



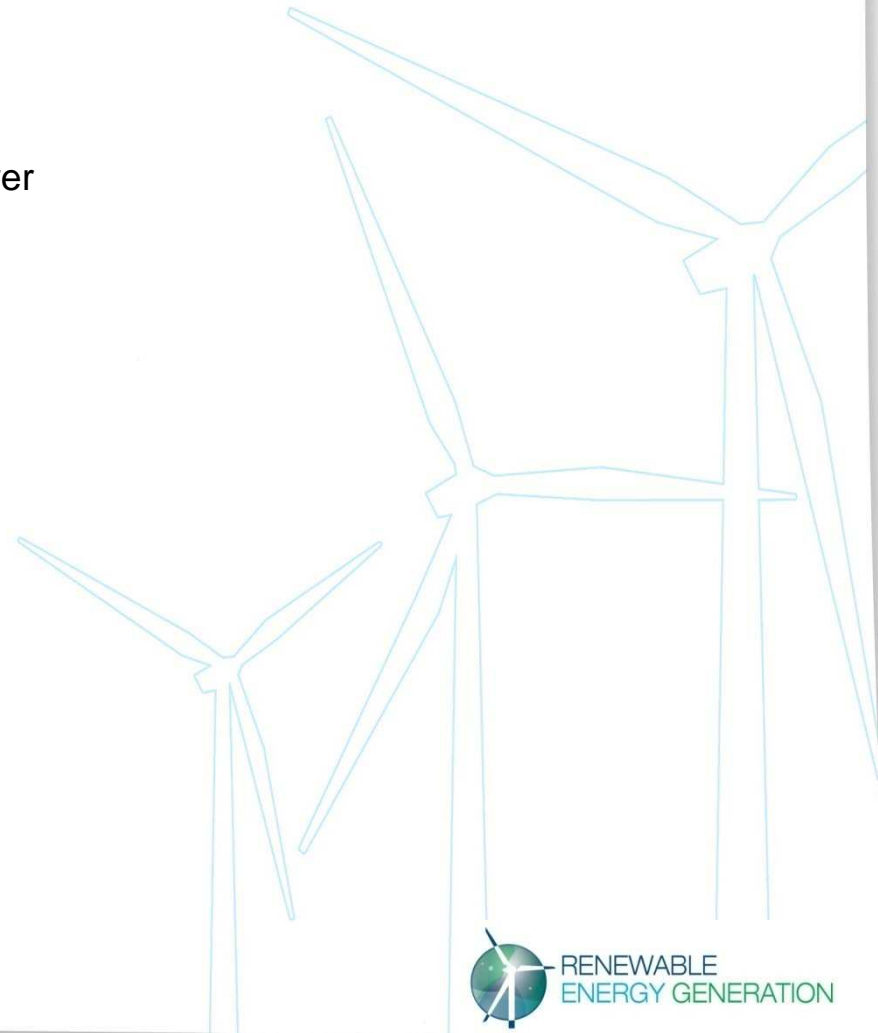
Interim Results Presentation

March 2010



Interim Results

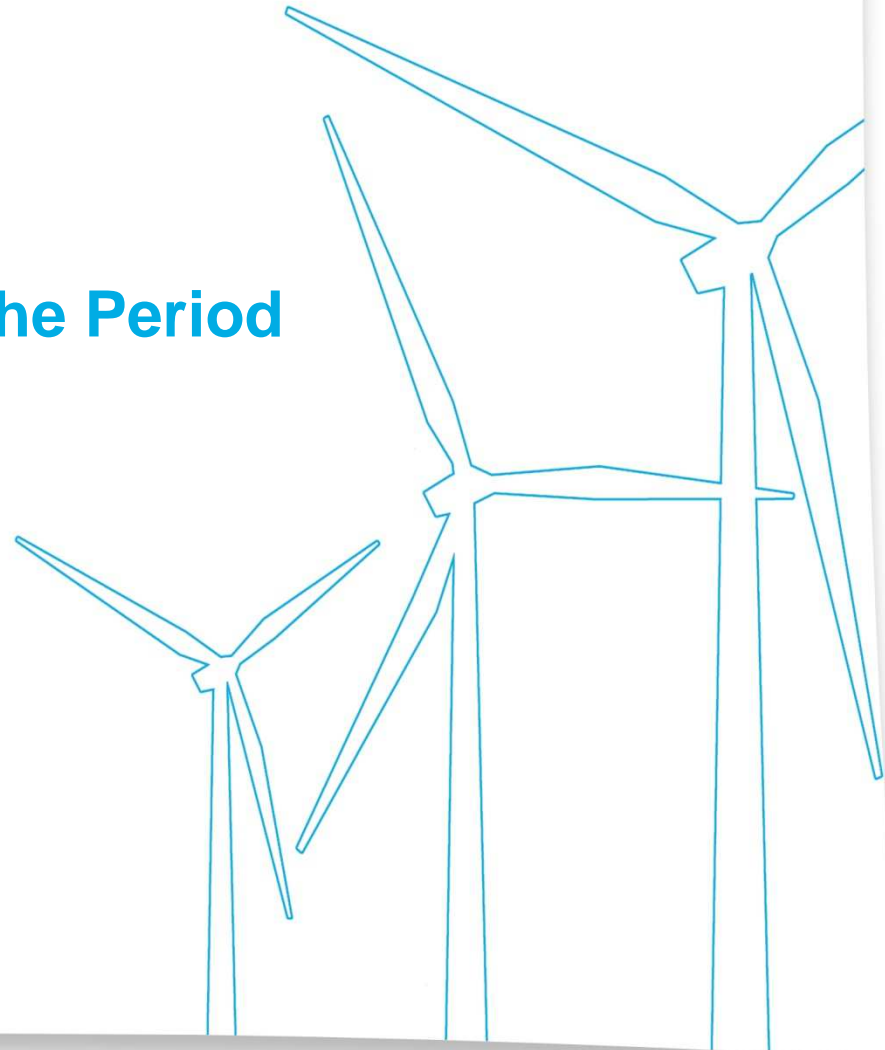
- Review of the period
 - Financial and operational highlights
 - Financial review
 - Review of operations: Group, Wind, Biopower
- Three year strategy – Wind
 - Overview
 - Delivering the strategy
 - Operating portfolio growth
 - Development process
 - Project development pipeline
- Summary





RENEWABLE
ENERGY GENERATION

Review of the Period



REG Financial and Operational Highlights

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 of £0.3m (H1 2009: £1.1m)
- Cash resources as at 31 December 2009 of £28.5m
- Interim dividend of 0.5p per ordinary share

Operational Highlights

- Completion of sale of Canada for C\$125m
- Seven UK operational wind farms totalling 21.3 MW
- Turbines ordered for Goonhilly Downs and Loscar wind farms
- Purchase of High Haswell wind farm
- Biopower signed first commercial contract with Port of Dover
- Development portfolio of over 350MW as at 31 December 2009

Financial Review - Income Statement

	Wind	Biopower	Central Costs	31 Dec 2009	31 Dec 2008	30 June 2009
MW	21.3	1.2	-	22.5	22.5	22.5
MWh	23,602	2,543	-	26,145	23,585	47,454
	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	3,067	401	-	3,468	2,691	5,589
Cost of Sales	(434)	(638)	-	(1,072)	(975)	(2,144)
Gross Profit	2,633	(236)	-	2,397	1,716	3,445
Administration	(623)	(332)	(515)	(1,496)	(1,409)	(2,951)
Development	(482)	-	-	(482)	(900)	(1,111)
Other Income	-	-	-	-	13	42
EBITDA	1,528	(568)	(515)	445	(580)	(575)
Depreciation	(649)	(82)	-	(731)	(580)	(1,369)
Warrant Costs	-	-	(26)	(26)	(13)	(43)
Exceptional item	-	-	-	-	-	(447)
Financing	(3)	(1)	25	21	68	79
PBT (Continuing activities)	892	(651)	(516)	(292)	(1,105)	(2,355)

Wind output up 14% and wind revenues up 40% on the prior year

Wind PBT up £900k on prior year

Biopower moves away from development and into testing and commercial operation

Group moves to positive EBITDA

Lower development spend pre Canada sale
New focus on development going forward



Financial Review – Balance Sheet and Cash

	31 December 2009	30 June 2009
NON-CURRENT ASSETS		
	£'000	£'000
Intangibles	8,735	8,760
Property, plant and equipment	26,481	23,910
	35,216	32,670
CURRENT ASSETS		
Trade and other receivables	18,005	1,914
Cash and cash equivalents	28,477	706
	47,482	2,620
CURRENT LIABILITIES		
Trade and other payables	(1,390)	(1,947)
Borrowings	-	(14,958)
	(1,390)	(16,905)
Deferred Tax	(683)	(698)
Net assets of disposal group	-	63,384
NET ASSETS	79,625	81,071

Sale of Canada created net cash inflow of c£68m after costs.

At 31 December 2009, £16.5m was held as deferred consideration.

£28.5m of cash on hand, now substantially committed to new projects at Goonhilly, Loscar and High Haswell

HBoS revolving credit facility fully repaid and cancelled.

REG balance sheet is currently ungeared.

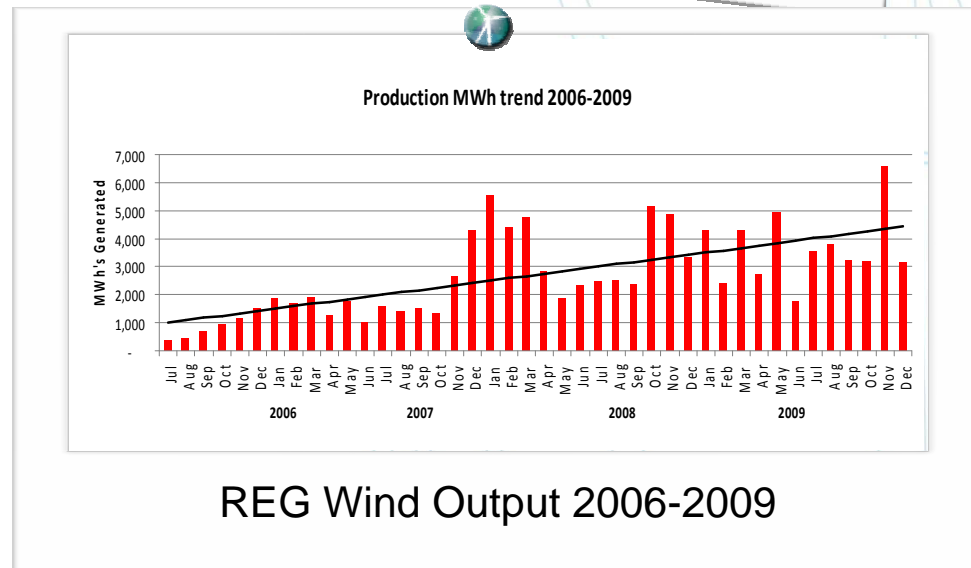
Net asset value reduced by £0.4m after paying a final year dividend of £1.5m in November 2009

Review of Operations - Group

- Completion of sale of Canadian business for C\$125m
- Redomiciliation to Jersey
- Internalisation of:
 - Operations
 - Meteorological reporting
 - Turbine procurement
- Placing of 19% of Lehman stake with existing shareholders
- Change of ticker to WIND.L
- Appointment of two experienced non-executive directors (post period end)
- Change of nomad to Smith & Williamson (post period end)

Review of Operations - Wind

- Total revenue H1 2010 £3.1m (H1 2009: £2.2m)
- 21.3MW operational
- H1 2010 output 23.6GWh (H1 2009: 20.7GWh)
- PPA with Smartest Energy to March 2011
- ROC value maximised
- Operations
 - Now being brought in-house
 - Effective control of assets
 - Strengthened management team
 - Investing for growth



Construction Projects - Wind



High Haswell

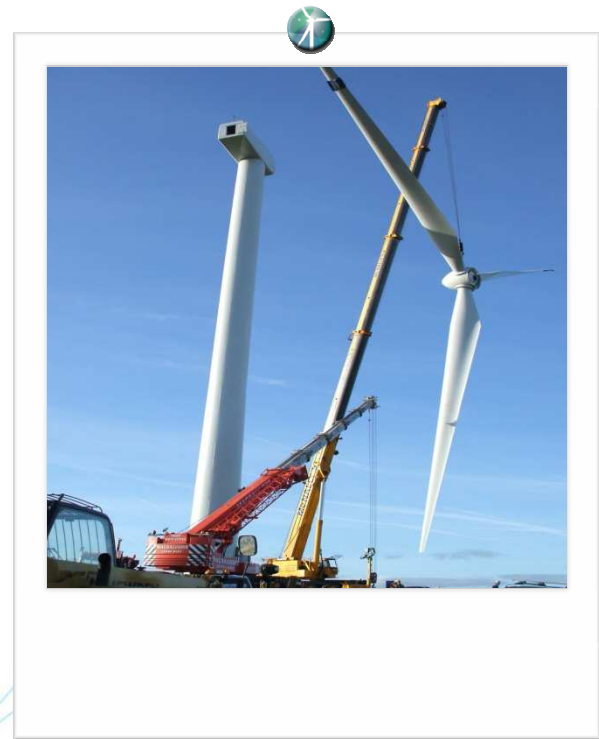
- Turbines being ordered
- Grid paid for and work underway
- Project operational Q4 2010

Loscar

- Turbines ordered
- Grid work underway
- Turbines on site July 2010

Goonhilly Downs

- Turbines ordered
- Grid work finished
- Turbines on site July 2010



New sites will double output to around 100GWh per annum

Review of Operations – Biopower

- Total generation revenue of £300,000
- 1.2MW operational
- H1 2010 output 2.5GWh
- Focus on CHP (RO benefits)
- 10MW of operational plant by end of 2010
- Focus on commercialisation of technology



Project Development - Biopower

- 166 collection tanks across 16 counties and 16 London Boroughs
- Development opportunities – Hockwold, Bentwaters, Port of Dover, industrial units
- Discussions underway with a number of corporates



Hockwold

- 400kW CHP on line
- Planning for processing plant should be finalised by May 2010

Bentwaters

- 800kW non CHP on line
- Environmental permitting almost finalised
- Should start operating as CHP from September 2010

Port of Dover

- Installation of CHP project complete





Three Year Strategy - Wind



Overview

- Build on existing strategy to deliver projects from concept to operation
 - Invest £100m into new renewable energy projects over the next three years
 - Combination of organic and acquisitive growth
 - Internalise operations
 - Introduce long term structured financing
 - Focus on UK

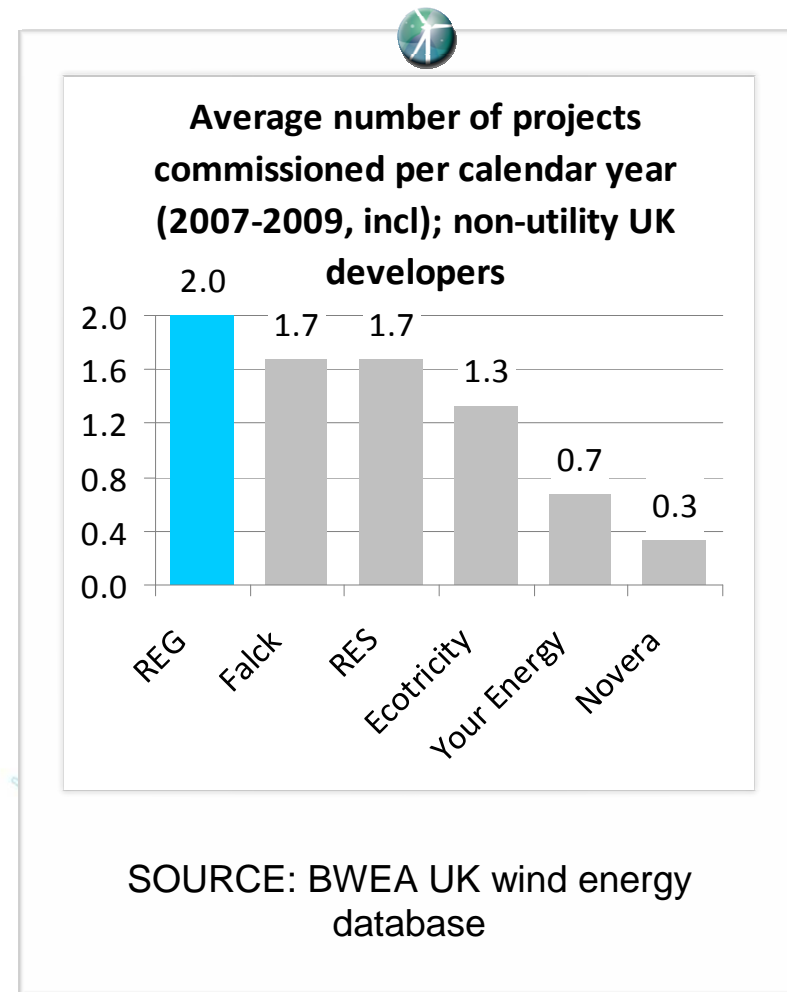


Delivering the Strategy

- Strategic decision in November 2009 to re-focus on UK onshore wind
- Expanding project development capabilities
- Appointment of Matt Partridge as Wind Development Director
 - Previously at Ecotricity as Head of Strategic Wind Development
 - Prior to that 13 years at National Wind Power/nPower and Gamesa Energy UK
- Two additional development staff and new dedicated development office in Bath - total development team of seven
- Develop team to focus on:
 - Monetising existing 350MW portfolio
 - Development of new opportunities
- Broader range of projects; up to 30MW+ and greater geographical diversification

Operating Portfolio Growth

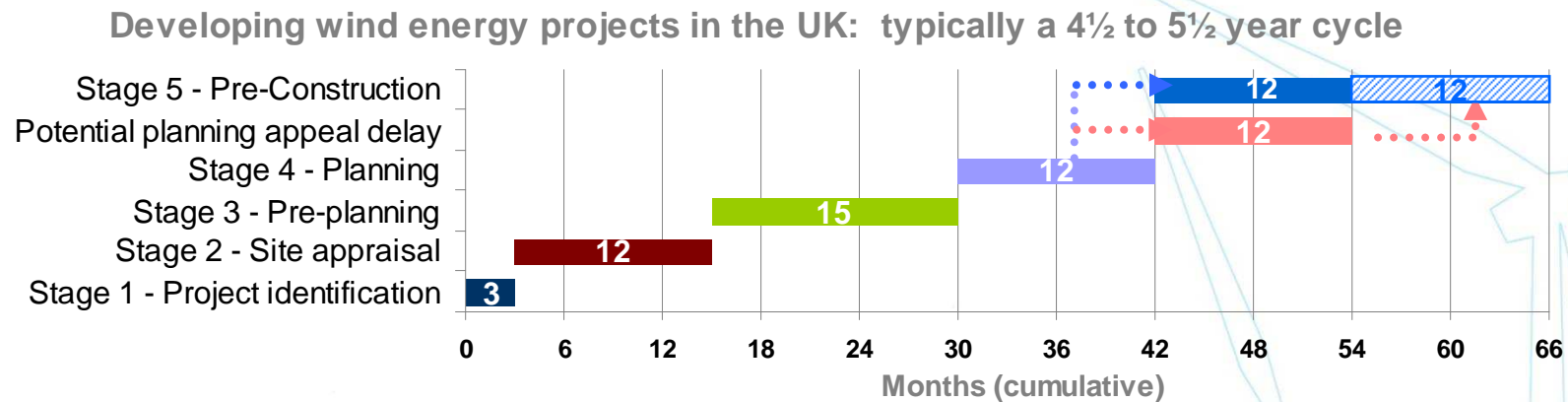
- Project construction performance over past three years is competitive
- 2010 delivery will remain strong:
 - Two new sites (High Haswell, Loscar)
 - One re-powering (Goonhilly)
- Average operating project size relatively small at ~3.0MW/project
- Average project size to increase in future as larger projects enter portfolio
- Investment in development team ensures sustained growth in project delivery



36.2MW operating capacity by end 2010 – a 70% increase

Development Process

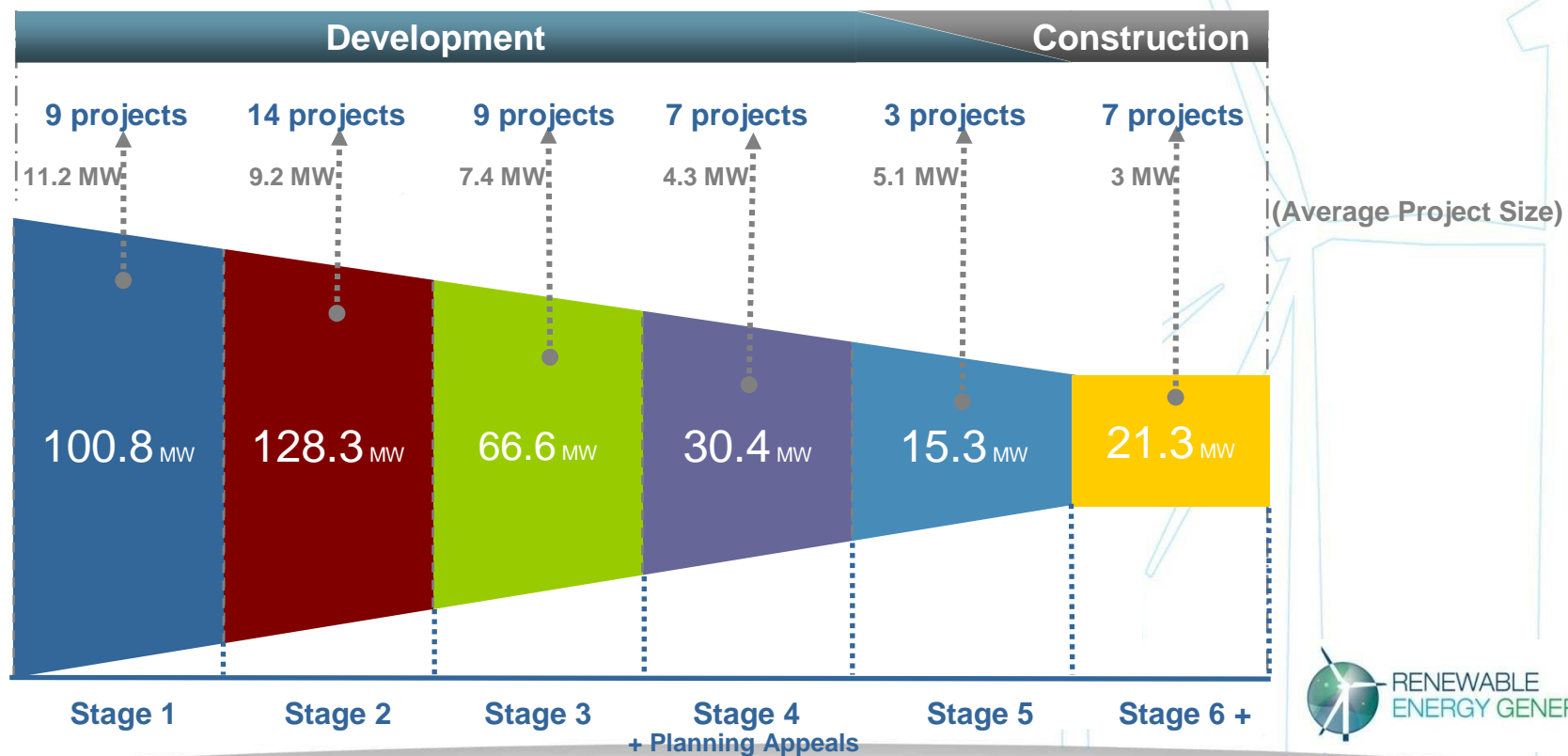
- Five key stages of the development process – from initial landowner contact to commencement of construction



- English planning success rates varied in recent years with 25%-35% of applications determined by a local planning authority (LPA) approved in 2008-9 (source: BWEA); REG performance is 29%
- If projects refused by LPA, planning appeal is most commonly used remedy
- Long-term average planning appeal success rate for wind projects in England is 43% (against 33% for all planning appeals); REG performance is 50%

Project Development Pipeline

- Greater development capacity to deliver more MW in the future
- Full wind portfolio currently comprises ca. 350MW (plus 21.3MW operating), with 39 projects in development
- Historical success rates suggest about 40% of projects ultimately achieve planning permission
- 2010 year-end total of 68.4MW (11 projects) in planning



Summary

- Wind construction programme on track for autumn operation
- Long term PPA providers under review
- Internalising operations
- Development focus to deliver substantially more MWs into planning
- Selection of banks for portfolio financing underway
- 2010 a year of delivery
- Strong balance sheet to fund growth

Invest £100m over the next three
years