

E • STAR

Alternative Energy. Delivered.

E-STAR ALTERNATIVE PLC. EXTRAORDINARY ANNOUNCEMENT

Pursuant to the Capital Market Act and
to Decree no. 24/2008 (VIII.15) of the Ministry of Finance of Hungary

E-STAR FLASH REPORT – DECEMBER 2012

E-Star Alternative Plc. informs its reputable investors that the Company is publishing Monthly Flash Reports by the 10th of each consecutive month. These Flash Reports contain the main figures of non-audited monthly financial results and a brief description of significant business processes. Hereby we are presenting the figures of December 2012.

The Company informs its reputable investors that it is going to publish its economic and financial according to Capital Market Act, and do not publish Flash Reports in the future.

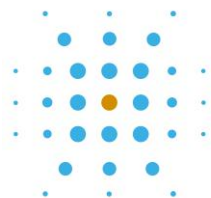
The Flash Report is not audited and final and it is presenting figures before the final accounting and closing entries are made. The Company would like to draw the attention to the fact that its calculations did not contain any depreciation or provision. Hence the final results could be lower than the currently published ones.

The results for December 2012 are as follows:

December (Thousand EUR)	Company HQ	Hungary	Romania	Poland	Total
Sales	0	421	365	3 785	4 571
Gross Margin	0	195	216	1 235	1 646
EBITDA	-124	184	165	565	791

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Significant effects on monthly P/L figures by operational countries and most important projects:

Hungary:

On application by E-STAR Alternatív Nyrt. "cs.a.", the Metropolitan Court ordered in its order No. 9.Cspk.01-12-000049/7 to publish the institution of bankruptcy proceedings relating to E-STAR Alternatív Nyrt. "cs.a." in the Company Gazette. Pursuant to this order, the first day of the bankruptcy proceedings shall be the date when the relevant order was published in the Company Gazette, i.e. 13 December 2012.

During October, major changes have been occurred in the Company's Hungarian operation. As detailed in the previous Flash Report, the Company terminated its projects with Fejér and Veszprém County, with the Municipality of Sárospatak and the RESZ-project (providing services in the industrial park of Győr) with mutual agreement.

This means that the Company's operational portfolio is significantly cleaned down: it is consisted by heat service and public lighting agreements towards municipalities and state-owned institutions. The Company no longer provides district heating services and energy/utility services towards industrial clients.

The figures of November clearly represent the data of the remaining portfolio, with a minor exception: the Company permanently serves as a sub-contractor, helping the operation of its former projects in Fejér and Veszprém Counties.

Poland:

In Poland the Company's profitability is highly dependent on the average daily temperature due to the nature of the Company's operation which consists of heat and electricity production, electricity distribution and trading. The effects of the generally cold weather in December are visible on profit figures. Although the monthly results of November was a bit weaker than the previous expectations, the year to date figures have overperformed the budget plans.

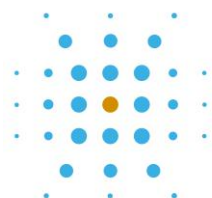
Romania:

In line with the previously published plans, the Company has shut down its operation at Zalau and Targu Mures locations in order to avoid losses. Hence the figures of December contain exclusively the data of the Gheorgheni district heating project. In line with the expectations indicated in the previous Flash Report, the project has generated profit in EBITDA-level during the cold weather.

- The Company had no investment revenue in November 2012.
- Cash at hand at end of period (31th of December 2012): 2.5 M EUR

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January-December 2012:

January-December (YTD) (Thousand EUR)	Company HQ	Hungary	Romania	Poland	Total
Sales	0	26 822	4 939	36 230	67 991
Gross Margin	0	8 152	1 451	10 470	20 074
EBITDA	-2 735	6 559	-160	4 149	7 812

(The figures are cumulated data of monthly results - they do not match accordingly as the sum of the data of each month due the different exchange rates. Figures could contain ex post revisions, modifications.)

10th of January 2013, Budapest

Csaba Soós
CEO & Chairman of the Board
E-Star Alternative Plc.

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