Press Release **18 March 2010**

Renewable Energy Generation Limited
("REG" or the "Group")
Interim Results for the six months to 31 December 2009

Renewable Energy Generation (AIM: WIND), the UK renewable energy group, today announces its interim financial results for the six months to 31 December 2009.

Financial highlights

- Group revenues of £3.5m (H1 2009: £2.7m)
- Group EBITDA of £0.4m (H1 2009: loss of £0.6m)
- Loss before tax from continuing operations of £0.3m (H1 2009: loss of £1.1m)
- Cash resources of £28.5m as at 31 December 2009
- Proposed interim dividend of 0.5p per ordinary share

Operational highlights

- Sale of Canadian wind business for C$125m
- 7 UK operational wind farms totalling 21.3MW
- Turbines ordered for Goonhilly Downs and Loscar wind farms
- Purchase of fully consented 4MW wind farm at High Haswell
- REG Biopower signed its first commercial contract with Port of Dover
- Development portfolio of over 350MW as at 31 December 2009
- Redomiciliation of Group to Jersey
- Appointment of two independent non-executive directors (post period end)

Andrew Whalley, Chief Executive Officer of Renewable Energy Generation, said:

"Following the disposal of our Canadian operations and our commitment to focus on the UK market, the Group has 39 individual wind projects under active development. With a strong balance sheet we are investing in resources and with a clear growth strategy, we believe that the group is well placed to maximise the potential of this pipeline over the coming years."

ENDS

A presentation to analysts will take place today at 9.30am at Hogarth's offices. Please contact Jennie Kelly on 020 7357 9477 for details.

A copy of the presentation will be available on the Company's website www.renewableenergygeneration.com

Enquiries:

Renewable Energy Generation Limited Andrew Whalley, Chief Executive Officer David Crockford, Finance Director	**Today:** **Thereafter:**	**+44 (0)20 7357 9477** **+44 (0)1483 901 790**
Smith & Williamson Corporate Finance Limited (Nominated Adviser) Nick Reeve / Martyn Fraser		**+44 (0)117 376 2213**
Numis Securities Limited (Corporate broker) David Poutney / Charles Farquhar		**+44 (0)20 7260 1000**
Hogarth Partnership Sarah MacLeod, Julian Walker, Vicky Watkins		**+44 (0)20 7357 9477**

Notes to Editors:

Renewable Energy Generation Ltd (REG) is a UK-focused renewable energy group. The Group's main business is the development, construction and operation of wind farms. It also generates power from refined used cooking oil. Headquartered in Jersey, REG was admitted to trading on AIM, a market operated by the London Stock Exchange, in May 2005 (AIM: WIND).

www.renewableenergygeneration.co.uk

Overview of period

The six month period to 31 December 2009 was transformational for REG as we took the decision to focus on the UK market and concluded the sale of our Canadian operations.

During the period from 1 July to 31 December 2009, turnover increased by 30% to £3.5 million. The Group generated positive cash flow and EBITDA increased by £1 million to £400,000. Net loss from continuing operations narrowed from £1.1 million in the same period last year to £277,000.

Profit after tax for the period was £5.1 million after an adjustment of £5.4 million for foreign exchange gains and disposal costs relating to the sale of AIM PowerGen Corporation.

During the period the Group has committed over £25 million to new wind projects at Goonhilly Downs, Loscar and High Haswell. The investments are expected to double operating output to approximately 100 GWh per annum. These three new projects will be operational during 2010.

The sale of our Canadian wind business has released a significant amount of cash to enable REG to pursue its ambition of investing over £100m into new renewable energy projects in the UK over the next three years. Following the sale, the Group has restructured its technical resources in its wind and biopower businesses to focus on execution.

We have formed an operational board with senior management representation from both businesses to assist the Board in allocating the Group's resources between organic growth and acquisition opportunities.

REG's wind business now operates a two divisional structure: construction and operations will be run from our existing Truro office, while the development division will operate from a new location focusing exclusively on converting our significant pipeline of wind projects to consented sites ready for construction. We are actively working on 39 new wind farm developments around the UK.

Our investment programme is well developed and our team is focused on the objective of delivering £100m of investment. A structure has been put in place to achieve this goal and the Group is moving toward profitability. With this in mind we have decided to maintain our interim dividend payment to shareholders at 0.5p per Ordinary share.

Review of operations

The operational UK wind portfolio comprises seven sites with an installed capacity of 21.3MW. During the period the wind farms produced an output of 23.6GWh. This compares with 20.7GWh in the same period last year. Revenue from the operating wind farms was £3.1million compared with £2.2million in the same period last year. Operation and maintenance costs were £434,000 compared to £404,000 last year.

Construction of our two consented projects at Goonhilly and Loscar has now started with turbines ordered for delivery in July. Both projects are scheduled for operation in the autumn.

During the period we concluded the purchase of a fully consented two turbine wind site at High Haswell in County Durham. Turbines for this project are currently being ordered and the project is expected to be operational by winter 2010.

We have appointed a new head of UK wind development, Matt Partridge, who joins us from Ecotricity. Matt comes with an outstanding track record in development and we are confident he will exploit our substantial development portfolio.

During the period we continued to invest in our waste cooking oil business, REG Biopower, which generated total revenue of £0.4million.

Our 400kW unit at Hockwold supplies heat and power to a waste reprocessing site there and has performed well. Our 4.8MW Bentwaters site is currently undergoing further investment to convert it to a combined heat and power plant. This will enable it to qualify for an additional half a Renewable Obligation Certificate. Whilst permissions are being formalised we are able to operate two units at Bentwaters under derogation from the Environment Agency.

REG Biopower also signed its first commercial contract in the period - a five year agreement with the Port of Dover Authority to install and operate a 150kW combined heat and power plant at the port facility. This unit is now operational.

Outlook

The funds that became available following the sale of our Canadian business will allow the Group to fulfil its ambition of investing at least £100m in new onshore wind projects in the UK over the next three years. We have added additional resource in our development business and with 39 individual wind projects under active development, we are confident that we will achieve the necessary consents to fulfil our investment ambition.

Unaudited interim consolidated income statement

For the six months to 31 December 2009

	Six months to 31 December 2009 £'000 (un-audited)	Six months to 31 December 2008 £'000 (un-audited)	Year to 30 June 2009 £'000 (audited)
Revenue	3,468	2,691	5,589
Cost of Sales	(1,803)	(1,555)	(3,513)
Gross profit	**1,665**	**1,136**	**2,076**
Administrative expenses	(1,496)	(1,422)	(2,951)
Exceptional administrative expenses	-	-	(447)
Development costs	(482)	(900)	(1,111)
Group trading loss	**(313)**	**(1,186)**	**(2,433)**
Other operating income	-	13	42
Group operating loss from continuing activities	**(313)**	**(1,173)**	**(2,391)**
Net finance revenue	21	68	37
Loss on continuing operations before tax	**(292)**	**(1,105)**	**(2,354)**
Tax	15	17	296
Loss on continuing operations after tax	**(277)**	**(1,088)**	**(2,058)**
Discontinued operations			
Profit/(loss) from discontinued operations (note 2)	5,424	(6,824)	(7,050)
Profit/(loss) for the period	**5,147**	**(7,912)**	**(9,108)**

Earnings per share for profit attributable to the equity holders of the Company during the period

- basic and diluted from continuing activities	(0.27p)	(1.06p)	(2.00p)
- basic and diluted	4.98p	(7.67p)	(8.83p)

Unaudited interim consolidated balance sheet

As at 31 December 2009

	31 December 2009 £'000 (un-audited)	31 December 2008 £'000 (un-audited)	30 June 2009 £'000 (audited)
ASSETS			
Non-current assets			
Goodwill	4,890	4,890	4,890
Intangibles	-	23,763	-
Development assets	3,845	3,896	3,870
Property, plant and equipment	26,481	110,750	23,910
	35,216	143,299	32,670
Current Assets			
Inventories	125	105	55
Trade and other receivables (note 3)	16,548	9,416	918
Intangibles	1,332	907	941
Cash and cash equivalents	28,477	5,216	706
	46,482	15,644	2,620
Assets of disposal group	-	-	109,292
Total assets	**81,698**	**158,943**	**144,582**
EQUITY			
Share capital	10,325	10,325	10,325
Share premium	79,708	79,708	79,708
Special reserve	-	10,000	-
Fair value and other reserves	-	9,958	5,070
Share based payment reserve	1,063	1,008	1,037
Retained earnings	(11,471)	(23,357)	(15,069)
Equity attributable to the equity holders of the parent	**79,625**	**87,642**	**81,071**
LIABILITIES			
Non-current liabilities			
Financial liabilities	-	45,632	-
Deferred tax liabilities	683	6,442	698
	683	52,074	698
Current liabilities			
Trade and other payables	1,390	4,709	1,947
Financial liabilities	-	14,518	14,958
	1,390	19,227	16,905
Liabilities of disposal group	-	-	45,908
Total liabilities	**2,073**	**71,301**	**63,511**
Total equity and liabilities	**81,698**	**158,943**	**144,582**

Unaudited interim consolidated cash flow statement

For the six months to 31 December 2009

	Six months to 31 December 2009 £'000 (un-audited)	Six months to 31 December 2008 £'000 (un-audited)	Year to 30 June 2009 £'000 (audited)
Cash flows from operating activities			
Cash used in operations	(7,381)	(9,330)	(8,387)
Net cash used in operations	(7,381)	(9,330)	(8,387)
Cash flows from investing activities			
Purchase of property, plant and equipment	(3,302)	(28,181)	(25,804)
Net proceeds from sale of subsidiary before deferred consideration	48,596	-	-
Interest received	25	69	128
Movement in restricted cash accounts	5,223	(1,452)	(1,594)
Net cash generated/(used) in investing activities	50,542	(29,564)	(27,270)
Cash flows from financing activities			
New borrowings	1,000	32,163	27,978
Interest paid	(725)	(748)	(916)
Repayment of borrowings	(15,958)	(301)	(1,507)
Dividends paid to Company's shareholders	(1,549)	(3,093)	(3,609)
Net cash (used)/generated from financing activities	(17,232)	28,021	21,946
Net decrease in cash and cash equivalents	25,929	(10,873)	(13,711)
Cash at beginning of period	2,522	16,453	16,453
Exchange gains/(losses)	26	(364)	(220)
Cash at end of period	28,477	5,216	2,522

Unaudited interim consolidated statement of changes in equity

For the six months to 31 December 2009

	Share capital	***Share premium account***	***Share based payments reserve***	***Retained earnings***	***Foreign currency translation reserves relating to disposal group***	***Total equity***
	£'000	***£'000***	***£'000***	***£'000***	***£'000***	***£'000***
At 1 July 2009	*10,325*	*79,708*	*1,037*	*(15,069)*	*5,070*	*81,071*
Foreign currency translation	*-*	*-*	*-*	*-*	*4,777*	*4,777*
Net Income and expense for the period recognised in equity	***-***	***-***	***-***	***-***	***4,777***	***4,777***
Released on disposal	*-*	*-*	*-*	*-*	*(9,847)*	*(9,847)*
Profit for the period	*-*	*-*	*-*	*5,147*	*-*	*5,147*
Total income and expense for the period	***-***	***-***	***-***	***5,147***	***(5,070)***	***77***
Share based payments	*-*	*-*	*26*	*-*	*-*	*26*
Dividend (note 4)	*-*	*-*	*-*	*(1,549)*	*-*	*(1,549)*
At 31 December 2009	***10,325***	***79,708***	***1,063***	***(11,471)***	***-***	***79,625***

Notes to the un-audited consolidated financial statements

1. Statement of compliance

The interim financial statements of the Group for the six months ended 31 December 2009, which are unaudited, have been prepared in accordance with the International Financial Reporting Standards ('IFRS') accounting policies adopted by the Group and set out in the annual report and accounts for the year ended 30 June 2009. The Group does not anticipate any change in these accounting policies for the year ended 30 June 2010. As permitted, this interim report has been prepared in accordance with the AIM rules and not in accordance with IAS 34 "Interim financial reporting".

2. Profit/(loss) from discontinued operations

In accordance with International Accounting Standard 21 the profit from discontinued operations in the period to 31 December 2009 of £5,424k comprises a loss on the activities of the operation to the point of disposal combined with the loss to the group on disposal totaling £4,423k offset by a credit arising to the income statement of £9,847k representing the release of the accumulated foreign currency translation reserve.

3. Trade and other receivables

	Six months to 31 December 2009	Six months to 31 December 2008	Year to 30 June 2009
	£'000	£'000	£'000
	(un-audited)	(un-audited)	(audited)
Trade receivables and other receivables	1,054	9,416	918
Deferred consideration on disposal of subsidiary	15,494	-	-
	16,548	**9,416**	**918**

4. Dividends

	Six months to 31 December 2009	Six months to 31 December 2008	Year to 30 June 2009
	£'000	£'000	£'000
	(un-audited)	(un-audited)	(audited)
Declared and paid during the period			
Equity dividends on ordinary shares:			
Second interim dividend declared and paid	1,549	3,093	3,093
First interim dividend declared and paid	-	-	516
	1,549	**3,093**	**3,609**
Proposed but not recognised as a liability at 31 December 2009			
Equity dividends on ordinary shares:			
First interim dividend declared and paid – 0.5p	516		

The dividend will be paid on 23 April 2010 to members on the register on 26 March 2010. Shares will be marked ex-dividend on 24 March 2010.