NTR plc posts profit of €35.7 million for year ended 31 March 2015

Dublin, 12 June, 2015: NTR plc ("NTR"), a leading investor and asset manager of renewable energy projects, today announces its financial results for the year ended 31 March 2015.

The Group has recorded a profit of €35.7 million for the financial year 2015, which is an improvement of €4.4 million (13.9%) on the previous year. Profit from continuing operations was €16.0 million and profit from discontinued operations, which includes Wind Capital Group (WCG), US wind assets classified as "assets held for sale" due to their subsequent sale post year end, was €19.8 million. The profit on sale for this transaction will be recorded in the Financial Year 2016 results.

Key contributors to the profit for the year were Wind Capital Group (€8.4 million), net foreign exchange gains due to the strengthening US dollar year on year (€8.8 million), an income tax credit (€8.1 million) largely arising as a result of changes in inflation assumptions used in the calculation of a deferred tax liability relating to the sale of the West-Link toll road concession and the release of solar liabilities relating to potential historical claims (€10.8 million).

EBITDA* without the contribution of Wind Capital Group's activities was a loss of €4.2 million (2014 : loss of €3.5 million). If the US wind assets were not classified as discontinuing operations, EBITDA would have been €44.4 million, a reduction of €1.4 million on 2014 (€45.8 million), with high levels of operational availability (98.5%), being offset by lower than average annual wind in the second half of the year.

The Group reported a cash balance of €38.2 million at year end, compared to €41.8 million at 31 March 2014. Subsequent to year end, NTR plc received €148.3 million and US$2.1 million from the sale of the US wind assets. These payments equate to $162.1 million proceeds, after escrow ($19.5 million), minority shareholder payments, transaction costs and a provision for winding up Wind Capital Group. $160 million of the proceeds have been exchanged into Euro.

Shareholder funds excluding non-controlling interests increased by €58.5 million to €175.4 million at 31 March 2015 (2014: €116.9 million), as a result of both the profit recorded for the year and foreign exchange gains.

Said NTR plc Chief Executive Rosheen McGuckian; "We had a very successful year across the board culminating in a strong profit and significant strengthening of shareholders' funds. Our delivery of the Wind Capital sale subsequent to year end marked the second successful exit by NTR from its wind investment portfolios and our third investment cycle is now underway. As we look ahead, while we fully expect to be profitable as a result of the sale of the US wind assets within this financial year, revenues from our new investments should start to flow in 2016 through 2017 as projects complete construction and energy flows. Our goal is to have profits fully running to a steady state basis by 2018."

Operational Highlights

Wind farm availability for the US wind assets, at 98.5%, was more than 3% ahead of budget. This, however, was offset by lower than average levels of wind in the second half of the year.

The water assets performed to plan, with water treatment standards being maintained in plants that are operating to maximum capacity in some locations. Just prior to year end, NTR increased its shareholding in Celtic Anglian Water (CAW) from 38.45% to 50% by acquiring ICC Equity Partners' shareholding for a consideration of €1.5 million for the 11.55% stake. NTR's share of profits from CAW in 2015 was €1.5 million (2014: €2.2 million).

A further 18% reduction in NTR's central overheads (staff costs, board fees and general overheads), was offset by an increase in transaction related professional fees. As a result, corporate costs remained flat at €5.8 million year on year.

A total of €7.1 million was invested during the year to March 2015 in wind farm projects in Northern Ireland through project acquisition and construction costs. The Group currently owns four operational single turbine sites, with a further eight due for construction in this financial year.

The Group has also secured over 65MW of wind projects in Ireland and UK under exclusivity, which are in various stages of due diligence, with a further pipeline of over 250MW of projects under review.

Towards the end of the financial year, the Group commenced fundraising for €100 million equity to be provided by equity partners alongside NTR's commitment of €50 million investment into circa 170MW of onshore wind projects. It is intended that NTR will manage the assets for these parties as well as for its own account, earning management fees and performance based fees for this activity. The Group has received a very encouraging response to date.

The two roads assets in which NTR holds a 33.33% shareholding witnessed 5% (Portlaoise) and 9% (Waterford) growth in traffic levels year on year. The investments continue to remain challenged. Although the Group continues to play a role in managing the roads investments, their trading results had no impact on NTR's financial statements during the year at a consolidated level as the Group's investment has been fully eroded by losses recognised in previous years.

The Group's energy storage investment, Highview Power Systems, successfully completed a funding round (in which NTR participated for €0.1 million), and the construction of its 5MW / 15MWhr energy storage demonstration project with Viridor is well underway in Viridor's Pilsworth landfill gas generation plant.

Financial Highlights on a like for like basis 2014-2015

	March 2015	March 2014	% Change
Group Revenue (discontinued operations)	€45.5 million	€45.6 million	-
EBITDA loss from continuing operations	(€4.2) million	(€3.5) million	(18%)
EBITDA profit (US Wind, included in discontinued operations)	€48.6 million	€49.4 million	(3%)
Profit for the Year	€35.7 million	€31.4 million	+14%
Total Assets	€737 million	€618 million	+19%
Total Liabilities	€556 million	€497 million	+12%
Total Equity	€181.6 million	€121.6 million	+49%
Earnings Per Share – Basic and Diluted	36.3 cent	18.3 cent	+98%

- **Group revenue** from discontinued operations relates to revenue from the US wind assets with effectively no change year on year on a Euro basis. In US dollars, revenue was down 7% year on year due to lower than average wind in the second half of the year.
- **Group EBITDA** for our US wind assets is included in discontinued operations. EBITDA without the contribution of US assets was a loss of €4.2 million which includes costs associated with significant transactions during the year (including sale of US assets and professional fees relating to a potential liquidity event).
- **Profit** increased by 13.9% year on year to €35.7 million.
- **Total assets** of €737.1 million, an increase of 19% (2014: €618.4 million).
- **Total equity** of €181.6 million, an increase of 49% (2014: €121.6 million) of which €175.4 million is attributable to NTR shareholders. This does not include any increase arising subsequent to year end arising from the sale of the US assets. If this increase arising from the sale were taken into account, the attributable total equity would rise from €175.4 million to €230.4 million (see accompanying explanatory presentation for shareholders).
- **Group cash** of €38.2 million at 31 March 2015, which was before the receipt of proceeds arising from the sale of the US assets (€37.2 million at centre, €1.0 million held in subsidiaries).
- **Loans and borrowings.** All of the Group’s loans and borrowings at 31 March 2015 related to Wind Capital Group and were repaid or transferred to the acquirer on the sale of the Post Rock and Lost Creek wind projects subsequent to year end.
- **Total Liabilities** of €555.5 million. €500.7 million of these liabilities were classified as held for sale at 31 March 2015 and have subsequently been sold. Of the remaining €54.8 million, €33.0 million relates to deferred tax liabilities principally arising from the sale of the West-Link toll road concession and is payable up to 2020.
- **Earnings per share** almost doubled from 18.3 cent in 2014 to 36.3 cent for 2015. 16.8 cent relates to continuing operations and 19.5 cent relates to discontinuing operations.

A copy of the Consolidated Condensed Income Statement and Consolidated Condensed Balance Sheet is attached to this press release. An accompanying explanatory presentation for shareholders is also available on www.ntrplc.com with further explanation regarding the financial highlights, balance sheet, net assets by division and other potential receipts and contingent liabilities for the Group.

Shareholder Distribution

NTR has successfully accumulated significant cash reserves as a result of its sale of US wind assets in May 2015, and expects a receipt of $45 million for the sale of Osage in June of this year together with a further receipt of $20 million in 2016 from the sale of its US Greenstar Recycling assets. The Group is in a favourable position to provide further liquidity for shareholders and augment the almost €100 million returned to shareholders at the end of 2013.

During the year, the Group indicated that should a sale of the WCG wind assets be completed, then the Board would actively consider options for providing a liquidity event for shareholders. The exact format of any proposed liquidity event is yet to be decided and any such liquidity event would likely comprise a return of capital, either by way of a dividend to shareholders or a share redemption programme. A committee of the Board, comprised solely of independent directors, has been established for the purpose of considering the various options available to the Group, with a view to recommending a proposal which is fair and optimal for all shareholders. Their work is supported by an independent valuation of cash reserves, other assets and liabilities. The Group's objective is to deliver a liquidity event before the end of the 2015 calendar year.

*EBITDA for years ended 31 March 2014 / 2015 is defined as earnings before interest, taxes, depreciation, asset impairment charges/reversals, the reversal of provisions/accruals and income arising from a successful rates case appeal.

See PDF version attached to view Consolidated Condensed Income Statement and Consolidated Condensed Balance Sheet.

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Table A - Consolidated Condensed Income Statement

	31 March 2015 €'000	31 March 2014 €'000
Group Revenue	**204**	-
Operating expenses	**(141)**	-
Administration expenses	**(6,026)**	(6,695)
Other operating income, net	**908**	12,147
OPERATING (LOSS)/PROFIT BEFORE SHARE OF JOINT VENTURE	**(5,055)**	5,452
Share of profit of joint venture	**1,485**	2,217
OPERATING (LOSS)/PROFIT BEFORE FINANCING COSTS	**(3,570)**	7,669
Financial income*	**14,166**	248
Finance costs**	**(2,704)**	(6,461)
NET FINANCING INCOME/(COSTS)	**11,462**	(6,213)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	**7,892**	1,456
Income tax	**8,062**	442
Profit from continuing operations	**15,954**	1,898
Profit from discontinued operations, net of tax	**19,773**	29,474
PROFIT FOR THE YEAR	**35,727**	31,372
Attributable to		
Equity shareholders of the parent	**35,516**	30,195
Non-controlling interest	**211**	1,177
PROFIT FOR THE YEAR	**35,727**	31,372
Earnings per share – basic and diluted (cent)		
Continuing operations	**16.8**	4.7
Discontinued operations	**19.5**	13.6
Total	**36.3**	18.3

The results of Wind Capital Group's Lost Creek and Post Rock wind farms are classified within discontinued operations as at 31 March 2015 and 31 March 2014. Also, included in the discontinued operations line are various legacy amounts relating to the past disposal of Greenstar Recycling, and the solar business.

**Financial income incudes foreign exchange gains of €11.5 million and a credit of €2.6 million on the unwinding of the discount on proceeds receivable on business disposals.*

*** Finance costs includes a charge of €2.7 million arising from the movement in fair value of foreign exchange forward and option contracts.*

Table B – Consolidated Condensed Balance Sheet

	31 March 2015 €'000	31 March 2014 €'000
Assets		
Property, plant and equipment	**7,192**	429,375
Goodwill	**-**	28,182
Investment in joint ventures	**10,616**	9,641
Trade and other receivables	**-**	27,710
Deferred tax asset	**12**	-
Other financial assets	**2,525**	546
TOTAL NON-CURRENT ASSETS	**20,345**	495,454
Trade and other receivables	**58,821**	7,417
Current tax receivable	**-**	65
Other financial assets	**3,032**	22,969
Cash and cash equivalents	**38,225**	41,794
Assets classified as held for sale	**616,691**	50,709
TOTAL CURRENT ASSETS	**716,769**	122,954
TOTAL ASSETS	**737,114**	618,408

The assets of Lost Creek and Post Rock are combined onto one line and are presented as "assets held for sale" on the Group Balance Sheet. Likewise, the liabilities of Lost Creek and Post Rock are combined onto one line and are presented as "liabilities held for sale".

Table B – Consolidated Condensed Balance Sheet (continued)

	31 March 2015 €'000	31 March 2014 €'000
Equity		
Issued share capital	**122**	123
Other undenominated capital	**189**	188
Own shares	**(16)**	(16)
Share premium	**88,916**	88,916
Other reserves	**18,795**	(2,704)
Retained earnings	**67,406**	30,350
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT	**175,412**	116,857
Non-controlling interests	**6,193**	4,773
TOTAL EQUITY	**181,605**	121,630
Liabilities		
Loans and borrowings	**-**	244,555
Employee benefits	**1,106**	554
Deferred income	**-**	65,518
Provisions	**435**	2,065
Derivative financial instruments	**686**	8,864
Deferred tax liabilities	**33,032**	98,598
TOTAL NON-CURRENT LIABILITIES	**35,259**	420,154
Loans and borrowings	**511**	31,385
Trade and other payables	**6,768**	18,952
Derivative financial instruments	**1,802**	3,806
Current tax payable	**7,429**	6,519
Deferred income	**-**	2,657
Provisions	**3,019**	3,605
Liabilities classified as held for sale	**500,721**	9,700
TOTAL CURRENT LIABILITIES	**520,250**	76,624
TOTAL LIABILITIES	**555,509**	496,778
TOTAL EQUITY AND LIABILITIES	**737,114**	618,408

The financial information presented in this press release has been extracted from the Group's financial statements and is presented here in condensed form for the purposes of providing shareholder with an update on the Group's financial performance and financial position for the year ended 31 March 2015. The auditors have reported on the financial statements for the year ended 31 March 2015 and their report was unqualified and did not contain any matters to which attention was drawn by way of emphasis.

The financial information has been prepared using accounting policies consistent with International Financial Reporting Standards (IFRSs) as adopted by the European Union and as set out in the Group's Annual Report in respect of the year ended 31 March 2014. New standards adopted in the year ended 31 March 2015 had no material impact on the Group's accounting policies. The financial information does not include all the information and disclosures required in the statutory financial statements of the Company.

The Group's Annual Report will be distributed to shareholders and made available on the Company's website www.ntrplc.com in due course. It will also be filed with the Company's annual return in the Companies Registration Office.

The financial information for the year ended 31 March 2014 represents an abbreviated version of the Group's statutory financial statements on which an unqualified audit report was issued and which have been filed with the Companies Registration Office.