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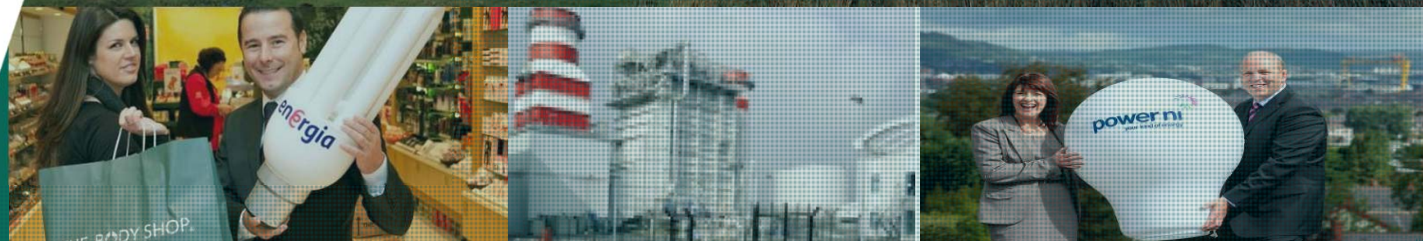
VIRIDIAN

Results Presentation

Year ended 31 March 2014

29 May 2014

Ian Thom – Group Chief Executive
Siobhan Bailey – Group Finance Director



Forward looking statements

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Financial highlights

- Viridian Group Investments Limited (“VGIL”) has elected to apply IFRS in lieu of UK GAAP in respect of its Annual Financial Statements for the year ended 31 March 2014 (“IFRS Accounts”) and all annual and quarterly reports thereafter
- Encouraging set of results for the year ended 31 March 2014 which continued to be in line with expectations despite challenging market conditions with continuing lower levels of utilisation of the Huntstown plants
- Pro-forma EBITDA* for the year ended 31 March 2014 was £102.4m (2013 - £102.6m) notwithstanding the impact of RoI residential market entry
- Pro-forma cash flow before interest and tax** for the year ended 31 March 2014 was £84.5m (2013 - £108.3m)
- Senior net debt was £568.9m at 31 March 2014 (2013 – £555.1m)

* EBITDA based on regulated entitlement, before exceptional items and certain remeasurements 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

- Huntstown 1 availability of 100% for year ended 31 March 2014
- Huntstown 2 availability of 98.8% for year ended 31 March 2014
- Utilisations of both Huntstown 1 at 1.0% and Huntstown 2 at 24.7% decreased over last year as a result of:
 - Commercial operation of the East/West interconnector at full capacity from 1 May 2013;
 - Commissioning of new wind capacity; and
 - The ongoing impact of the coal/gas price switch

Gas capacity bidding in the SEM

- During the year the Huntstown 1 plant continued to bid, and the Huntstown 2 plant commenced bidding gas capacity costs into SRMC to ensure recovery of such costs when required to run by the system operator
- On 19 November 2013, Viridian filed judicial review proceedings in respect of the CER's decision to make changes regarding the availability of certain gas capacity products with effect from 2 December 2013. On 20 February 2014, the CER partly rescinded its earlier decision and a within-day gas capacity product, which can be bid into the market as part of their SRMC, will now remain available to generators

Proposed capacity pot for 2015

- Proposed capacity pot for calendar year 2015 published on 28 April 2014
 - Proposed capacity pot of €576.0m (2014 - €565.8m) – 1.8% increase on 2014
 - Consultation process closed on 28 May – final decision expected in summer 2014

Energia Group business developments (cont'd)

Electricity sales volumes

- Business electricity sales volumes for the year ended 31 March 2014 were 5.2TWh (2013 – 5.2TWh)
- Business customer sites supplied at 31 March 2014 increased slightly to 61,100 (2013 – 60,200)
- Entered the market for electricity and gas supply for residential customers in the RoI. As at 31 March 2014 Energia supplied 10,000 residential customers

Energy Efficiency Obligation

- In December 2013, DCENR indicated their intention to impose a mandatory Energy Efficiency Obligation on suppliers in the RoI
- Energia have actively engaged DCENR and highlighted the cost implications for customers
- Individual supplier obligations have not yet been provided by DCENR

Energia Group business developments (cont'd)

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Continued growth in windfarm portfolio

PPAs

- Continued growth in renewable portfolio
 - Average contracted renewable generation capacity for year ended 31 March 2014 was 607MW (2013 – 541MW) with 687MW operational capacity at 31 March 2014 (31 March 2013 – 582MW)
 - 88MW of contracted capacity currently in construction (31 March 2013 – 33MW)
 - 154MW in various stages of development (31 March 2013 – 220MW)

Assets

- Direct investment in in-development windfarm capacity 118MW at 31 March 2014 (31 March 2013 – 80MW)
 - Acquisition of a 20MW windfarm development project in Northern Ireland completed in April 2013
 - Acquisition of a 27MW windfarm development project in Northern Ireland completed in October 2013
 - Construction of 9MW windfarm project in the ROI completed in February 2014
 - Project finance facilities put in place:
 - June 2013 – facilities up to €14.4m in respect of 9MW ROI windfarm project
 - December 2013 – facilities up to £24.1m in respect of 20MW Northern Ireland windfarm project
 - May 2014 – facilities up to £6.8m in respect of 5MW Northern Ireland windfarm project

Power NI business developments

Electricity Sales and Competition

- Continued competition in the NI residential market from SSE Airtricity and Budget Energy
- Residential customer numbers reduced to 562,000 (2013 – 584,000)
- Total electricity sales for year ended 31 March 2014 was 3.0TWh (2013 – 3.4TWh) reflecting reduction in residential customer numbers and lower average consumption per customer

Price control

- On 19 December 2013, the Utility Regulator published its final decision for the new price control which will apply from 1 April 2014 – 31 March 2017
 - Non-domestic deregulated threshold reduced to 50MWh consumption per annum (previously 150MWh per annum) from 1 April 2014 and remains under review over period of price control
 - Increased operating cost allowance for certain IT costs
 - Increase in regulated net margin from 1.7% to 2.2%
- Power NI accepted the proposed licence modifications required to effect the price control on 13 March 2014

PPB business developments

Contracted capacity

- Capacity under contract at 31 March 2014 was 600MW (2013 – 600MW) with Ballylumford
- On 19 March 2014 the Utility Regulator announced a consultation on the possible cancellation of PPB's remaining contracted capacity with Ballylumford from December 2014 based on their economic assessment of the contracts
 - PPB responded to the consultation on 30 April 2014 and have disagreed with the Utility Regulator's analysis and highlighted areas of significant value to Northern Ireland customers through the retention of these contracts
 - A final decision is expected shortly

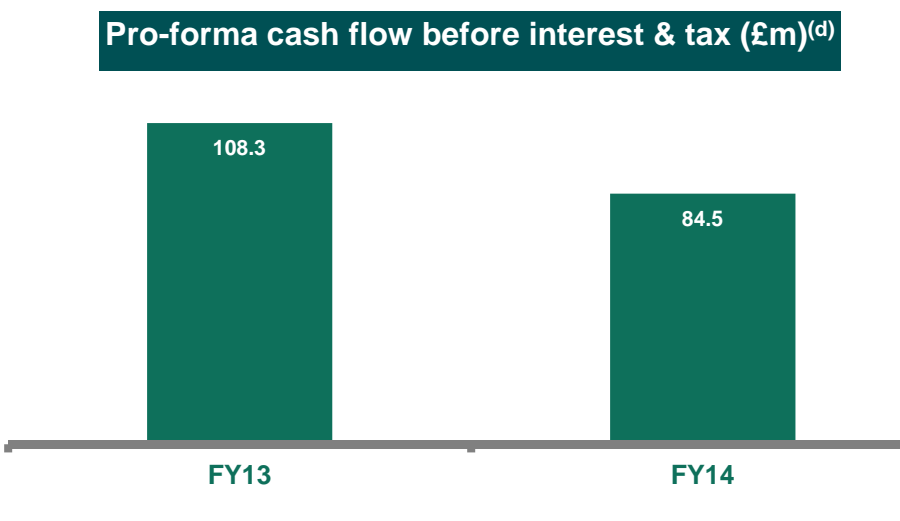
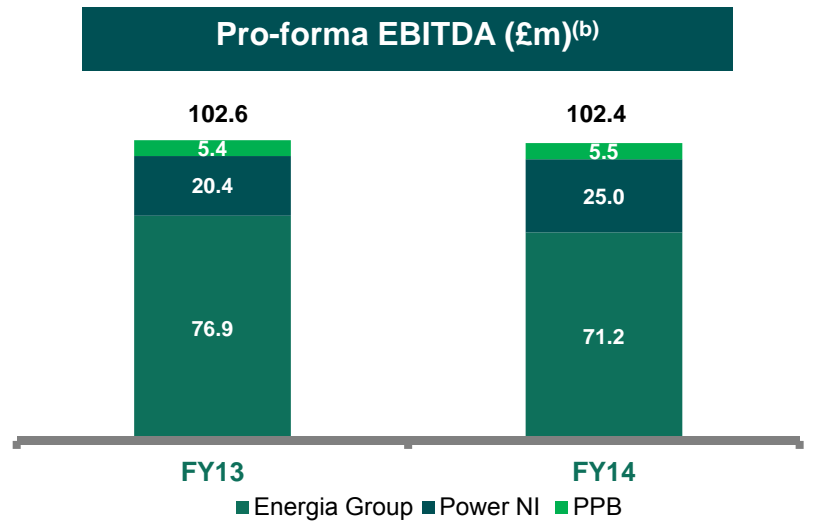
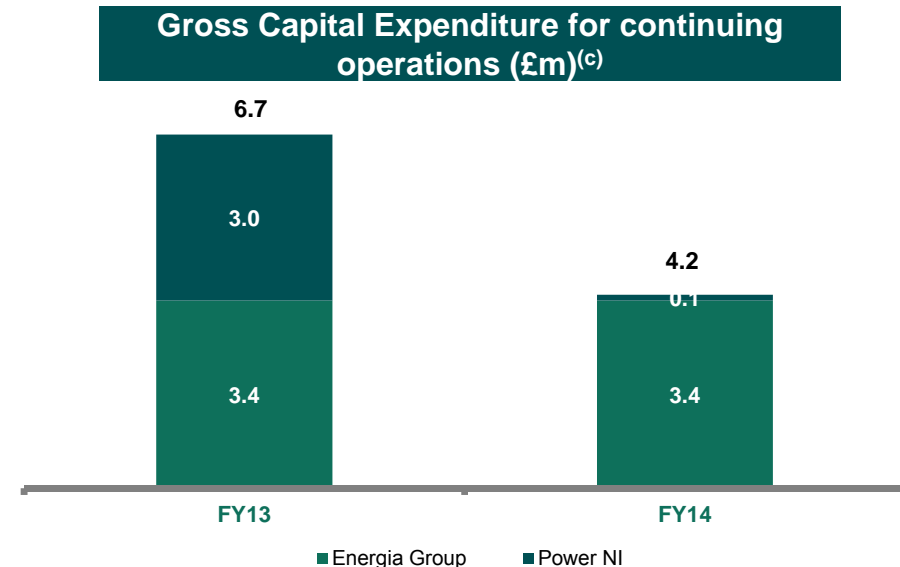
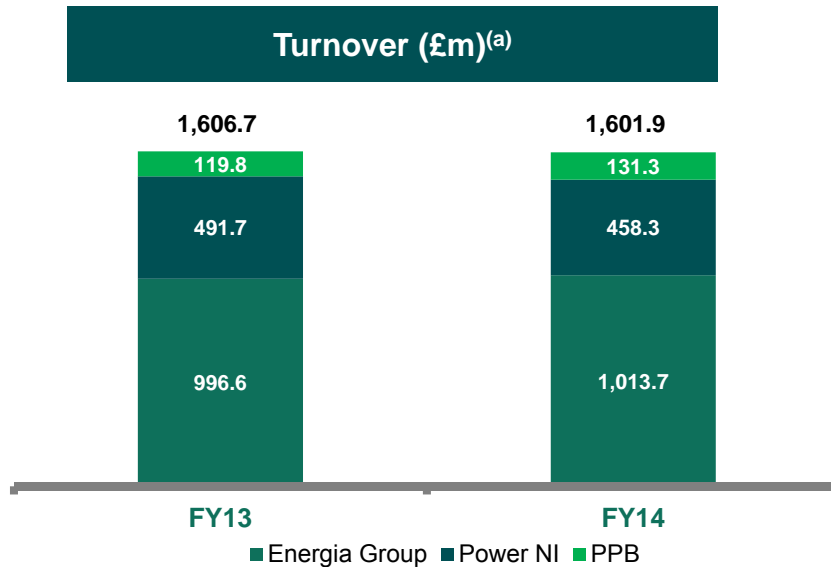
Financial summary – IFRS conversion

- Viridian Group Investments Limited (“VGIL”) has elected to apply IFRS in lieu of UK GAAP in respect of its Annual Financial Statements for the year ended 31 March 2014 (“IFRS Accounts”) and all annual and quarterly reports thereafter
 - Note 33 to the IFRS Accounts contains a reconciliation of the IFRS Accounts to the UK GAAP Accounts for the year ended 31 March 2013
 - Underlying operating results of the Group are unaffected

- Main changes are:
 - No automatic amortisation of goodwill (rather goodwill is tested annually for impairment)
 - Recognition of the fair value of the Group’s derivative financial instruments
 - Recognition of the discounted fair value of non-interest bearing subordinated shareholder loan and junior bank facility asset

Financial summary – Year Ended 31 March 2014

Encouraging performance across all businesses



- (a) Turnover is based on regulated entitlement and excludes external turnover from renewable wind farm assets of £0.5m in FY14 and £0.6m in FY13.
- (b) Pro-forma EBITDA is EBITDA based on regulated entitlement, before exceptional items and certain remeasurements and Arcapita advisory fees and excluding earnings from renewable wind farm assets £0.4m loss in FY14 and £0.3m loss in FY13.
- (c) Excludes capital expenditure on renewable wind farm assets of £19.3m in FY14 and £4.1m in FY13.
- (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

Energia Group KPIs

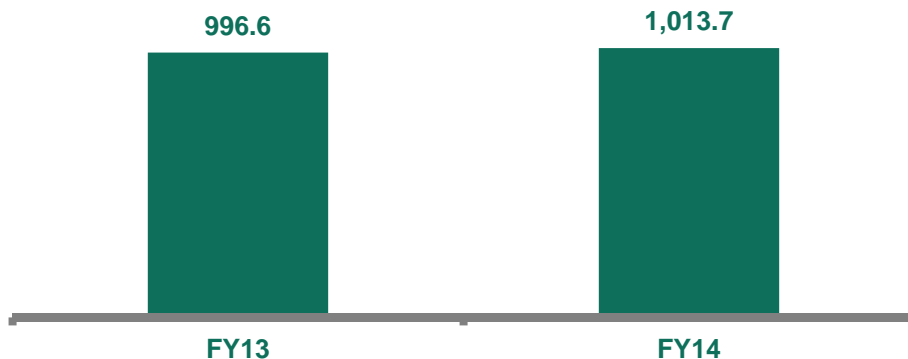
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	FY13	FY14
Energia Group		
Availability (%)		
Huntstown 1	98.3	100.0
Huntstown 2	90.8	98.8
Utilisation (%)		
Huntstown 1	15.3	1.0
Huntstown 2	60.4	24.7
Energia business electricity sales (TWh)	5.2	5.2
Energia business gas sales (therms million)	71	64
Wind farm operational PPA contracts (MW)		
Average capacity during the year	541	607
Year end capacity – at 31 March	582	687

Energia Group financial highlights – Year ended 31 March 2014



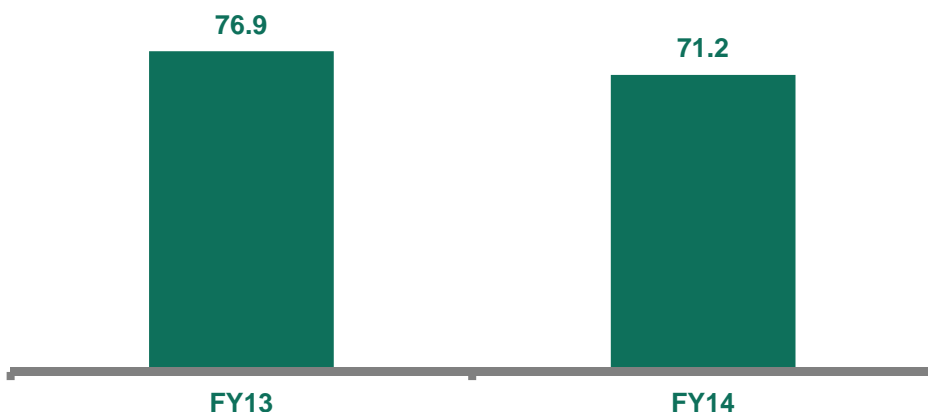
Turnover (£m)^(a)



Turnover for the year ended 31 March 2014 increased from £996.6m to £1,013.7m reflecting:

- Increased trading over East/West Interconnector;
- Higher renewable PPA revenues; and
- Impact of foreign exchange translation; partly offset by
- Lower Huntstown plant utilisations; and
- Lower gas sales volumes

Pro-forma EBITDA (£m)^(b)



Pro-forma EBITDA for year ended 2014 decreased from £76.9m to £71.2m reflecting:

- Costs associated with entering the RoI residential market;
- Lower contribution from renewable PPAs; and
- Lower Huntstown plant utilisations; partly offset by
- Impact of foreign exchange translation;
- Higher availability of the Huntstown plant; and
- Lower operating costs

(a) Turnover excludes external turnover from renewable wind farm assets of £0.5m in FY14 and £0.6m in FY13

(b) Pro-forma EBITDA excludes EBITDA from renewable wind farm assets of £0.4m loss in FY14 and £0.3m loss in FY13

Power NI KPIs

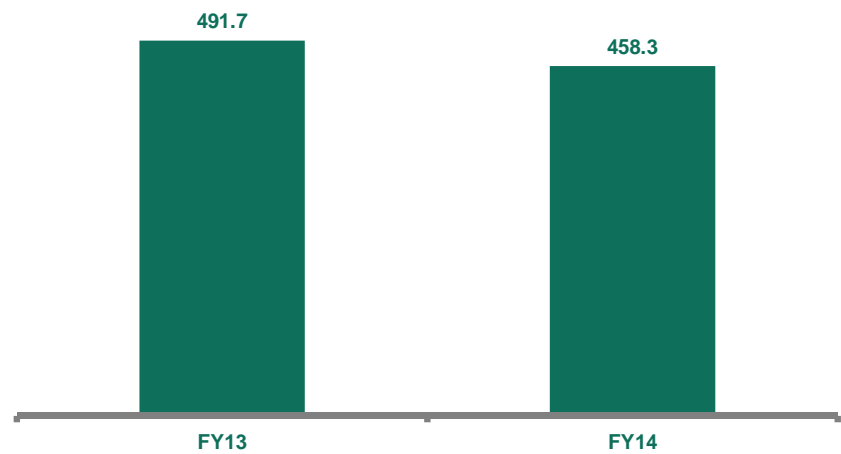


	FY 13	FY 14
Power NI		
Power NI electricity sales (TWh)	3.4	3.0
Power NI customer sites (No.)		
Residential	584,000	562,000
Non-residential	36,000	37,000

Power NI financial highlights – Year Ended 31 March 2014



Turnover (£m)^(a)



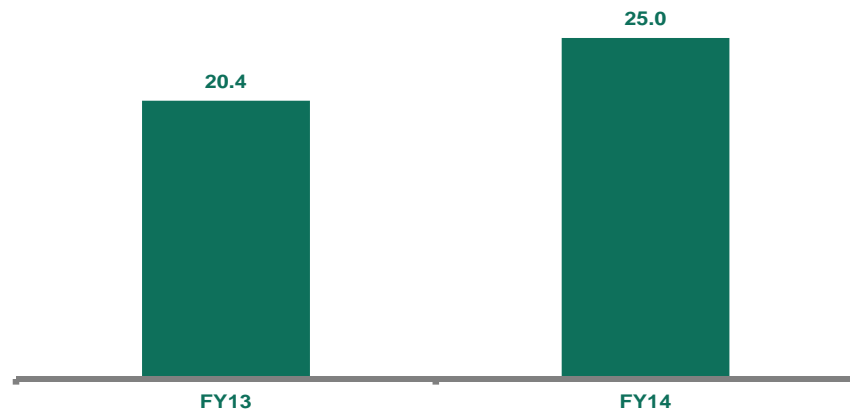
Turnover for the year ended 31 March 2014 reduced from £491.7m to £458.3m reflecting:

- reduction in residential customer numbers; and
- lower average consumption per customer; partly offset by
- higher average tariff prices; and
- higher unregulated sales volumes

Pro-forma EBITDA for the year ended 31 March 2014 increased from £20.4m to £25.0m reflecting:

- higher margin contributions from small scale renewable PPAs;
- higher unregulated customer margins including higher unregulated sales; and
- lower operating costs

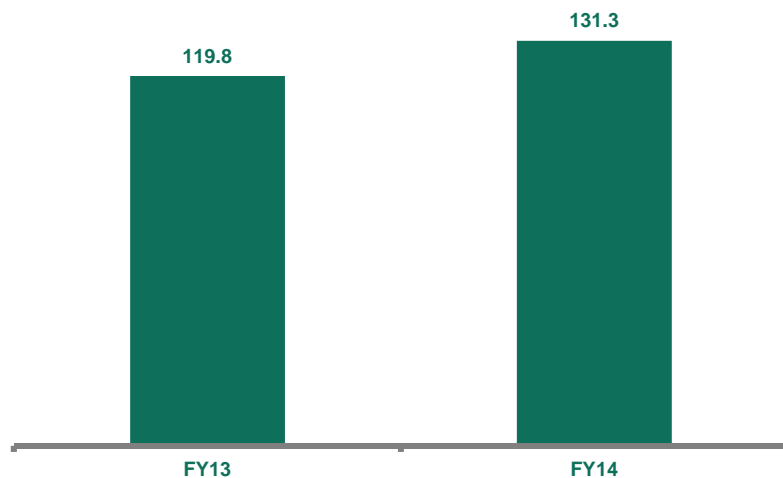
Pro-forma EBITDA (£m)^(a)



(a) Based on regulated entitlement

PPB financial highlights – Year Ended 31 March 2014

Turnover (£m)^(a)

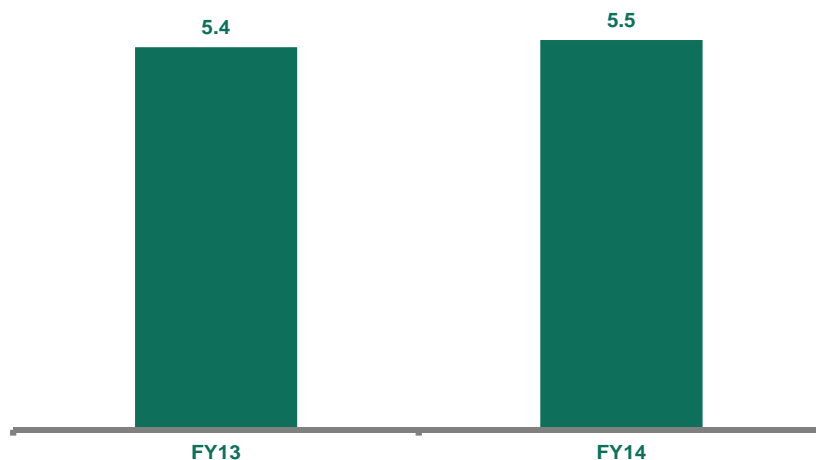


Turnover for the year ended 31 March 2014 increased from £119.8m to £131.3m reflecting:

- higher constrained utilisation of the Ballylumford plant; partly offset by
- the expiry of 116MW of Ballylumford capacity and 58MW of Kilroot capacity on 1 November 2012 and 58MW of Coolkeeragh capacity on 1 February 2013

Pro-forma EBITDA for the year ended 31 March 2014 was £5.5m (2013 - £5.4m)

Pro-forma EBITDA (£m)^(a)



(a) Based on regulated entitlement

Group cash flow summary

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(£m)	FY13	FY14
Pro-forma EBITDA^(a)	102.6	102.4
Defined benefit pension charge less contributions paid	(1.3)	(1.5)
Changes in working capital ^(b)	14.2	(8.7)
Effects of FX	0.5	(0.2)
Exceptional items	(1.8)	(3.3)
Pro-forma cash flow from operating activities	114.2	88.7
Net capital expenditure ^(c)	(5.9)	(4.2)
Pro-forma cash flow before interest and tax	108.3	84.5
Net movement in security deposits	35.6	1.1
Under-recovery of regulated entitlement	(3.6)	(2.4)
Equity investment in in-development windfarm assets	(4.6)	(15.1)
Pro-forma cash flow before interest, tax and acquisitions and disposals	135.7	68.1

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 of £0.4m loss in FY14 and £0.3m loss in FY13
- (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 £0.3m increase in FY14 and £0.2m increase in FY13
- (c) Net capex excludes capex on renewable windfarm assets of £19.3m in FY14 and £4.1m in FY13

Net debt

Net debt (£m) As at	UK GAAP ¹	IFRS	IFRS	IFRS
	31 Mar 13	adjustments	31 Mar 13	31 Mar 14
Cash and investments	(50.3)	-	(50.3)	(24.9)
Senior secured notes	392.5	-	392.5	354.5
Senior RCF	-	-	-	-
Subordinated shareholder loan ^{2,3}	544.9	(209.3)	335.6	382.9
Junior bank facility asset ²	(342.8)	219.0	(123.8)	(144.8)
Interest accruals	1.1	-	1.1	1.2
Senior net debt	545.4	9.7	555.1	568.9
Project finance cash	-	-	-	(2.8)
Project finance bank facilities	-	-	-	16.6
Total net debt	545.4	9.7	555.1	582.7

¹ Represents figures as previously published under UK GAAP in IFRS format

² Subordinated shareholder loan and junior bank facility asset at 31 March 2014 net to £238.1m (2013 - £211.8m). Junior facility A held on balance sheet of the Company's parent VGHL at 31 March 2014 was £203.6m (2013 - £183.0m)

³ Subordinated shareholder loan at 31 March 2014 split between non-interest bearing £160.3m (2013 - £140.6m) and interest bearing £222.6m (2013 - £195.0m) which accrues interest on a payment in kind basis

- Net debt at 31 March 2013 as previously reported under UK GAAP has been restated under IFRS
 - Non-interest bearing subordinated shareholder loan and junior bank facility asset are now recognised at their discounted fair value
- Senior net debt increased during the year to £568.9m at 31 March 2014 (2013 - £555.1m)
 - Senior secured notes decrease reflects the early redemption of 9.3% of the original issue amount effective 4 June 2013 partly offset by the amortisation of transaction expenses and OID
 - Senior RCF £nil at 31 March 2014 (2013 - £nil)
 - Increase in subordinated shareholder loan reflects capitalisation of PIK interest and the unwinding of the discounted fair value
 - Increase in junior bank facility asset reflects the unwinding of the discounted fair value

Conclusion

- Encouraging set of results for the year ended 31 March 2014 which continued to be in line with expectations despite challenging market conditions with continuing lower levels of utilisation of the Huntstown plants

- Outlook:
 - Renewable PPA pipeline continues to be delivered and enhanced
 - Current phase of renewable asset investment and financing now well underway
 - Controlled growth in the residential supply market in the RoI
 - Power NI price control for three year period commencing 1 April 2014 concluded
 - Proposed capacity pot for 2015 calendar year – 1.8% increase on 2014
 - Low coal and carbon prices continue to affect gas plant utilisations
 - Positive outcome on the gas capacity challenge
 - I-SEM high level design anticipated in late Summer 2014

Investor relations



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