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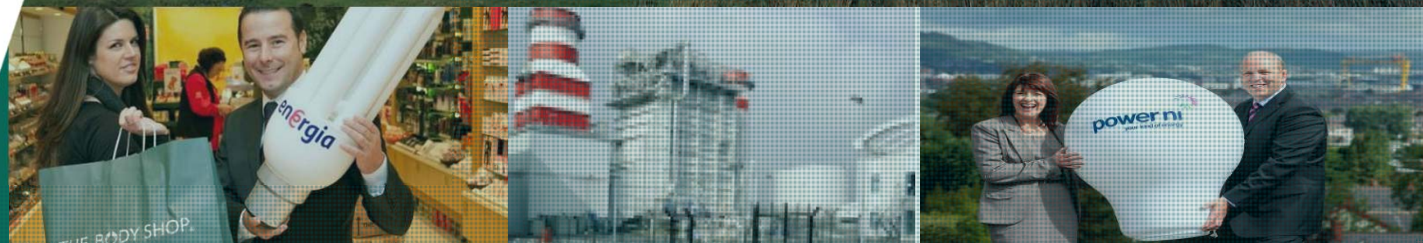
VIRIDIAN

Results Presentation

First Quarter 2014

28 August 2013

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Forward looking statements

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Financial highlights

- Results for the First Quarter 2014 were in line with expectations and previous guidance despite challenging market conditions with continuing lower levels of utilisation of the Huntstown plants
- Pro-forma EBITDA* for the First Quarter 2014 was £22.4m (First Quarter 2013 - £24.3m)
- Pro-forma cash flow before interest and tax** for the First Quarter 2014 was £21.9m (First Quarter 2013 - £18.7m)
- Pro-forma net debt was £555.7m at 30 June 2013 (31 March 2013- £545.4m)
- Partial redemption of 9.3% of senior secured notes (c£40m) effective 4 June 2013

* EBITDA based on regulated entitlement, before exceptional items and Arcapita advisory fees and excluding earnings from renewable wind farm assets

** Pro-forma EBITDA, less pension charges, plus movements in provisions and working capital (inc purchase of and proceeds from sale of other intangibles), less gross capex (excluding capex of renewable wind farm assets) and exceptional items and including the effects of FX

High availability of Huntstown plants with reduction in utilisations

- Availability of Huntstown 1 was 100% for First Quarter 2014 (First Quarter 2013 – 100%).
- Huntstown 2 availability for First Quarter 2014 was 96.1% (First Quarter 2013 – 98.5%) reflecting completion of a 35 day planned outage on 6 April 2013 in line with the Mitsubishi LTSA.
- Utilisations of both Huntstown 1 at 0.0% and Huntstown 2 at 32.8% decreased over the same quarter last year as a result of:
 - The ongoing impact of the coal/gas price switch
 - Commissioning of new wind capacity and higher wind factors
 - Commercial operation of the East/West interconnector at full capacity from 1 May 2013

Gas capacity bidding in the SEM

- In light of reduced utilisations, the Huntstown 1 plant continues to bid gas capacity costs into its SRMC to ensure recovery of such costs if required to run by the system operator
- Guidance paper on the treatment of gas capacity costs in the SEM was published on 20 June 2013. Consultation paper on proposed changes to the Bidding Code of Practice to accommodate the approach broadly as outlined in the guidance paper was published on 31 July 2013. Energia is currently drafting a comprehensive response to the consultation which closes on 26 September 2013.

Capacity Payment Mechanism

- Final decision on 2014 calendar year capacity pot published 12 August 2013
 - Pot set at €565.8m (2013 - €529.9m)

Energia Group business developments (cont'd)

Electricity sales volumes

- Electricity sales volumes for the First Quarter 2014 was 1.2TWh (First Quarter 2013 – 1.3TWh)
- Customer sites supplied were 61,000 at 30 June 2013 (30 June 2012 – 60,000; 31 March 2013 – 60,200)

Continued growth in windfarm portfolio

- Average contracted renewable generation capacity for the First Quarter 2014 was 594MW (First Quarter 2013 – 487MW) with 599MW operational capacity at 30 June 2013 (30 June 2012 – 510MW; 31 March 2013 – 582MW)
- 18MW of contracted capacity currently in construction and 241MW in various stages of development
- Acquisition of a 20MW windfarm development project in Northern Ireland completed in April 2013
 - Direct investment in in-development windfarm capacity now 100MW

Power NI Energy business developments

Power NI

Electricity Sales and Competition

- Continued competition in the market
- Residential customer numbers reduced to 574,000 (30 June 2012 – 648,000; 31 March 2013 – 584,000)
- Total electricity sales for First Quarter 2014 was 0.7TWh (First Quarter 2013 – 0.8TWh)

Price control

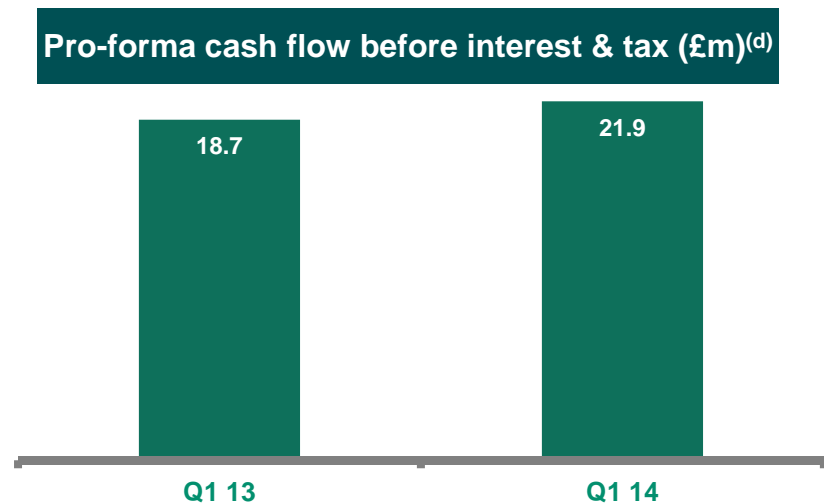
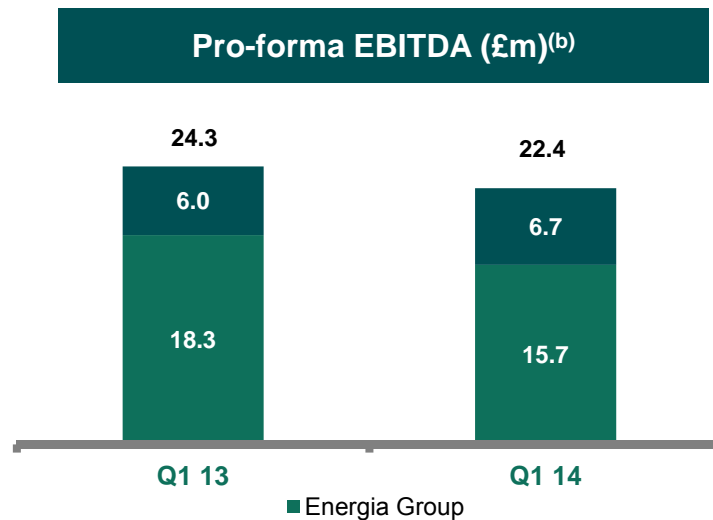
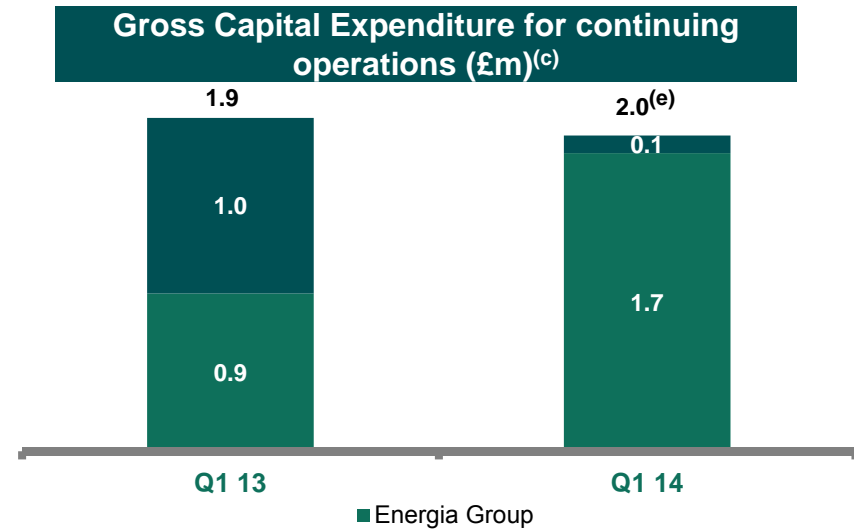
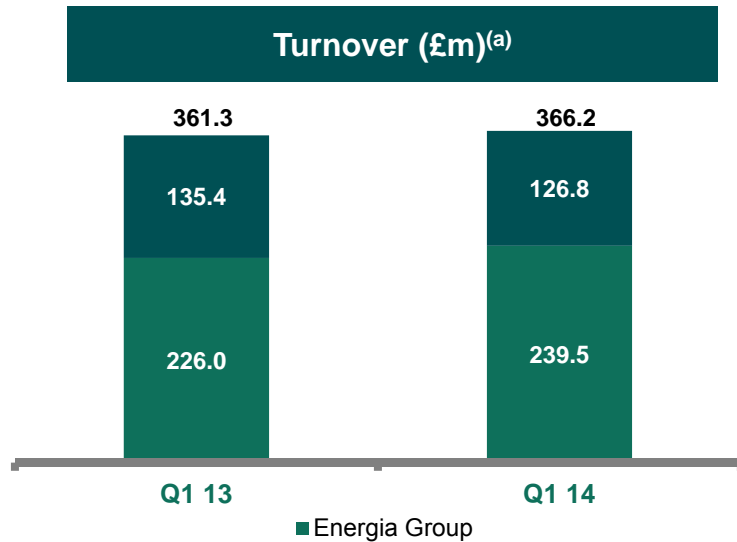
- The Utility Regulator published initial proposals for the new price control which will apply from 1 April 2014
 - 3 Year price control period effective from 1 April 2014
 - Non-domestic de-regulated threshold of 50MWh (currently 150MWh)
 - Increase in regulated net margin from 1.7% to 2.2%
 - Increased opex allowance for IT costs
 - Proposed 1% efficiency factor to be applied to inflationary uplift on opex allowance for years 2 and 3
 - Proposed increased allocation of costs to deregulated customers

Tariffs

- Following a period of increases in the cost of procuring wholesale electricity and reflecting a cumulative under-recovery against regulated entitlement, a mid-year tariff increase of 17.8% was announced on 22 May 2013
 - Tariff increase agreed with the Utility Regulator
 - Effective from 1 July 2013

Financial summary – First Quarter 2014

Encouraging performance across all businesses



(a) Turnover is based on regulated entitlement and excludes external turnover from renewable wind farm assets.

(b) Pro-forma EBITDA is EBITDA based on regulated entitlement, before exceptional items and Arcapita advisory fees and excluding earnings from renewable wind farm assets.

(c) Excludes capital expenditure on renewable wind farm assets of £2.4m in First Quarter 2014 and £0.3m in First Quarter 2013.

(d) Pro-forma cash flow before interest and tax defined as Pro-forma EBITDA, less pension charges, plus movements in provisions and working capital (inc purchase of and proceeds from sale of other intangibles), less gross capex (excluding capex of renewable wind farm assets) and exceptional items and including the effects of FX

(e) Includes other group capex of £0.2m in First Quarter 2014 (First Quarter 2013 - £nil)

Energia Group KPIs

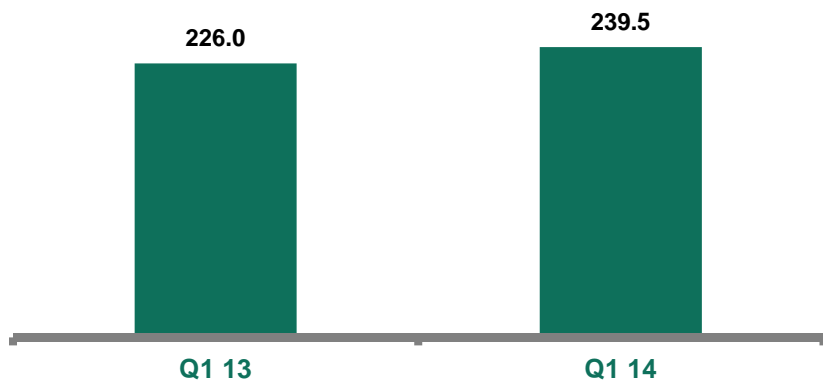
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	Q1 13	Q1 14
Energia Group		
Availability (%)		
Huntstown 1	100.0	100.0
Huntstown 2	98.5	96.1
Utilisation (%)		
Huntstown 1	22.1	0.0
Huntstown 2	56.2	32.8
Energia electricity sales (TWh)	1.3	1.2
Energia natural gas sales (therms million)	16	17
Wind farm operational PPA contracts (MW)		
Average capacity during the year	487	594
Period end capacity – at 30 June	510	599

Energia Group financial highlights – First Quarter 2014



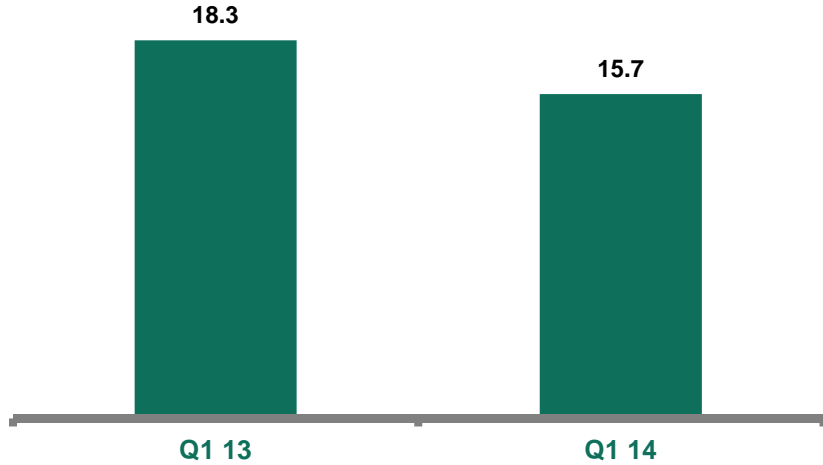
Turnover (£m)



Turnover for First Quarter 2014 increased from £226.0m to £239.5m reflecting:

- Higher electricity retail tariffs;
- Higher renewable PPA revenues;
- Trading over East/West Interconnector;
- Higher retail gas volumes; and
- Impact of foreign exchange translation; partly offset by
- Lower Huntstown plant utilisations;
- Lower electricity sales volumes.

Pro-forma EBITDA (£m)



Pro-forma EBITDA for First Quarter 2014 decreased from £18.3m to £15.7m reflecting:

- Lower Huntstown plant utilisations; partly offset by
- Improved retail margins; and
- Impact of foreign exchange translation.

Power NI KPIs

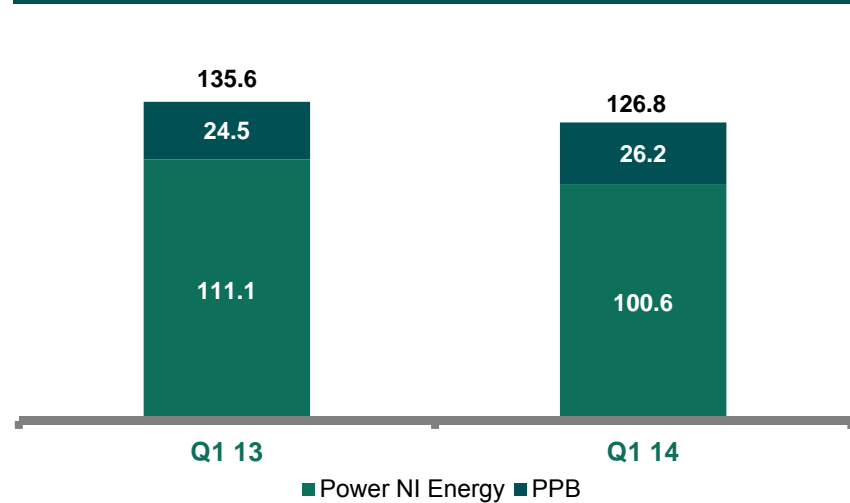


	Q1 13	Q1 14
Power NI		
Power NI electricity sales (TWh)	0.8	0.7
Power NI customer sites (No.)		
Residential	648,000	574,000
Non-residential	37,000	36,000

Power NI Energy financial highlights – First Quarter 2014



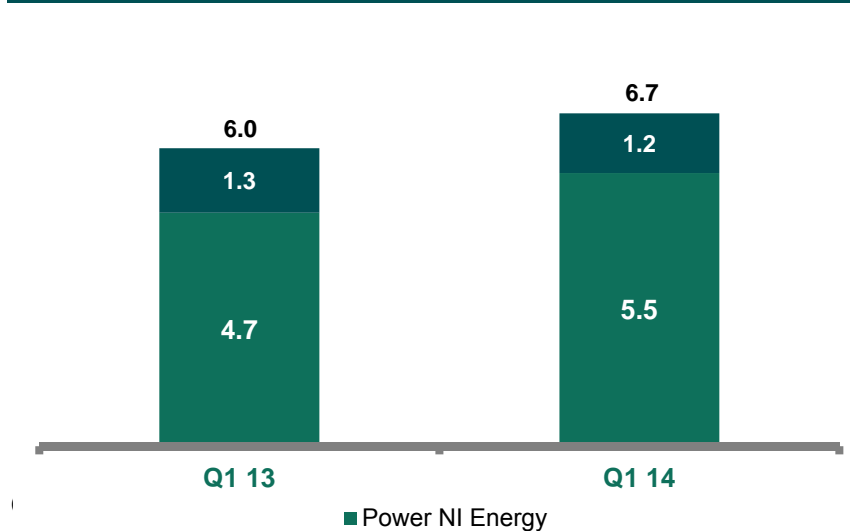
Turnover (£m)^(a)



Power NI

- Turnover for the First Quarter 2014 reduced from £111.1m to £100.6m reflecting reduction in residential customer numbers and average consumption per customer together with lower average tariffs partly offset by higher unregulated sales volumes.
- Pro-forma EBITDA for the First Quarter 2014 increased from £4.7m to £5.5m reflecting higher margin contributions from small scale renewable PPAs together with higher unregulated customer margins and unregulated sales volumes.

Pro-forma EBITDA (£m)^(a)



PPB

- Turnover for the First Quarter 2014 increased from £24.5m to £26.2m reflecting higher constrained output at Ballylumford partly offset by the expiry of 116MW of capacity with Ballylumford and 58MW with Kilroot from 1 November 2012 and 58MW with Coolkeeragh from 1 February 2013.
- Pro-forma EBITDA for the First Quarter 2014 decreased from £1.3m to £1.2m primarily as a result of reduced regulated entitlement.

Group cash flow summary

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(£m)	Q1 13	Q1 14
Pro-forma EBITDA^(a)	24.3	22.4
Changes in working capital ^(b)	(3.1)	2.3
Effects of FX	0.6	(0.8)
Exceptional items	(1.2)	-
Pro-forma cash flow from operating activities	20.6	23.9
Net capital expenditure ^(c)	(1.9)	(2.0)
Pro-forma cash flow before interest and tax	18.7	21.9
Net movement in security deposits	36.0	(0.2)
Over/(under)-recovery of regulated entitlement	9.8	(3.5)
Equity investment in in-development windfarm assets	(0.3)	(5.4)
Pro-forma cash flow before interest, tax and acquisitions and disposals	64.2	12.8

Note:

- (a) Pro-forma EBITDA is defined as EBITDA before exceptional items and Arcapita advisory fees and adjusted for over/under-recovery of Viridian's regulated business against their regulated entitlement and excludes EBITDA from Viridian's wind farm assets
- (b) Includes proceeds from sale and purchase of other intangibles which related to trading activities with respect to emissions allowances and ROCs and excludes changes in working capital from Viridian's wind farm assets of £0.8m increase in Q1 14 and £nil in Q1 13
- (c) Net capex excludes capex on renewable windfarm assets of £2.4m in Q1 14 and £0.3m in Q1 13

Net debt

Net debt (£m)		
As at	31 March 2013	30 June 2013
Cash and investments	(50.3)	(39.0)
Senior Secured Notes	392.5	358.5
Senior RCF	-	18.6
Subordinated shareholder loan	543.6	550.1
Junior bank facility asset	(342.8)	(345.8)
Interest accruals	2.4	13.3
Net debt	545.4	555.7

- Net debt increased during the period to £555.7m at 30 June 2013 (31 March 2013 - £545.4m)
 - Senior secured notes decrease reflects the early redemption of 9.3% of the original issue amount effective 4 June 2013 partly offset by change in foreign exchange translation €/ \pounds 1.17 at 30 June 2013 (31 March 2013 - €/ \pounds 1.20) together with amortisation of transaction expenses and OID
 - Senior RCF £18.6m at 30 June 2013 (31 March 2013 - £nil)
 - Increase in subordinated shareholder loan primarily reflects the capitalisation of PIK interest
 - Junior bank facility asset increase reflects foreign exchange translation
 - Interest accruals increase reflects the interest for the period on the senior secured notes payable in September 2013

Conclusion

- Despite challenging market conditions results were in line with expectations and previous guidance.

- Outlook:
 - Capacity pot for calendar year 2014 agreed
 - Retail margin contribution continues to be sustained
 - Renewable PPA pipeline continues to be delivered and enhanced
 - Low coal and carbon prices continue to affect gas plant utilisations
 - Intention remains to enter the RoI residential market in 2013/14
 - Power NI price control on track to be concluded within current financial year

Investor relations



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