Shareholder Report
First Quarter-2015

Dear Shareholder,

New Alternatives Fund entered 2015 with a strong first quarter. As of March 31, 2015, the net asset value (NAV) of the Fund's A Shares was $53.04 and the NAV of the new Investor Shares was $53.00. The Fund's total net assets stood at $199,896,690. The NAV per share and total net assets at the start of the year were $46.87 and $175,942,353, respectively.

A positive sign in the new year is the increased purchases of Fund shares. In the period ending March 31, 2015, the Fund saw a net gain of 11,501 Class A Shares. The new Investor Shares are off to a slower start. During the quarter 7,138 of these new shares were sold, to give the Fund a net gain of 18,639 shares for the year to date. The Fund's advisor does not have a large advertising budget, but we have been slowly increasing our ad placements for the Fund during the last year. In addition to running regular ads in Mother Jones and the Sierra Club magazine, we placed an ad in The Nation's 150th anniversary issue. We also did our first cycle of exclusively on-line ads on the Grist.org web site. We would appreciate it if new shareholders let us know where they saw the Fund's advertisements.

Our gains this quarter were once again led by several long term Spanish renewable energy holdings including project developers Abengoa, SA (up 66.7%), and Acciona SA (up 27.7%), and wind turbine manufacturer Gamesa CorporacionTecnologica SA (up 55.7%). Other leading gainers for the quarter among our companies were several of our "YieldCo"s: NextEra Energy Partners LP (a subsidiary of NextEra Energy, up 29.8%) and Abengoa Yield PLC (a subsidiary of Abengoa SA, up 23.6%).

Rounding out our "top ten" performers for this period were: Hannon Armstrong Sustainable Infrastructure Capital, Inc., a real estate investment trust (REIT) which finances energy efficiency upgrades in existing buildings and new construction (up 28.5%), wind turbine manufacturer Vestas Wind Systems A/S (Denmark; up 27.1%); Owens Corning, a manufacturer of insulation materials for energy efficiency and composite materials for wind turbine blades (up 21.2%); solar photovoltaic (PV) cell manufacturer and developer Kyocera Corp. (Japan; up 19.9%) and Hafslund ASA, a hydropower and district heating utility (Norway; up 15.8%).

We are particularly pleased with the performance of the renewable energy YieldCos in the Fund. In addition to the companies mentioned above, these include Brookfield Renewable Energy Partners (Canada), NRG Yield, Inc. (a subsidiary of NRG Energy), Pattern Energy Group Inc., and TerraForm Power, Inc. (a subsidiary of SunEdison). Each of these companies provides good potential for share price appreciation, a reasonable dividend and the expectation of increasing dividends.

It appears more YieldCos will start up during this year. They join the emergence of a new asset category called "Green Bonds." The entities issuing the bonds include municipalities, states, corporations, development banks and so-called "supranational" agencies (e.g., the World Bank) and sovereign agencies. We understand the purchasers of these bonds often intend to hold them to maturity. Thus, there does not appear to be a significant market in trading these bonds. The Fund itself does not directly invest in bonds or other debt instruments, but may hold shares of companies that trade or issue such bonds. Some of our companies, project developers and wind turbine manufacturers like Vestas and Gamesa, benefit from business generated from the projects being underwritten by the bond sales.

The YieldCos were created to own and operate renewable energy assets and create an economic means for financing for the asset developers at a lower cost of capital than they would otherwise be paid for issuing bonds. We feel there is significant value and opportunity for growth. We appreciate the lower volatility of dividend-paying YieldCos and in the large developers/owners/operators of renewable energy.

In contrast to the YieldCos, renewable energy equipment manufacturers, like companies making photo-voltaic (PV) solar cells and modules, are likely to grow rapidly, but face severe competition due to the commodity-like nature of their products. These businesses are subject to technological changes and price changes in underlying materials, e.g. solar-grade silicon, used in building solar cells. Add to this, the competition among PV solar manufacturers and the imposition of periodic tariffs by different countries on imported panels, these businesses become more difficult to value. It also becomes difficult for investors to have expectations of stable distributions.

The issues of price competition and pressure on profit margins facing solar PV manufacturers are shared by the lighting industry and could even come to include the lithium storage battery business. A recent article in Bloomberg Business titled "Light Gives Us Life But Actually Is a Terrible Business" noted that Koninklijke Philips Electronics NV (Netherlands-energy efficient lighting and electronics), a Fund holding, is planning to spin off its lighting business. In considering this move, the company notes that competition is high and profit margins are low. The new LED (light emitting diode) light bulbs and lamps now flooding the market have a much longer lifespan—up to 22 years—than incandescents or florescents, there is less of a replacement market.

The share price performance of several European-based renewable energy developers and operators in the Fund, including EDP Renovaveis SA (Spain-renewable energy developer and operator), Enel Green Power SpA (Italy-solar, wind, geothermal and hydro power developer and operator) and Acciona SA (Spain- hydro, wind and solar energy developer, wind turbine manufacturer, water infrastructure developer), has trailed the performance of many of the YieldCos, though they own and operate significantly greater, and more geographically distributed, renewable assets.

Based on the prices YieldCos are paying for renewable assets in North America, the European-based renewable energy companies, which own substantial assets in Latin America and Africa, in addition to Europe and North America, appear undervalued.

These companies noted above in the Fund's holdings have not created yield vehicles yet. They maintain they are creating greater shareholder value by retaining assets, or selling them for what they perceive as good prices to large conglomerates like General Electric, or pension funds seeking reliable income. The companies then recycle the proceeds to develop new projects.

The larger European development and asset-owning companies pay dividends of approximately thirty percent of their net earnings. The YieldCos distribute almost all of their cash flow to shareholders which provide relatively generous distributions.

Each of the European-based firms has suffered some degree of devaluation of their European assets due to government policies that retroactively cut off renewable incentives. In some cases, the incentives were actually replaced with taxes and surcharges on energy produced from renewable sources. These policy changes, among other reasons, caused each of these companies to shift their future investments and developments away from their home countries and into what appear to be more promising parts of the world.

Looking at a list of recent projects among the larger, European-based companies in the Fund, including Acciona, Abengoa , EDP Renovaveis, Enel Green Power and Gamesa, we see new developments in the U.S., Canada, Africa (Ghana, South Africa, Kenya, Morocco, Algeria), Latin America (Mexico, Costa Rico, Chile, Uruguay, Brazil, Peru), other areas of Europe (Poland, Romania, Croatia, Belgium, the U.K., Greece), India, and Japan.

While these companies are maintaining existing operations in their home countries, there are virtually no new projects there. In their most recent annual report, Gamesa broke down their projected operations growth for 2015 as taking place in: the U.S. (14%), China (24%), India (27%), Latin America (18%), and Europe and the rest of the world (17%).

The companies in the Fund's portfolio that saw their share price fall included Fuel Cell Energy Inc., a manufacturer of molten Carbonate and solid Oxide fuel cells for energy storage (down 18.8%); EDP Renovaveis (down 15.6%); and Algonquin Power & Utilities Corp., a Canadian-based small hydro and wind power producer and local utility (down 2.9%). In addition to these three companies, we had only three more companies out of 29 (plus 5 socially responsible banks) that registered losses for the quarter ending March 31, 2015. The remaining companies that went down were Koninklijke Philips Electronics NV, the Dutch company that produces energy efficient lighting products and medical devices (down 2.3%); Innergex Renewable Energy Inc., a Canadian-based small hydro and wind energy power producer (down 1.4%) and the aforementioned Enel Green Power (down 0.6%).

The earnings of several of the Fund's holdings, particularly those operating wind farms, were lower than anticipated due to poor wind conditions in the U.S. At the same time, Brookfield Renewable Energy Partners (Canada-hydro and wind power) found its earnings impacted by a drought in Brazil, where they manage a number of small hydro generation assets.

We do not expect these weather-related conditions to be a long term factor. You may not "need a weatherman to know which way the wind blows", but it helps to know if and when it will be blowing.

Another factor for our foreign holdings, particularly in Europe, was the increased value of the U.S. dollar vs. the Euro and other currencies. In the first quarter of 2015, the Euro fell from US$1.21 to US$1.08, a drop of about 10.5%. While the relative weakness of these currencies against the U.S. dollar reduces the value of our foreign holdings, some of these companies, like EDP Renovaveis, Acciona and Abengoa for example, also have significant assets in the U.S. As a result of the currency changes, these assets increase in value and may offset to some extent the value lost in the Euro-based companies' assets.

In an attempt to revive lagging economies, the European Central Bank is setting record low interest rates to stimulate investment in its member states. The low European interest rates have contributed to the drop in the Euro's value. This lower value makes manufacturers more competitive internationally and allows companies to refinance debt at lower rates.

The decreased value of the Euro also increases the value of U.S. assets and earnings of European companies with projects in the U.S. Most of the Fund's European holdings own considerable assets and are developing a number of projects in the U.S.

We have begun a complete re-design of New Alternatives Fund's web site. Working with a new graphic designer, we hope to roll out a more dynamic site by this summer. In addition to better graphics and cleaner text design, we will post a daily "ticker" for the Fund's NAVs and create a blog site where we can post interesting articles, notices and maintain dialog with shareholders.

We are also incorporating increased on-line account functionality. Shareholders will be able to open new accounts, buy and redeem shares and perform account maintenance (electronic delivery of documents, address changes, etc.) through establishing individual account access through a portal on the web site. You can get a head start on this process by setting up your on-line account access through the existing log-on on the current web site. When the new site goes "live", your access will automatically convert over to the new site.

We encourage shareholders to make this change as it helps us control Fund expenses and reduces paper waste.

<u>Shareholders Comments</u>*:* We continue to welcome advice and comments from shareholders. You can contact us by regular mail, telephone or e-mail at <u>info@newalternativesfund.com</u>.

David Schoenwald
Murray Rosenblith
5/26/2015
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This report is intended to give you a feeling of what we have been doing and why we do it. For more complete and official data see our annual or semi-annual financial report.

This report must be preceded or accompanied by the New Alternatives Fund's current prospectus. Shares of the Fund are distributed by Accrued Equities Inc. and Foreside Funds Distributors LLC.