liabilities			
Short-term borrowings	153	196	143
Trade and other payables	2,923	2,260	2,606
Total current liabilities	**3,076**	**2,456**	**2,749**
Liabilities of disposal group classified as held-for-sale	**0**	**3,003**	**0**
Total liabilities	**5,506**	**7,346**	**5,503**
Total equity and liabilities	**5,819**	**8,807**	**5,293**

Condensed consolidated statement of cash flows

	Six Month ended 30 June 2013	Six Month ended 30 June 2012	Year ended 31 December 2012
Cash flows from operating activities	€'000	€'000	€'000
Result for the year	516	(1,519)	(3,134)
Adjustments for:			
Amortisation of tangible assets	101	131	255
Amortisation and depreciation of intangible assets	55	54	109
Impairment of intangible assets	0	0	60
Allowance for future risks	(261)	17	883
Gain on sale of intangible assets	0	0	1
Share option Costs reverse previous years	(2,398)	0	0
Expense recognised in profit or loss in respect of share based payments	0	100	129
Net finance income	31	29	58
(Increase) decrease in trade and other receivables	1,141	(166)	(515)
(Increase) decrease in inventories	(289)	20	(46)
Increase (decrease) in trade and other payables	317	(21)	325
Increase (decrease) in provisions and employees' benefits (TFR)	21	11	41
Cash flows from operating activities (discontinued activities)	0	1	(56)
Cash outflow from operations	**(766)**	**(1,343)**	**(1,890)**
Interest paid	(39)	(41)	(82)
Net cash from operating activities	**(805)**	**(1,384)**	**(1,972)**
Cash flows from investing activities			
Interest received	8	12	25
Payments for property, plant and equipment	(115)	0	(3)
Proceeds from sale of property, plant and equipment	73	1	5
Acquisition of other investments	0	0	(1)
Payments for intangible assets	(600)	(309)	(486)
Disposal of discontinued activities	0	0	(126)
Net cash used in investing activities	**(634)**	**(296)**	**(586)**
Cash flows from financing activities			
Proceeds from issue of share capital (gross value)	0	2,407	5,038
Shareholders receivables - capital increase	0	0	(2,395)
Paid capital increase	2,395	0	0
Proceeds from minority interest	10	1	0
Payment for share issue costs	0	(225)	(421)
Proceeds from borrowings	(51)	71	23

Repayment of borrowings	(2)	0	(12)
Payment of finance lease liabilities	(21)	(21)	(42)
Net cash inflow from financing activities	**2,331**	**2,233**	**2,191**
Net increase in cash and cash equivalents	**892**	**553**	**(367)**
Cash and cash equivalents at the beginning of the financial year	178	545	545
Cash and cash equivalents at the end of the financial year	**1,070**	**1,098**	**178**

Notes to the interim financial statements
for the six months ended 30 June 2013

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 2012.

3. Result per share

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

	Six months ended 30 June 2013 (unaudited) €'000	Six months ended 30 June 2012 (unaudited) €'000	Year ended 31 December 2012 (audited) €'000
Result	516	(1,519)	(3,134)
Weighted average number of shares	140,431,939	77,549,510	89,209,777

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 €'000	Reserve Capital €'000	Retained Earnings €'000	Minority Interest €'000	IFRS Adj Shareholders receivables €'000	Total €'000
Balance at 1 January 2012	**284**	**29,540**	**(29,121)**	**(4)**	**0**	**699**
Issue of share capital net of expenses	305	1,877	0	0	0	2,182
Share based payment	0	100	0	0	0	100
Result for the period	0	0	(1,526)	6	0	(1,519)
Balance at 30 June 2012	**589**	**31,517**	**(30,647)**	**2**	**0**	**1,461**
Balance at 1 January 2013	**842**	**33,602**	**(32,255)**	**(4)**	**(2,395)**	**(210)**
Paid capital increase	0	0	0	0	2,395	2,395
Result for the period	0	0	516	4	0	520
Share Option Costs reverse previous years	0	(2,398)	0	0	0	(2,398)
Share Capital and Minority Interest	1	0	0	5	0	6
Balance at 30 June 2013	**843**	**31,204**	**(31,739)**	**5**	**0**	**313**

5. Board

The financial information for the period 1 January 2013 to 30 June 2013 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 2013 was approved by the Directors on 27 September 2013.