



Interim Report 6 Months to Sept 2014

3 December 2014



Introduction

- Profit from continuing operations for the 6 months ended 30 September 2014 is directly comparable to that reported for the 6 months ended 30 September 2013
- Reflects the current steady state operations of the Group following the completion of restructuring program over the past number of years
- NTR reported its third consecutive period of profitability in the 6 months ended 30 September 2014
- Operational profitability is in line with expectations and last year, with minor movements reflecting normal wind variability patterns and foreign exchange movements
- The Group also made strong progress in assessing wind projects for investment in Ireland and the UK, and acquired a portfolio of single turbine projects immediately following the period end
- Subsequent to the reporting period, the Group announced it is entering into a sale process for its 351MW of operating wind projects in the US (Wind Capital Group)

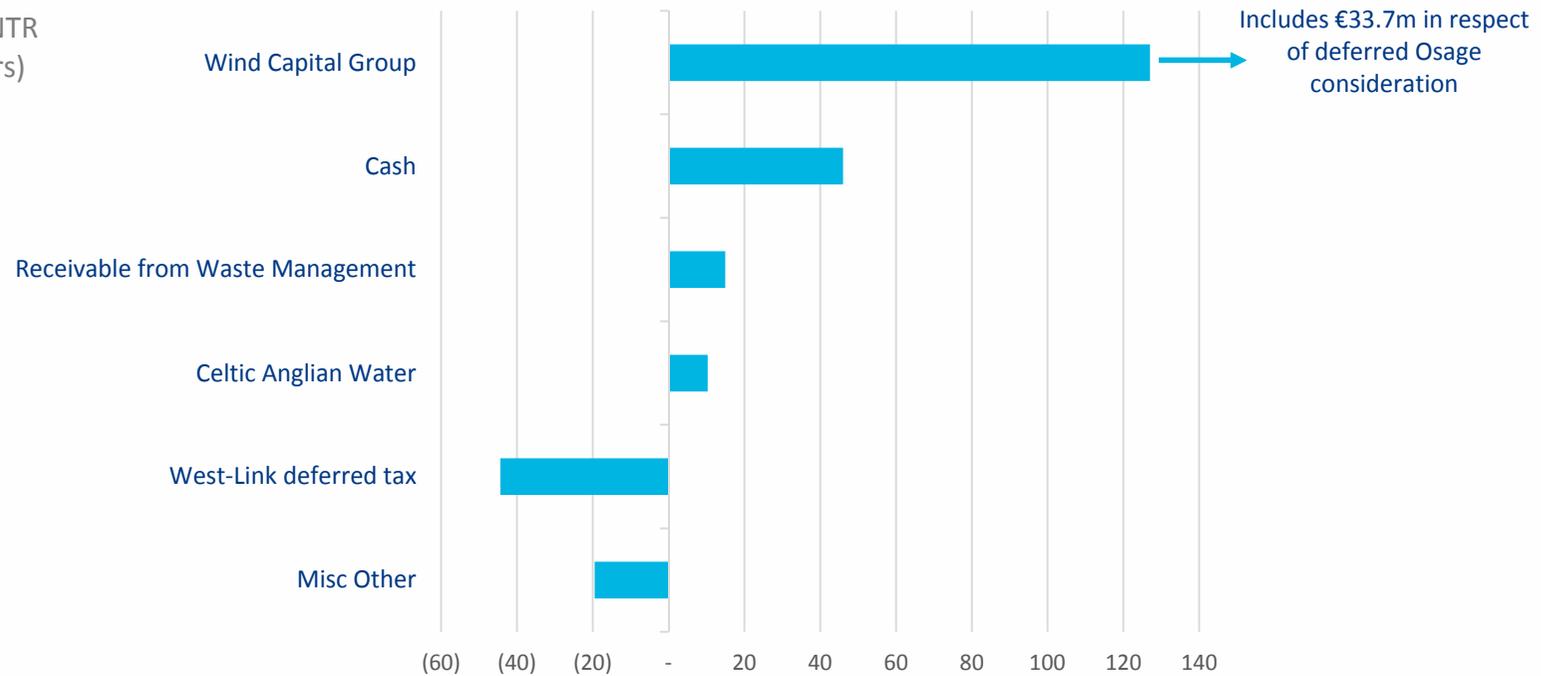


Net Assets by Division at 30 September 2014

€134.5m

(€129.0m
attributable to NTR
plc shareholders)

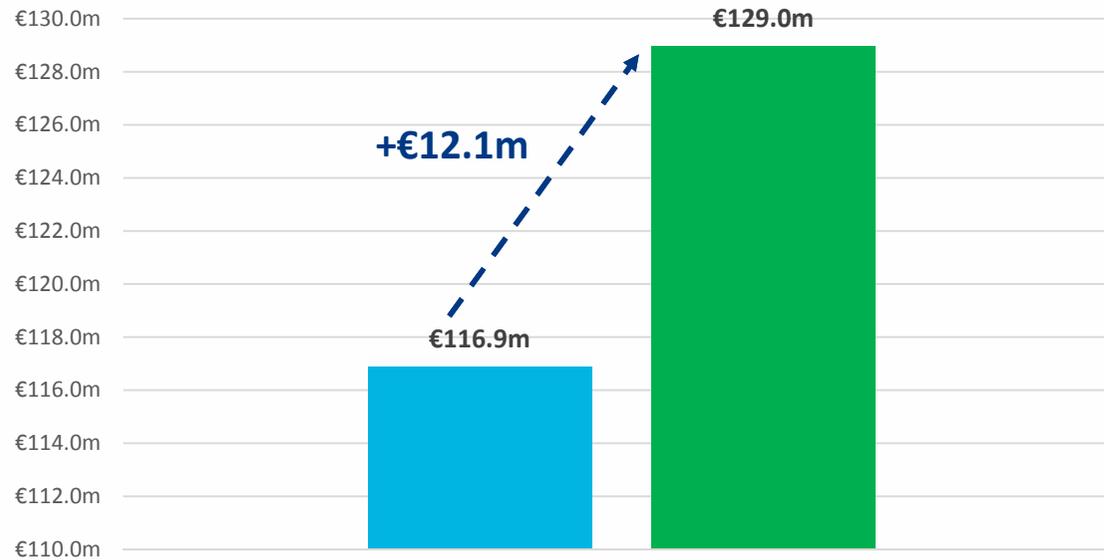
Breakdown of Total Net Assets (Book Values Only)



- Net assets of €134.5m comprising the above significant component elements
- Represents book values only - does not represent potential market value of assets

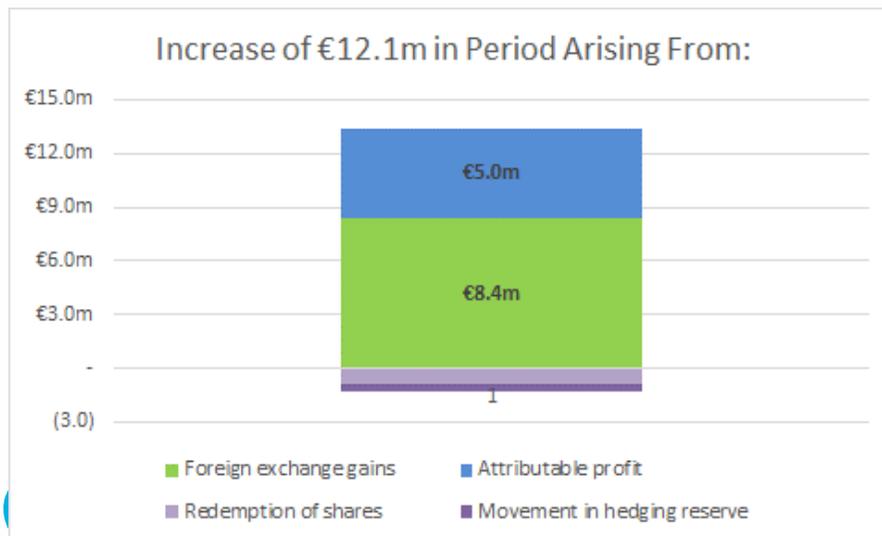


Movement in Shareholders Funds Since March 2014



Equity attributable to NTR plc shareholders

■ Mar-14 ■ Sep-14



Increase in equity attributable to NTR shareholders primarily driven by profit recorded for the period and foreign exchange gains

Income Statement – 6 Months 30 Sept 2014

(compared to 6 Months 30 Sept 2013)

	2014 €m	2013 €m	Comment
Revenue	19.7	20.7	All arising from US wind farms, movement reflects normal wind variation and US dollar/Euro exchange loss (average US dollar rate for 6 months to 30 Sept 2014 was \$1.35 compared to \$1.32 for 6 months to 30 Sept 2013)
EBITDA ¹	20.1	19.7	Reduction in head office costs period over period
Net financing costs, excl. FX	(11.4)	(15.3)	Reducing as loans and borrowings are paid off, also contains €1.2m credit in 2014 representing unwinding of discounts on sale of Osage and Greenstar Recycling receivables
Depreciation	(8.4)	(8.6)	US wind farm depreciation
Tax credit	<u>0.3</u>	<u>5.2</u>	Benefit of tax losses forward recognised in the calculation of deferred tax in 2013 giving rise to a once off additional tax credit
Profit for the period – before FX & discontinued operations	0.6	1.0	Increased EBITDA and lower borrowing costs being offset by a lower tax credit
FX gain/(loss)	4.7	(4.8)	Negative or positive depending on the euro/US dollar exchange rate fluctuation. Moved positively from \$1.38 at 31 Mar 2014 to \$1.26 at 30 Sept 2014 resulting in €4.7m gain. Prior period movement was \$1.28 at 31 Mar 2013 to \$1.35 at 30 Sept 2013
Discontinued operations	-	<u>5.7</u>	Profit in 2013 related to the sale of Greenstar Recycling
Profit for the period	<u>5.4</u>	<u>1.8</u>	

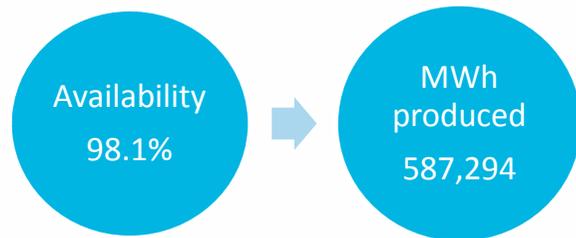
Before the impact of any new investments, one off items or foreign exchange movements, NTR's operational profit for the full year to Mar '15 should be in the range of **mid single digit millions**. The Group is line to achieve this, noting that the norm for second half results is for profits to be higher than first half results due to **stronger winds over the winter period as compared to the summer months**.



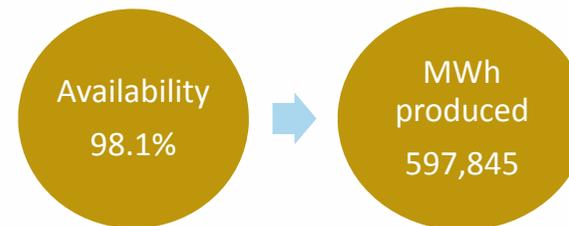
1 - EBITDA is defined as earnings before interest, tax, and depreciation. Note that reported EBITDA is higher than Revenue due to PTC income and amortisation of wind farm ITC grant

Operational Metrics

6 Months Sept 2014



6 Months Sept 2013



Operating performance of US wind farms broadly comparable to last half year, minor variation arising due to normal wind patterns

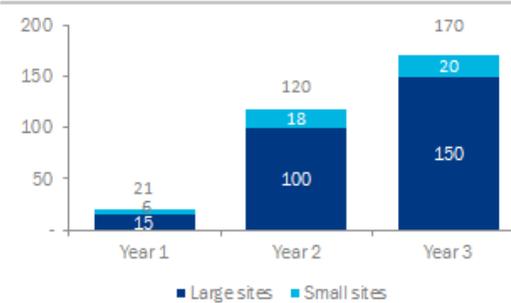


EU Wind – Business Snapshot

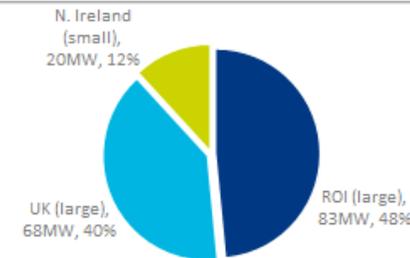
- The following charts detail the anticipated size of the EU wind portfolio and how it will be funded:

Achievable build out of the portfolio

Cumulative MW

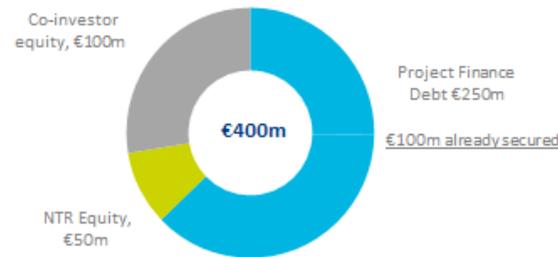


Geographic spread (MW)

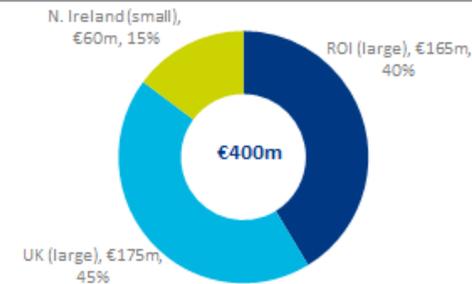


Clear roadmap to funding and use of funds

Sources of funds



Uses of funds



- Portfolio of 170MW will be invested in over a 3 year period from 2015. As of Nov 14, NTR has secured exclusivity on 20MW and has an active pipeline of over 250MW under review
- NTR will seek co-investors in 2015 to fund €100m equity investment and sit alongside NTR's equity of up to €50m
- €100m of an estimated €250m of project finance debt has also been secured to date under framework agreements
- Average **annual cash yields once constructed 9%**, increasing beyond this once debt paid down. **Overall annual cash yield over life of assets 13%**



EU Wind Strategy

Attractive, inflation-protected cash yields on a long-term basis

- Sites typically contracted to utility customers through long-term offtake agreements

Direct investment in attractive Irish and UK onshore wind markets

- Highly attractive markets with strong wind resources, increasing power prices, well established revenue support mechanisms

Focus on construction-ready sites and selected operational sites

- Focus on construction-ready sites, minimising development and policy risk whilst providing attractive returns

Extensive pipeline of projects in Ireland and the UK

- 5MW already acquired with a further 20MW under exclusivity and a pipeline of 250MW of specific identified opportunities

NTR Management Company

- NTR's management company will manage the assets on behalf of NTR and its co-investors, earning management and performance based fees



EU Wind – Current Status

- 1 October 2014 – acquired 14 single 250kw turbine wind projects in Northern Ireland - 4 operational sites and 10 development projects, most at advanced stages of development
- NTR expects to construct, commission and operate a minimum of eighteen 250KW projects across the province in 2015, with more projects under review thereafter
- Advanced stages on certain other potential wind project acquisitions in the UK and Ireland, ranging between 5MW and 40MW in size. Total pipeline of over 250MW in progress



In Summary

- Underlying half year operational results in line with expectations and comparable to prior period
- EU Wind strategy well underway following completion of recent acquisition in Northern Ireland
- Strong project pipeline and clear line of sight to future project acquisitions
- Completion of a sale of Wind Capital Group would have a significant impact on future results





NTR

Securing a Greener Future