

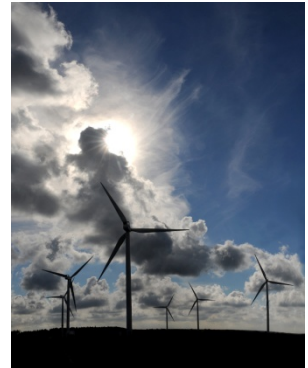


REG Interim Results 2012

March 2012

Andrew Whalley, Chief Executive Officer

David Crockford, Finance Director



Interim results highlights

Financial

- Group revenues of £6.3m (H1 2011: £4.3m)
- Group EBITDA of £1.6m (H1 2011: loss of £0.9m)
- Pre tax profit of £7,000 (H1 2011: loss of £1.9m)
- £25m project financing completed
- Unrestricted cash resources of £19m as at 31 December 2011
- Proposed interim dividend of 0.5p per ordinary share

Operational

- Planning for 10 MW Denzell Downs wind farm
- Construction underway at Sancton Hill (10MW), turbines due end of March
- Construction commencing at South Sharpley (6MW), turbines due end of August
- Orchard End (4MW) now entering procurement
- Two smaller consented FiT sites at Cheverton Downs and Redland (totalling 2.5MWs) now clear to build
- 40MW of new projects have entered planning system



Sancton Hill windfarm under construction

Financial Review - Income Statement



	Wind	Biopower	Central Costs	31 Dec 2011	31 Dec 2010	30 June 2011
MW	41.15	8.55	-	49.7	42.5	46.5
MWh	55,684	1,339	-	57,023	34,652	83,262
	£m	£m	£m	£m	£m	£m
Revenue	5.6	0.7	-	6.3	4.3	9.8
Cost of Sales	(1.2)	(0.6)	-	(1.8)	(1.7)	(3.3)
Gross Profit	4.4	0.1	-	4.5	2.6	6.5
Administration	(1.7)	(0.3)	(0.3)	(2.3)	(2.4)	(4.8)
Development - external	(0.6)	-	-	(0.6)	(1.1)	(1.7)
EBITDA	2.1	(0.2)	(0.3)	1.6	(0.9)	-
Depreciation	(1.4)	(0.1)	-	(1.5)	(1.1)	(2.8)
Finance income	-	-	-	-	0.3	0.3
Exceptional items	(0.1)	-	-	(0.1)	(0.2)	(0.5)
Discontinued	-	-	-	-	-	(0.4)
Tax	-	-	-	-	0.1	0.4
PAT/(LAT)	0.6	(0.3)	(0.3)	-	(1.8)	(3.0)

Excellent wind levels in H1, combined with 97% availability

IFRS3 Legal costs connected to Northern Ireland

STOR business model has significantly reduced our exposure to the WCO market

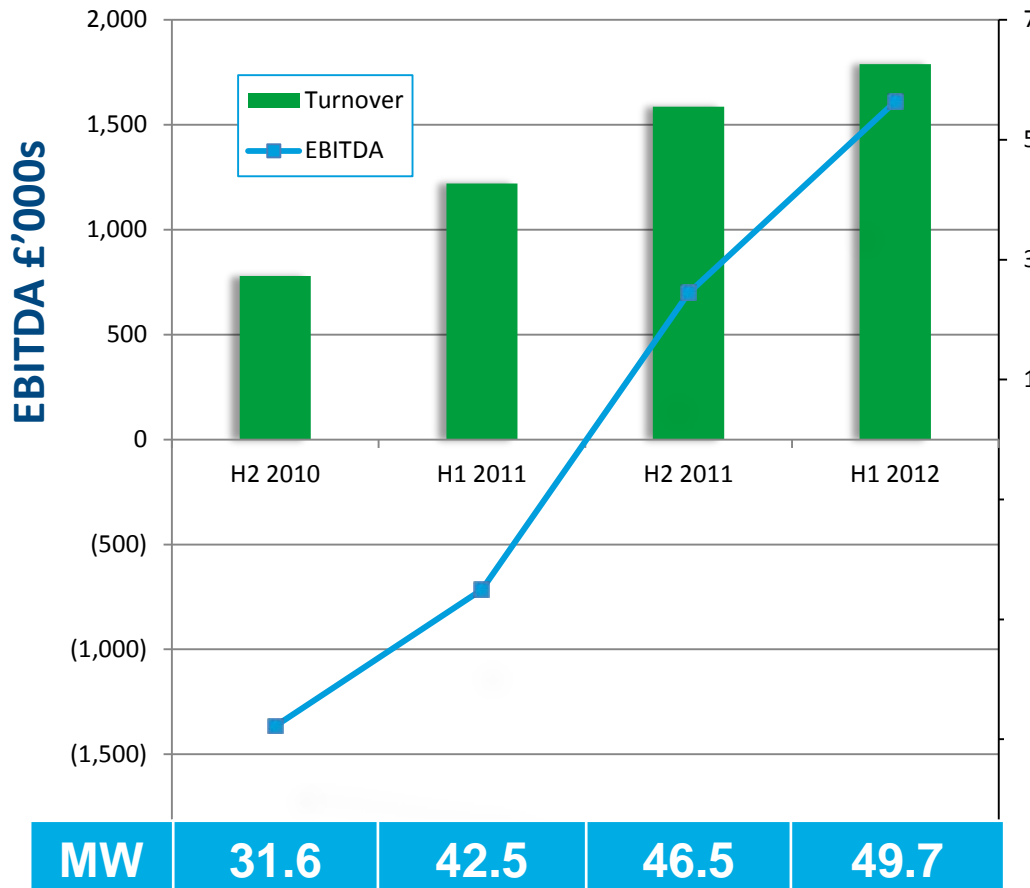
No additions to cost base in period

External spend capitalised as development portfolio matures

Financial Review – Growth and profit



Growth since the start of REG's 3 year Strategy



Turnover £millions

- Sustained growth of turnover and EBITDA
- Cost and margin control
- MW installed have increased from 22.5MW Jan10 to 49.7MW Dec11
- Project pipeline has trebled to 1,000MW
- Over £87m now allocated to REG's 3 year plan of committing £100m to Renewables by December 2012

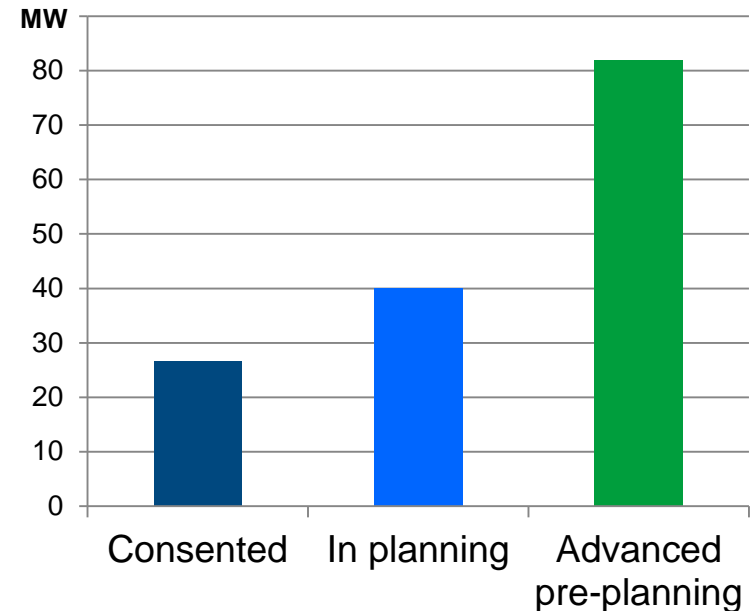
REG Windpower: Development review



- REG Windpower development portfolio maturing rapidly:
 - 24.5 MW consented awaiting construction
 - 40 MW in the planning system, awaiting a planning decision
 - c. 80 MW at advanced pre-planning, due to enter the planning system in next six months
- Continued focus on “consentability” and maintaining rates of return
- Evidence that smaller projects have more favourable planning prospects

“The fall in the average size of projects consented in England this year is evidence of a recent trend towards a preference to approve smaller schemes.”

RenewableUK (UK onshore wind trade association), Oct 2011



- Redland (1.3MW)
- Orchard End (4.0MW)
- French Farm (4.0MW)
- Denzell Down (10.0MW)
- Cheverton Down (1.2MW)
- Brackagh Quarry (4.0MW [REG proportion])

REG Bio-Power

- ① 8MW STOR contract with National Grid operational August 2011
- ① STOR operational hours have exceeded expectations
- ① 670 tonnes of oil collected in H1 (H1 2010: 326 tonnes)
 - ① 220 tonnes of CA sites
 - ① 450 tonnes of commercial collections
- ① Average price of collected LF100 £293 / tonne (UCO market price £650 / tonne)
- ① 399 collection bins now deployed (H1 2010/11; 297 bins)
- ① Generation expansion opportunities significant
 - ① 5MW site at Lakenheath now permitted and entering procurement
 - ① 15MW site in County Durham going through planning process and engine testing
 - ① Pipeline 80MW
- ① Up to 25MWs of new build should be “fundable” through combination of existing equity in business and project/asset finance
- ① Testing larger 2MW engines to build scale – scheduled for completion by June 2012
- ① RO banding review favourable with grandfathering now introduced for bioliquids



Hockwold processing plant Norfolk

UK industry trends

- ① UK electricity market reform moving very slowly
- ① In the meantime a reduction in wind ROCs to 0.9/MWh from 2013 provides industry support with commensurate reduction in FiT from 2013
- ① New CfD FiT to be introduced from 2013 to run concurrently with the RO
- ① REG Bio-Power to receive 1.5 ROCs per MWh until 2015 when it will reduce to 1.4ROCs
- ① Turbine pricing remains competitive with some signs that prices are falling further
- ① € exchange rate also helpful
- ① Credit markets still difficult but banks willing to lend on acceptable terms
- ① Electricity pricing subdued but better post 2015
- ① Need to get HMG and DECC on same page – some lack of robustness from HMG on energy policy
- ① New Energy minister continues to offer strong support for Renewables

Summary



- ➊ Maiden interim PBT was better than anticipated
- ➋ Refinancing of Sancton Hill and South Sharpley underway and construction progressing well
- ➌ Orchard End moving to construction late 2012
- ➍ Denzell Downs anticipated to be out of 3 month challenge period by June 2012
- ➎ Construction of these four projects will boost existing REG output by around 80% to almost 200GWh per annum by end of next year
- ➏ Development pipeline on track to submit 12 new projects this year
- ➐ Government remains supportive of UK onshore wind industry