MEIF Renewable Energy UK PLC

£190,000,000 6.75% Senior Secured Notes due 2020

Issued by MEIF Renewable Energy UK PLC

Quarterly Report (Q4 – 2014/15)

Financial Results for the quarter and year ended March 31, 2015

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FORWARD LOOKING STATEMENTS

Except for historical information contained herein, statements contained in this quarterly report may constitute "forward looking statements" within the meaning of U.S. securities laws and the laws of certain other jurisdictions which are based on our current expectations and projections about future events.

All statements other than statements of historical facts included herein, including, without limitation, statements regarding our future financial position, risks and uncertainties related to our business, strategy, capital expenditures, projected costs and our plans and objectives for future operations, may be deemed to be forward-looking statements. Forward-looking statements are typically identified by words such as "aim," "anticipate," "assume," "believe," "could," "can have," "estimate," "expect," "forecast," "intend," "may," "plan," "predict," "projects," "risk," "should," "suggests," "targets," "will," "would," and words of similar meaning or the negatives of these words in connection with a discussion of future operating or financial performance. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct and that such statements are not guarantees of future performance because they are based upon numerous assumptions. You should not place undue reliance on these forward-looking statements.

Many factors may cause our results of operations, financial condition, liquidity and the development of the industry in which we compete to differ materially from those expressed or implied by the forward-looking statements contained herein. Factors that could cause such differences in actual results include, but are not limited to:

- reduction or abandonment of, or changes in, governmental support for renewable energy sources;
- the availability and the price of biomass fuel;
- changes to the current regulatory framework;
- environmental obligations which could require decontamination works or closure of our landfill sites;
- fluctuations in market prices of electricity, oil, natural gas, carbon and other traditional fuel products;
- fluctuations in the demand for and supply of ROCs and LECs;
- our dependence on our relationships with third-party off-takers;
- the termination of our key contracts;
- variation in the output of landfill gas and the associated difficulty in predicting such output;
- our dependence on landfill site owners and operators for access to and operations on our landfill sites;
- our compliance with extensive environmental laws and regulations;
- governmental regulation of landfill sites that may restrict our operations or increase our costs of operations;
- our volatile income from recycled buy-out payments;
- economic conditions and their impact on demand for electricity and the volume of waste produced;
- our ability to maintain relationships with suppliers and regulatory authorities;
- mechanical failure, equipment malfunction or technological breakdown of our assets;
- catastrophes or other unexpected physical conditions at one or more of our facilities;
- uncertainties related to the costs and duration of our regular maintenance shutdowns;
- uncertainties related to the costs and capital expenditure associated with the maintenance of our energy generating plants and assets;
- our dependence on eight landfill sites for a significant amount of our total landfill gas power generation capacity;
- uncertainties related to devolution of political powers in the United Kingdom;
- the effect of legal proceedings on our reputation, financial condition, results of operations and cash flows;
- our exposure to the risk of material health and safety liabilities;

- damage resulting from our employees and agents acting outside our policies and procedures;
- our dependence on good relations with our employees, unions and employee representatives to avoid business interruptions, implement restructurings and amend existing collective bargaining agreements;
- our inability to attract and retain key personnel;
- our ability to maintain adequate insurance coverage;
- risks related to competitors with more established and well-recognized companies, which offer similar products and services;
- the impact of changes in tax laws or challenges to our tax position; and
- other risks associated with our structure, our financial profile, the Notes and our other indebtedness discussed under "Risk Factors".

For a more complete discussion of the factors that could affect our future performance and the markets in which we operate, please read the sections entitled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Industry and Market Data" and "Business" of the Offering Memorandum relating to the Notes (the "Offering Memorandum").

You are cautioned not to place undue reliance on these forward looking statements, which are made as of the date of this quarterly report and are not intended to give any assurance as to future results.

We undertake no obligation to, and do not intend to, publicly update or revise any of these forward looking statements, whether as a result of new information, future events or developments or otherwise.

PRESENTATION OF FINANCIAL AND OTHER DATA

Financial information and operational data

On January 29, 2015 MEIF Renewable Energy UK PLC (the "Issuer") issued £190 million senior secured notes (the "Notes") with an interest rate of 6.75% per annum and a repayment date of February 1, 2020. Proceeds of the Notes were used to repay existing third party debt and to make a distribution to our shareholder by way of shareholder loan repayments.

This quarterly report includes unaudited combined historical financial statements for the Issuer and its subsidiaries for the quarters and years ended March 31, 2015 and March 31, 2014 (the "Combined Financial Information").

The Issuer is a public limited company incorporated on August 29, 2014. On September 26, 2014 MEIF Renewable Energy UK PLC acquired one hundred percent of the share capital of both MEIF Renewable Energy (Holdings) Limited and MEIF LG Holding Limited (the "Acquisition"). The Combined Financial Information presents the combined trading results and cash flows of the continuing operations of MEIF LG Holding Limited and its consolidated subsidiaries and MEIF Renewable Energy (Holdings) Limited and its consolidated subsidiaries for the quarters and the years ended March 31, 2014 and 2015. This presentation of financial information is consistent with the financial information that was included in our Offering Memorandum. The Combined Financial Information represents an aggregation of the amounts recognised in the financial records of entities within the MEIF Renewable Energy UK PLC group to show the historical trading performance.

The accounting and other principles applied in preparing the Combined Financial Information are summarized as follows:

- The Combined Financial Information has been prepared on a historical cost basis;
- The Combined Financial Information of the entities comprising the MEIF Renewable Energy UK PLC group has been prepared for the same reporting periods using consistent accounting policies; and
- Transactions and balances between entities within the MEIF Renewable Energy UK PLC group have been eliminated within the Combined Financial Information.

Further, the presentation of cost of sales within the Combined Financial Information includes biomass fuel, fossil fuel, sorbent, landfill gas royalties and engine maintenance expenses and is consistent with the presentation of information in the profit and loss account included in our Offering Memorandum and based upon the historic statutory accounts or the Biomass Business and Landfill Gas Business. In the consolidated audited financial statements of MEIF Renewable Energy UK PLC the directors have adopted a broader classification of costs of sales to include all plant maintenance, depreciation and operational staff costs in addition to those costs described above. Profit on ordinary activities and EBITDA are not affected by the reclassification of costs from administrative expenses to cost of sales and distribution expenses. The Combined Financial Information has been prepared in accordance with UK GAAP in all other respects.

Following the issue of the Notes on January 29, 2015 and subsequent repayment of the third party bank debt, we have presented the audited consolidated balance sheet as at March 31, 2015, for which there are no meaningful comparatives.

In addition to the Combined Financial Information, we have provided the audited consolidated financial statements of the Issuer as at March 31, 2015, including the audited trading results for the 6 months and 4 days between the Acquisition on September 26, 2014 and March 31, 2015. Comparative balance sheet and trading results are not provided.

We have presented certain information in this quarterly report which are non-GAAP measures. As used in this quarterly report, this information includes "EBITDA", which represents operating profit before amortization, impairment and depreciation and "EBITDA (excluding ROC Recycle payments)" together, the "Non-GAAP Measures". We believe that these Non-GAAP measures are meaningful for investors because they provide an indication of our operating performance, profitability and ability to service debt, and are commonly reported and widely used by analysts, investors and others interested in the renewable energy industry. These Non-GAAP Measures exclude amortization, impairment and depreciation from operating profit, thereby eliminating the impact of long-term capital expenditure. EBITDA and similar measures are used by different companies for differing purposes and are often calculated in ways that reflect the circumstances of those companies. You should exercise caution in comparing EBITDA as reported by us to EBITDA of other companies. Whilst we are presenting these measures to enhance the understanding of operating performance, EBITDA and EBITDA (before ROC Recycle payments) should not be considered an alternative to operating profit as a measure of operating performance, or as an alternative to cash flows from operating activities as a measure of our liquidity. We view EBITDA and EBITDA (before ROC Recycle payments) as additional to, rather than a replacement for, these other performance indicators.

The Non-GAAP Measures presented in this quarterly report are unaudited and have not been prepared in accordance with IFRS or UK GAAP or any other accounting standards. In addition, the presentation of these measures is not intended to and does not comply with the reporting requirements of the SEC; compliance with its requirements would require us to make changes to the presentation of this information. For a reconciliation of EBITDA and EBITDA (before ROC Recycle payments) to profit for the relevant financial period, please see notes 1 and 2 to "Summary Combined Financial and Other Data – Other Financial Data".

You should not consider EBITDA or any other Non-GAAP Measures presented herein as alternatives to measures of financial performance determined in accordance with generally accepted accounting principles (such as profit for the period), as measures of discretionary cash available to us to invest in the growth of our business or as measures of cash that will be available to us to meet our obligations. You should compensate for the limitations of Non-GAAP Measures by relying primarily on our UK GAAP results and using these Non-GAAP Measures only to supplement evaluation of our performance. You are encouraged to evaluate each of the adjustments reflected in our presentation of the Non-GAAP Measures and whether you consider each to be appropriate.

RECENT DEVELOPMENTS

Bond Issue

During the quarter ended March 31, 2015 MEIF Renewable Energy UK PLC issued £190 million senior secured notes with a repayment date of February 1, 2020. Proceeds of the Notes were used to repay existing third party debt and to make a distribution to our shareholder by way of shareholder loan repayments.

As a consequence, one-off costs in respect of the settlement of three historic interest rate swaps agreements were incurred. Specifically interest payable and similar charges for the quarter ended March 31, 2015 were £18.3 million, £14.5 million higher than the quarter ended March 31, 2014. This increase reflects the settlement costs of £12.7 million in respect of the three out of the money interest rate swaps on February 5, 2015, contemporaneous with the Bond issue and repayment in full of the previous Biomass Business and Landfill Gas Business third party bank debt.

In the quarter ended March 31, 2015 additional interest charges were incurred on the shareholder loan from MEIF Luxembourg Renewables Sarl which was put in place upon the acquisition of MEIF Renewable Energy Limited and MEIF LG Holding Limited by MEIF Renewable Energy UK PLC on September 26, 2014. The shareholder loan from MEIF Luxembourg Renewables Sarl was partially repaid on February 5, 2015 out of the proceeds of the £190 million senior secured notes.

July 2015 Budget – Climate Change Levy Announcement

Within the Budget of July 8, 2015 the Government announced its intention to discontinue the Climate Change Levy (CCL) exemption for renewable generators from August 1, 2015, specifically Levy Exemption Certificates will not be issued for renewable generation from this date. The CCL exemption scheme has been a key component of the renewable support regime for many years and this unexpected change is extremely disappointing.

Discontinuing the CCL exemption scheme from August 1, 2015 will result in a reduction in MRE UK's EBITDA of around £3m for the year ending March 31, 2016, with an equivalent full year impact of approximately £4.5 million.

Yorkshire Windpower Limited – Repowering

Yorkshire Windpower Limited ("YWP") is a 50% owned subsidiary of Energy Power Resources Limited. In respect of YWP's repower project at Ovenden Moor, the Turbine Supply Agreement has been signed with Gamesa and the Balance of Plant agreement has been agreed. In addition, the pre-construction planning conditions have now either been cleared or a mitigation plan agreed, and decommissioning of the existing turbines is scheduled to commence at the beginning of August 2015. The repowered site is expected to be commissioned late summer 2016.

On June 18, 2015 DECC announced its intention to introduce primary legislation to close the RO to new onshore wind projects from April 1, 2016 – a year earlier than originally planned. In order to protect investor confidence in the wider renewables sector, a grace period has been proposed which would continue to give access to support under the RO to new onshore wind projects after April 1, 2016 to those projects which, as of June 18, already had planning consent, a grid connection offer and acceptance, and evidence of land rights for the site on which the project is to be built.

As YWP's repower project at Ovenden Moor meets all of the criteria outlined as part of DECC's announcement, we believe that the repower project will benefit from the grace period and be supported under the RO regime at the level of 0.9 ROCs per MWh.

Electricity prices

The foregoing is not a prediction or a projection of wholesale electricity prices for any future period or a projection or prediction of the electricity prices we will receive pursuant to our PPAs for any future periods. Any fluctuations or decreases in wholesale electricity prices, whether temporary or permanent, may adversely affect our business, financial condition and results of operations.

Wholesale electricity market future prices have been relatively stable since January 2015. A sample of quoted prices for the next three seasons is set out below:

Season	January 30, 2015	February 27, 2015	April 30, 2015	June 30, 2015
Winter 2015	£45.87 per MWh	£48.15 per MWh	£46.28 per MWh	£ 45.65 per MWh
Summer 2016	£42.25 per MWh	£44.43 per MWh	£43.13 per MWh	£42.28 per MWh
Winter 2016	£46.50 per MWh	£49.03 per MWh	£47.58 per MWh	£47.05 per MWh

Source: ICIS I&C Energy Snapshot, average of bid/offer price per MWh for relevant seasons

The 3 month electricity price setting period for the 12 months commencing October 1, 2015 under the Biomass Business PPA commenced at the beginning of June, whilst under the Landfill Gas business PPA the 2 month electricity price setting period for the six months commencing October 1, 2015 commenced mid-July.

Biomass fuel contracts

In May 2015 we extended an existing fuel supply contract with our principal horse-bedding supplier. The contract is for 60,000 tonnes of horse-bedding per annum and includes haulage, and was extended on existing terms (annual indexation based upon RPI) from August 2020 to March 31, 2027.

In addition, we consolidated two existing four year fuel supply contracts. These were for a total of 30,000 tonnes of straw per annum which has been increased to 40,000 tonnes of straw per annum out to July 31, 2027.

COMBINED FINANCIAL INFORMATION AND OTHER DATA

The following represents summary Combined Financial Information and other data for MEIF Renewable Energy UK PLC and its subsidiaries as of and for (i) the quarters ended March 31, 2014 and 2015; and (ii) the years ended March 31, 2014 and 2015.

On September 26, 2014 MEIF Renewable Energy UK plc acquired one hundred percent of the share capital of both MEIF Renewable Energy (Holdings) Limited and MEIF LG Holding Limited. Both MEIF Renewable Energy (Holdings) Limited and MEIF LG Holding Limited and their subsidiaries are included within the Combined Financial Information of their parent company MEIF Renewable Energy UK PLC.

The Combined Financial Information presents the combined results of the continuing operations of MEIF LG Holding Limited and its consolidated subsidiaries and MEIF Renewable Energy (Holdings) Limited and its consolidated subsidiaries for the quarters and years ended March 31, 2014 and 2015.

The Combined Financial Information represents an aggregation of the amounts recognised in the financial records of entities within the MEIF Renewable Energy UK PLC group to show the historical trading performance and therefore excludes certain accounting entries arising upon consolidation of the MEIF Renewable Energy UK PLC group. These are included within the audited financial statements of MEIF Renewable Energy UK PLC also presented within this report.

Combined Profit and Loss Accounts

	Quarter ended March 31		Year ended March 31	
	2014	2015	2014	2015
(in thousands of £)				
Group turnover...	**34,596**	**35,993**	**129,484**	**129,400**
Cost of sales..	(12,069)	(13,013)	(47,528)	(49,419)
Gross profit...	**22,527**	**22,980**	**81,956**	**79,981**
Other operating income	81	-	1,279	661
Administrative expenses	(12,005)	(12,260)	(51,398)	(50,528)
Group operating profit	**10,603**	**10,720**	**31,837**	**30,114**
Share of operating profit in joint venture	202	206	567	480
Total operating profit: group and share of joint venture	**10,805**	**10,926**	**32,404**	**30,594**
Interest receivable and similar income	11	16	25	32
Interest payable and similar charges.............	(3,761)	(18,277)	(15,117)	(31,324)
Profit/(loss) on ordinary activities before taxation	**7,055**	**(7,335)**	**17,312**	**(698)**
Tax on profit/(loss) on ordinary activities	(2,222)	823	(4,454)	(1,440)
Profit/(loss) for the period	**4,833**	**(6,512)**	**12,858**	**(2,138)**

Commentary

Operations and group operating profit were in line with expectations for the quarter and year ended March 31, 2015. However, the group made a loss on ordinary activities in the quarter and year ended March 31, 2015 due to the one-off settlement of interest rate swaps following the issue of £190 million senior secured notes and the repayment of previous external debt.

Interest payable and similar charges for the quarter ended March 31, 2015 were £18.3 million, an increase of £14.5 million compared with the quarter ended March 31, 2014. This increase reflects the settlement of three out of the money interest rate swaps on February 5, 2015 at a cost of £12.7 million, contemporaneous with the Bond issue and repayment in full of the previous Biomass Business and Landfill Gas Business third party bank debt.

Further, additional interest charges were incurred on the shareholder loan from MEIF Luxembourg Renewables Sarl which was put in place upon the acquisition of MEIF Renewable Energy (Holdings) Limited and MEIF LG Holding Limited by MEIF Renewable Energy UK PLC on September 26, 2014. The shareholder loan from MEIF Luxembourg Renewables Sarl was partially repaid on February 5, 2015 out of the proceeds of the £190 million senior secured notes.

Combined Net Sales by Business

	Quarter ended March 31		**Year ended March 31**	
	2014	**2015**	**2014**	**2015**
(in thousands of £)				
Landfill Gas Business...	10,069	9,110	37,608	35,158
Biomass Business………………………………………….	24,527	26,883	91,876	94,242
Total……………………………………………………………	**34,596**	**35,993**	**129,484**	**129,400**

Consolidated Balance Sheet

	As at March 31, 2015
(in thousands of £)	
Cash at bank and in hand	26,367
Other current assets...	42,550
Total non-current assets...	298,695
Total assets…..	**367,612**
Total non-current liabilities	309,561
Total current liabilities..	18,023
Total liabilities	327,584
Total invested capital	40,028
Total invested capital and liabilities	**367,612**

Following the issue of the Notes on January 29, 2015 and subsequent repayment of the third party bank debt, we have presented the actual consolidated balance sheet of MEIF Renewable Energy UK PLC as at March 31, 2015, for which there are no meaningful comparatives.

Combined Statements of Cash Flow

(in thousands of £)	Quarter ended March 31 2014	Quarter ended March 31 2015	Year ended March 31 2014	Year ended March 31 2015
Net cash inflow from operating activities……………………	13,615	13,682	48,013	49,867
Dividends from joint venture…………………………………….	200	-	400	-
Returns on investment and servicing of finance………….	(3,244)	(18,109)	(14,910)	(25,776)
Taxation…………………………………………………………………	(706)	(1,029)	(1,373)	(2,663)
Capital expenditure and financial investment……………..	(90)	(333)	(2,942)	(3,308)
Loans to associate undertakings………………………………	-	(1,072)	-	(1,072)
Equity dividends paid…………………………………………………	-	-	(5,284)	(11,800)
Net cash inflow/(outflow) from financing…………………..	(6,710)	5,045	(14,641)	(393)
Increase/(decrease) in cash……………………………………	**3,065**	**(1,816)**	**9,263**	**4,855**

Employee information

	Quarter ended March 31 2014 £000s	*Quarter ended March 31 2015 £000s*	*Year ended March 31 2014 £000s*	*Year ended March 31 2015 £000s*
Wages and salaries.....................................	2,856	2,771	10,041	10,419
Social security costs	317	328	1,143	1,183
Other pension costs	74	91	277	347
	3,247	**3,190**	**11,461**	**11,949**

The average monthly number of persons employed by the group during the period was:

By activity	*Quarter ended March 31 2014*	*Quarter ended March 31 2015*	*Year ended March 31 2014*	*Year ended March 31 2015*
Production...	200	201	202	200
Administration	59	57	58	57
	259	**258**	**260**	**257**

Interest payable and similar charges

(in thousands of £)	*Quarter ended March 31 2014*	*Quarter ended March 31 2015*	*Year ended March 31 2014*	*Year ended March 31 2015*
Bank debt interest and charges…………….	1,755	108	7,081	4,822
Swap settlement costs………………………….	**-**	12,685	-	12,685
Bond interest payable……………………………	**-**	2,079	-	2,079
Interest payable to shareholder company…………………………………………..	2,006	3,405	8,019	11,738
Other interest payable	-	-	17	-
	3,761	**18,277**	**15,117**	**31,324**

Other Financial Data

(in thousands of £)	Quarter ended March 31 2014	Quarter ended March 31 2015	Year ended March 31 2014	Year ended March 31 2015
EBITDA [(1)]………………………………………………………………….	15,181	15,265	49,348	47,124
EBITDA (excluding ROC Recycle payments) [(2)]…………..	15,181	15,265	45,426	46,386
Net third-party debt [(3)]………………………………………………	89,643	158,040	89,643	158,040
Capital expenditures [(4)]……………………………………………..	90	260	2,876	3,308

(1) Our EBITDA represents profit for the period *plus* tax on profit on ordinary activities, interest payable and similar charges, loss on disposal of tangible fixed assets depreciation and amortization and write-off of certain assets under construction *less* interest receivable, profit on disposal of tangible fixed assets and similar income. EBITDA is not a measurement of performance under UK GAAP and you should not consider EBITDA as an alternative to (a) operating profit or profit for the period (as determined in accordance with UK GAAP) as a measure of our operating performance, (b) cash flows from operating investing and financing activities as a measure of our ability to meet our cash needs or (c) any other measures of performance under UK GAAP.

We believe that EBITDA is a useful indicator of our ability to incur and service our indebtedness and can assist securities analysts, investors and other parties in evaluating our business. EBITDA and similar measures are used by different companies for differing purposes and are often calculated in ways that reflect the circumstances of those companies. You should exercise caution in comparing EBITDA as reported by us to EBITDA of other companies. EBITDA as presented here differs from the definition of "Consolidated EBITDA" contained in the Indenture. See "Presentation of Financial and Other Data" for further information regarding EBITDA, including its limitations as an analytical tool.

The following table reconciles profit for the period from continuing operations to EBITDA for the periods indicated:

(in thousands of £)	Quarter ended March 31 2014	Quarter ended March 31 2015	Year ended March 31 2014	Year ended March 31 2015
Profit/(loss) for the financial period...............................	4,833	(6,512)	12,858	(2,138)
Tax on profit/(loss) on ordinary activities	2,222	(823)	4,454	1,441
Interest payable and similar charges	3,761	18,277	15,117	31,324
Interest receivable and similar income...........................	(11)	(16)	(25)	(32)
Depreciation and amortization ………………………………..	4,376	4,241	16,944	16,431
Loss on disposal of tangible fixed assets …………………….	-	98	-	98
EBITDA	**15,181**	**15,265**	**49,348**	**47,124**

(2) EBITDA as presented in each period includes ROC Recycle payments. EBITDA (excluding ROC Recycle payments) represents our EBITDA less ROC Recycle payments received. Energy suppliers who fail to fulfill their renewables obligations under the RO regime must make a cash buy-out payment, which is then recycled and returned to suppliers by Ofgem in proportion to the ROCs such supplier presented. Pursuant to our PPAs, British Gas is required to pass through to us a certain portion of the ROC Recycle payments it received from Ofgem. We account for ROC Recycle payments on a cash basis and generally receive these payments in October for the previous compliance year to March 31. As a result, the Group turnover reported in any given year reflects the amount of buy-out payments received in that year but in respect of output generated in the prior financial year.

As ROC Recycle payments fluctuate from period to period as a function of the annual quantity of renewable energy produced in the United Kingdom, and thus are not within the control of our business, management does not consider ROC Recycle payments to be indicative of our underlying performance nor to aid in the understanding of our EBITDA for a given period. The following table provides our EBITDA excluding ROC Recycle payments received for the periods indicated:

(in thousands of £)	Quarter ended March 31 2014	Quarter ended March 31 2015	Year ended March 31 2014	Year ended March 31 2015
EBITDA ………………………………………………………………………	15,181	15,265	49,348	47,124
ROC Recycle payments…………………………………………………	-	-	(3,921)	(738)
EBITDA (excluding Roc Recycle payments)…………………	**15,181**	**15,265**	**45,427**	**46,386**

We believe that EBITDA (excluding ROC Recycle payments) is a useful indicator of our ability to incur and service our indebtedness and can assist securities analysts, investors and other parties in evaluating our business. EBITDA (excluding ROC Recycle payments) and similar measures are used by different companies for differing purposes and are often calculated in ways that reflect the circumstances of those companies. You should exercise caution in comparing EBITDA (excluding ROC Recycle payments) as reported by us to EBITDA (excluding ROC Recycle payments) of other companies. EBITDA (excluding ROC Recycle payments) as presented here differs from the definition of "Consolidated EBITDA" contained in the Indenture. See "Presentation of Financial and Other Data" for further information regarding EBITDA (excluding ROC Recycle payments), including its limitations as an analytical tool.

(3) Net third-party debt consists of senior secured debt net of unamortised debt issue costs and cash at bank and in hand.
(4) Capital expenditures represent additions to fixed assets.

Other Performance Data

	Quarter ended March 31		Year ended March 31	
	2014	**2015**	**2014**	**2015**
Output GWh	290.4	294.8	1,123.9	1,133.0
Biomass	193.7	206.9	735.7	762.2
Landfill	96.7	87.9	388.2	370.8
Availability (%) [1]	90.4%	89.8%	87.8%	88.1%
Biomass	89.0%	91.4%	85.0%	86.6%
Landfill	91.7%	88.1%	90.5%	89.5%

(1) Availability is presented as the unweighted average availability in our Biomass Business and Landfill Gas Business.

OPERATING AND FINANCIAL REVIEW

In this Operating and Financial Review and unless otherwise indicated, we generally use “we”, “our” and other similar terms to refer to MEIF Renewable Energy UK PLC and its subsidiaries.

The following is a discussion of our results of operations in the periods set out below. You should read this discussion together with the sections entitled “Summary Combined Financial Information and Other Data” and the combined financial statements and the related Notes and information included within this quarterly report. The combined financial information in this discussion of our results of operations and financial condition as of and for the quarters and years ended March 31, 2015 and March 31, 2014 have been derived from unaudited combined financial information included elsewhere in this quarterly report.

Business Overview

We are an independent generator of renewable energy in the United Kingdom and as of March 31, 2015 our portfolio of electricity generating assets had a total net installed capacity of 174 MW. We have a business which is diversified across multiple technologies, sites, network connection points and renewable fuels.

Through our Biomass Business, we own and operate the largest independent biomass-only fuelled power station portfolio in the United Kingdom, consisting of five biomass power stations with a total net installed capacity of 111 MW. Through our Landfill Gas Business, we own and operate methane-powered electricity generation assets at 25 landfill sites across Great Britain, representing 63 MW of net installed capacity. For the quarter ended March 31, 2015, we generated Group turnover of £36.0 million and had an EBITDA of £15.3 million.

Our five biomass power stations are located at Thetford, Ely, Glanford, Eye and Westfield and generate electricity from the combustion of poultry litter, straw, meat & bone meal (“MBM”), horse bedding and forest woodchips. We sell almost all of the electrical output of, and the various regulatory incentives attributable to, our Biomass Business pursuant to a long-term power purchase agreement. Since the commissioning of our first biomass power station in Eye, Suffolk in 1992, we have built strong relationships with fuel suppliers and have developed significant experience in the procurement and logistics associated with our primary input fuels. We source the majority of our fuel supply under medium and long-term RPI-linked contracts. For the quarter ended March 31, 2015, our Biomass Business generated approximately 206.9 GWh of electricity with turnover of £26.9 million and EBITDA of £10.8 million.

In addition, the Biomass Business sells the residue combustion ashes from our biomass power stations as fertilizer. This element of our business is seasonal with the majority of sales arising during March, August and September each year. In the quarters ended March 31, 2014 and 2015 sales were 8,203 tonnes and 10,756 tonnes respectively. Additionally, our Biomass Business owns a 50% equity stake in two on-shore wind farms in the United Kingdom, with a net installed capacity of 15 MW. For the quarter ended March 31, 2015, our share of the operating profit of our wind farm joint venture was £0.2 million.

Our Landfill Gas Business generates electricity using naturally occurring methane produced by the anaerobic decomposition of waste deposited in landfill sites to power gas engines. As of March 31, 2015, we operated from 25 landfill sites across Great Britain, with a total of 68 gas engines and a net installed capacity of 63.4 MW. We enter into specific, long-term gas agreements with each landfill site owner or operator which allow us to use the gas produced at the sites in return for payment of a royalty, linked to our turnover for the relevant site. We sell almost all of the electrical output of, and various regulatory incentives attributable to, our Landfill Gas Business pursuant to a long-term power purchase agreement. For the quarter ended March 31, 2015, the Landfill Gas Business generated 87.9 GWh with turnover of £9.1 million and EBITDA of £4.1 million.

Key Factors Influencing Our Results of Operations

Our results of operations during the periods under consideration have primarily been affected by a combination of regulatory, economic and group-specific operational factors. The regulatory framework determines the parameters within which we operate. Economic conditions influence electricity supply and demand as well as electricity price and the cost of biomass fuel, labour, services and commodities. These affect both the revenues and costs associated with our operations. Group-specific factors affecting our operating results include, but are not limited to, portfolio output, plant reliability and efficiency as well as availability of biomass fuel contracts and gas agreements. The most important of these factors are discussed below.

Power Contracting

We sell the entire electrical output and all other revenue elements of Thetford, Eye, Glanford and Ely to British Gas pursuant to a long term power purchase agreement which runs to March 31, 2020 ("the BG Biomass PPA"). We sell all of the electricity generated at Westfield pursuant to a power purchase agreement dated August 2011 with Smartest Energy ("the Smartest PPA"). The Smartest PPA will expire in August 2015, following which the output of Westfield will be sold pursuant to the BG Biomass PPA. We sell the electrical output from all 25 of our landfill sites to British Gas pursuant to a long term power purchase agreement which runs to February 28, 2022 (the "BG Landfill Gas PPA"). In addition, we currently sell an element of separately-metered electricity generated at two landfill sites (Auchencarroch and Jameson Road) pursuant to legacy NFFO/SRO-contracts, under which we receive an all-inclusive RPI-indexed fixed price for every MWh of electricity generated. The NFFO/SRO-contracts will expire in 2017 and 2018, respectively, after which this element of electricity output from the two landfill sites will also be sold under the BG Landfill Gas PPA.

Our power purchase agreements cover all revenue elements and comprise (i) a payment for generated electricity which is based on the wholesale market electricity price and is fixed every six months in advance under our BG Landfill PPA and every twelve months in advance under our BG Biomass PPA; (ii) a fixed element linked to the UK government's RO regime, which includes a price for each of the Renewable Obligation Certificates ("ROCs") sold by us to British Gas (the "ROC buyout price"); (iii) a fixed element linked to the UK government's taxation of business consumers of electricity by way of the climate change levy ("CCL"), which includes a price for the levy exemption certificates ("LECs") sold by us to British Gas, and which tracks the CCL ("LEC Value"); (iv) variable annual ROC Recycle payments from the energy supplier to us; and (v) embedded benefits, being triad income and GDUoS credits. The prices we receive for each of our ROCs and LECs are fixed under our PPAs as a percentage of the ROC buyout price and the LEC Value, respectively. The ROC buyout price and the LEC Value are RPI-linked and announced annually in advance for the following year by Ofgem. As a result, the revenue we receive under our PPAs depends on developments in the wholesale electricity market as well as the UK renewable energy regulatory regime.

Within the Budget of July 8, 2015 the Government announced its intention to discontinue the Climate Change Levy (CCL) exemption for renewable generators from August 1, 2015, specifically Levy Exemption Certificates will not be issued for renewable generation from this date. See "Recent Developments – July 2015 Budget – Climate Change Levy Announcement".

Wholesale Energy Prices

The market for wholesale electricity is affected by a number of factors, including the price of input fuel commodities, supply dynamics such as generator availability, and demand for electricity. Accordingly the wholesale electricity price may be volatile. Demand for electricity in the United Kingdom has historically been cyclical. It has been affected by the 2008-2010 recession and the subsequent slow market recovery, as economic conditions led to a prolonged reduction in overall electricity consumption.

As we sell the vast majority of our generated electricity pursuant to our PPAs, which include a payment for electricity based on the wholesale market electricity price, our Group turnover is affected by changes in the wholesale market electricity price. The Biomass Business receives an electricity price that is fixed every twelve months in advance at the market rate less a customary margin, with each twelve month period lasting from October 1 to September 30 of the following year. The electricity price the Landfill Gas Business receives under the terms of the BG Landfill Gas PPA is fixed every six months in advance at the market rate less a customary margin, with the six-month periods lasting from October to March and from April to September.

The following table provides an overview of the average gross wholesale market electricity price within the prescribed calculation periods under the PPAs for the periods indicated, as determined pursuant to the methodologies of our PPA. See "Recent Developments – Electricity Prices".

Twelve months ended/ending September 30,			**Six months ended March 31,**		**Six months ended/ending September 30,**		
(*In £ per MWh*)			**(*In £ per MWh*)**		**(*In £ per MWh*)**		
2013	**2014**	**2015**	**2014**	**2015**	**2013**	**2014**	**2015**
47.61	51.74	48.86	54.06	49.90	49.33	46.75	42.77

Renewables Obligation (RO) Regime and Non-Fossil Fuel Obligation (NFFO) Regime

Group turnover received from our electricity generating assets is currently predominantly supported by the RO regime and, to a lesser extent, the NFFO/SRO regime. The NFFO/SRO regime, which applies to an element of output from two of our landfill gas sites, was originally established in 1989 and granted energy generators an RPI-indexed, fixed price for electricity output pursuant to a generally 15 year NFFO or SRO contract. The NFFO/SRO regime was replaced by the RO regime in 2002.

The RO regime was established in 2002 and requires energy suppliers to source a growing percentage of electricity from eligible renewable generation capacity. Renewable energy generators, such as us, receive a given number of ROCs from Ofgem for each MWh of energy generated from renewable sources. The number of ROCs awarded per MWh depends on the renewable energy technology used, and is known as a banding factor. We receive 1.5 ROCs per MWh of energy produced in our Biomass Business and 1.0 ROCs per MWh for the vast majority of energy produced in our Landfill Gas Business. While the banding factor for different technologies has varied over time, the banding factors currently applicable to our technologies have been grandfathered and will remain in place until 2027. We transfer and sell these ROCs to energy suppliers who in turn use them to satisfy their renewable obligation.

Energy suppliers who fail to fulfill their annual renewables obligations under the RO regime must make a cash buy-out payment, which is then recycled and returned to suppliers by the regulator, Ofgem, in proportion to the number of ROCs the suppliers surrendered ("ROC Recycle"). The ROC Recycle payments are generally then passed back to the renewable generators, such as ourselves, under the terms of the relevant power purchase agreements.

The level of the annual ROC Recycle payment is dependent upon the level of renewable generation and ROCs issued each compliance year, compared to the target set by DECC which is based upon its expectations of such output, plus 10% headroom. DECC resets its forecast and target on an annual basis for the compliance year ahead.

We account for our annual ROC Recycle income annually when it is announced by Ofgem and its value is certain. The ROC Recycle value applicable to the compliance year ended March 31, 2014 was publicly announced in October 2014 and we received a total amount of £0.7 million in ROC Recycle payments and this has been recognised in turnover for the year ended March 31, 2015. This represents a decrease of £3.2 million compared to the £3.9 million received in the year ended March 31, 2014 (in respect of the year ended March 31, 2013). This decrease relates to the higher volume of ROCs issued compared with DECC's expectations. This discrepancy was primarily due to greater wind levels and thus higher ROC supply from wind farms, which coincided with slightly lower demand.

In addition to revenue received through the RO regime, historically we have been issued LECs by Ofgem. These being transferred and sold to energy suppliers to enable them to offset the Climate Change Levy (CCL) on energy supplies to energy intensive customers. Within the Budget of July 8, 2015 the Government announced its intention to discontinue the CCL exemption for renewable generators from August 1, 2015, and LECs will not be issued for renewable generation from this date.

Historically, the all-in sale price we obtained under the RO regime has been significantly higher than the fixed price available in respect of electricity generating assets supported under the NFFO/SRO regime. The number of our sites operating under the NFFO/SRO regime has significantly diminished since the introduction of the RO regime.

For the year ended March 31, 2015, the entire output of our Biomass Business's power stations and all 25 of our landfill sites was supported by the RO regime. Some of the electricity generated at two of our landfill sites is separately metered and sold pursuant to NFFO and SRO contracts. Our remaining NFFO/SRO contracts will expire in 2017 and 2018, after which all our electricity will be sold pursuant to our PPAs. After the last NFFO/SRO contract terminates, only the RO regime will be relevant for our business. For the year ended March 31, 2015, we generated Group turnover of £122.9 million under the RO regime and Group turnover of £0.5 million under the NFFO/SRO regime.

Pricing and Availability of Raw Materials

The results of operations of our Biomass Business are affected by the price and the availability of biomass fuels, predominantly poultry litter, straw and MBM. The price of biomass fuel for our power stations is affected by a number of factors, including competition for existing fuels from other biomass power stations or alternative users, adverse weather, supply chain issues or changes to the regulatory regime governing the availability or price of these fuels. To mitigate the effect of price volatility on our business, where possible, we source the majority of our biomass fuels pursuant to long-term contracts with a variety of suppliers.

We generally source poultry litter under long-term contracts, with the price fixed and linked to the RPI over the duration of the contract period. For the year ended March 31, 2015, we sourced poultry litter pursuant to 15 supply contracts together with three long-term fuel supply contracts for woodchips and horse-bedding.

Historically, we have sourced approximately 75% of our straw requirements pursuant to supply contracts, which generally have a duration of four years, with annual price increases linked to the RPI. With effect from summer 2015, it is our intention to procure all our straw under fixed-term and RPI-linked supply contracts.

We currently source MBM under contracts with five suppliers, such contracts typically last for one to two years.

Our business can be exposed to unexpected increases in haulage costs. Haulage costs can either be included in the contracted fuel price or can be contracted for separately. Where haulage costs are included in the biomass fuel price, diesel price increases are borne by the fuel supplier, whereas we bear the costs of diesel price increases where haulage is separately contracted for. Historically, when diesel prices have increased, wholesale market electricity prices have usually increased as well, mitigating the increase in separately contracted haulage costs; however, there is no contractual link. Similarly, where haulage is contracted for separately, we anticipate that haulage costs will fall when diesel costs decrease, partially offsetting any decrease in wholesale market electricity prices.

Where practical, we aim to minimize haulage costs by sourcing our fuel from suppliers located in close proximity to our power stations in order to reduce transportation costs. We estimate that, for the year ended March 31, 2015, approximately 25% of the fuel we sourced included haulage costs in the fuel price.

To ensure the short-term availability of fuels, each of our power stations has on-site fuel storage, ranging from approximately three days' fuel requirements at Ely to approximately one month's fuel requirements at Glanford. Additionally, in order to aid logistics, support day-to-day operations and allow for any short term supply issues, each station except Glanford has an element of adjacent off-site storage.

Landfill Sites Portfolio Output

Our Landfill Gas Business generates electricity using landfill gas (methane) to fuel gas engines installed across 25 sites. Landfill gas is naturally occurring and is created through the anaerobic decomposition of organic matter over time. The output of energy at our landfill sites depends on the availability and collection of landfill gas, which in turn is affected by a number of factors which are not constant, including the amount and type of waste deposited in the landfill, the operational landfilling practices of the landfill operator, the rate of anaerobic decomposition, the efficiency of the landfill gas collection process and the weather. Additionally, the volume of gas production depends on whether a landfill site is capped (sealed) or uncapped and whether the sites are open or closed to new waste deposits. As a result, the landfill gas available and collected at individual sites and associated electrical output fluctuates. Due to our operations being spread across 25 sites, annual output of our overall portfolio has been relatively stable over recent years. Output decreased by 17.4 GWh, or 4.5%, from 388.2 GWh for the year ended March 31, 2014 to 370.8 GWh for the year ended March 31, 2015. The reduction in output is in line with expectations and is due to the fact that 15 of the 25 sites from which the Landfill Gas Business operates are closed to new waste deposits. In addition, access to gas at Cathkin was hampered during the period as this closed site was being re-profiled. This work is anticipated to be completed during 2015.

We have secured access to our 25 landfill sites pursuant to long-term gas supply agreements with the relevant landfill site owner or operator. Pursuant to the gas supply agreements, we have the right to use the gas produced at the site in return for payment of a royalty fee to the landfill owner or operator. Royalty mechanisms vary from site to site, but are based on a percentage of the revenue received in respect of a site.

As of March 31, 2015, our gas supply arrangements had a remaining average term of approximately seven years, and of the 25 sites from which we extract landfill gas under gas supply arrangements, the arrangements for 9 sites (representing approximately 11% of output in the year ended March 31, 2015) will expire by March 31, 2020 and will need to be extended.

Availability of Assets

To maintain electrical output, our business depends on the availability of our power generating assets. Availability in our Biomass Business is affected by planned and unplanned outages of our power stations due to, for example, maintenance, inspections or other safety related downtime. Maintenance and plant failures result in a power station running at less than full capacity or being off-line and not generating power at all. Planned outages at our power stations occur with some regularity to allow for scheduled boiler cleaning and maintenance, and we anticipate these outages in our operating plans. Generally, our planned outages include a main annual outage of around 14 days and interim outages of four to five days duration which occur every six to eight weeks at Thetford, Glanford, Eye and Westfield. Ely does not generally require interim cleaning and maintenance outages between its annual summer outages. In addition to planned outages, our Biomass Business may be affected by unplanned outages which can occur as a result of plant failure.

We believe our Biomass Business generating assets to be well invested. We mitigate the risk of unplanned outages by undertaking ongoing plant condition monitoring (e.g. oil sampling, vibration and heat analysis, etc.) and preventative maintenance. We support our maintenance regime through our trained team of operational and maintenance staff and our operations benefit from long term maintenance contracts for specialist equipment such as turbines and generators. We also maintain a stock of strategic spare parts. In addition, we undertake annual capital improvements to remediate or remove recurring maintenance issues in a timely and cost-effective manner.

For the twelve months ended March 31, 2015, Thetford, Eye, Ely, Glanford and Westfield had availabilities (including planned and unplanned outages) ranging between 82% and 92% with an average of 87%. In addition, we measure the performance of our Biomass power stations by load factor, representing the actual output generated by our power stations in a given period as a percentage of the theoretical maximum output of that plant. The theoretical maximum output assumes that the plant runs at its net capacity continuously over such period.

Two elements generally affect output and load factor: (i) scheduled or unscheduled outages of the plant, during which a power station does not generate electricity (for example, to undertake maintenance activity); or (ii) electricity generation at below maximum net capacity due to, for example, operational issues or combustion conditions. In general, we consider both elements in our operational plans, and in particular planned outages to enable scheduled maintenance to take place.

Within our Landfill Gas Business, we focus on engine availability, as planned and unplanned engine outages (i.e. an engine being unable to operate) can affect our operations. As we do in our Biomass Business, we mitigate the risk of unplanned engine outages by undertaking plant condition monitoring and preventative maintenance. We aim to follow our engine manufacturers' best practice recommendations and we carry out engine overhauls approximately every 20,000 operating hours. We supplement our maintenance strategy with a stock of strategic spare parts and a trained team of operational staff. For the twelve months ended March 31, 2015, our gas engine fleet had availability of 90%, consistent with previous periods.

To optimize the deployment of our gas engines across our landfill sites and to ensure operational efficiency, we replace larger engines installed at landfill sites with declining landfill gas output with smaller engines, from our portfolio of engines, thus reducing operating costs as well as personnel and maintenance costs at those sites. Similarly, we relocate larger engines and spare or under-utilized engines to sites with higher landfill gas output to create spare engine capacity at those sites which we can utilize whenever another engine has a planned or unplanned outage. For example, we have strategically created spare capacity at a number of landfill sites with typically high output to reduce the effect of engine downtime at those sites on our business.

During the year ended March 31, 2015, wind turbine availability at the two wind farms within our YWP joint venture decreased, reflecting the age of the assets and reduced propensity to undertake expensive repairs given the planned de-commissioning of existing turbines and re-powering of new wind turbines at Ovenden Moor, which is scheduled to commence in the summer of 2015. As a result, output from YWP in the year ended March 31, 2015 was 21,394 MWh, a decrease of 8,113 MWh compared with the year ended March 31, 2014. This reduction in output has resulted in lower operating profit within YWP and lower dividend payments compared to the prior year period. As is typical of wind assets, YWP's output is seasonal with generally approximately one third of its output arising in the six months to September 30 and the balance in the second six months to March 31.

We believe that without incremental capital and maintenance expenditure, availability of YWP's two wind farms will remain in line with the current levels, or slightly decrease, which will likely affect YWP's future operating profit and dividend payments through to the end of its anticipated operating life of 2017 in respect of the original wind turbines.

On January 30, 2015 Energy Power Resources Limited approved the funding of the YWP repower project at Ovenden Moor by way of a shareholder loan in a maximum amount of £12m, representing 50% of the required capital expenditure. The balance of capital expenditure will be funded by an equivalent shareholder loan from our joint venture partner, E.On Climate and Renewables Limited. The repower project will replace the original 1993 wind turbines and increase the installed capacity of the site from around 9MW to 18MW. During April the Turbine Supply Agreement was signed with Gamesa and the Balance of Plant contract has been agreed and signed subsequently. Decommissioning of the existing turbines will commenced at the beginning of August 2015, with construction of the repowered site expected to complete by late summer 2016.

Seasonality

Output across our Landfill Gas portfolio is not generally subject to seasonal variations. However, under the terms of the BG Landfill Gas PPA, the electricity price for output of our landfill gas portfolio is re-set every six months, for periods commencing on April 1 and October 1. As the price for the six months commencing on October 1 is the "winter" price, which tends to be higher than the price for the six months commencing on April 1 due to higher electricity demand, revenue generated by our Landfill Gas Business during this period is usually higher.

The operations of our Biomass Business are more seasonal. Each of our five power stations undertakes an annual maintenance outage to perform checks of plant and equipment, maintenance, overhauls and capital improvements, which are planned in detail and tend to last around 14 days. We usually schedule these planned annual outages during the summer months (typically in the second financial quarter) to take advantage of the extra day-light hours and because thermal generation plants, such as our power stations, tend to be less efficient and unable to reach full output in the warmer summer months, as they are limited by the amount of steam which can be condensed at higher summer temperatures. As a result, output from our biomass power stations is typically lower in the second financial quarter, while operational costs are higher during this period, reflecting increased capital and maintenance expenditures. In addition, Ely has a seasonal export capacity, which allows greater electricity output of up to 38 MW in the period December to April each year, compared to up to either 34 MW or 35 MW during the rest of the year, thus positively affecting output, revenue and profitability during this period.

Our Biomass Business also includes sales of our Fibrophos fertilizer. We generally make approximately 75% of our annual fertilizer sales in the second quarter of the financial year, coinciding with the timing of the main agricultural harvest across the United Kingdom. Additionally, as the timing of the annual harvest is driven by weather conditions, a wet or late spring or a wet summer may result in a late harvest which can shorten the fertilizer spreading season and as a result the duration of our fertilizer sales season.

Furthermore, our results of operations are affected by the timing and manner in which we account for the ROC Recycle payments and embedded benefit payments that we receive from British Gas pursuant to our PPAs. We account for ROC Recycle payments on a cash basis and generally receive these payments in October or November for the previous compliance year to March 31. In the year ended March 31, 2014 we received £3.9 million, in ROC Recycle payments. The ROC Recycle payment received during the year ending March 31, 2015 was £0.7 million.

In addition, we account for triad revenue in March of each year. Triad periods are announced at the end of March each year, being the three half hour periods between November and February with the highest electricity demand. To impose an incentive on consumers to minimize consumption during the triad peak times, electricity suppliers are charged a fee by the transmission system operator for the electricity they supply during the triad periods. Output from embedded energy generators such as our Biomass Business and Landfill Gas Business reduces the supply of electricity from the national electricity transmission system to the relevant local distribution network during triad periods, allowing energy suppliers to reduce Supplier Transmission Network Use of System charges. Under our BG Biomass PPA and BG Landfill Gas PPA, British Gas passes through to us a portion of the savings it receives. For the years ended March 31, 2015 and 2014 we received £4.0 million and £2.9 million respectively in respect of triad payments. As a result of the foregoing, we tend to book a greater portion of our revenue in the third and fourth quarter of each financial year.

Management's discussion and analysis of financial condition and results of operations

Group Organization

We manage our operations by business units, referred to in this quarterly report as our "businesses," which include our Biomass Business and our Landfill Gas Business. Our Biomass Business generated turnover of £26.9 million in the quarter ended March 31, 2015 compared to £24.6 million in the quarter ended March 31, 2014. Turnover generated in our Biomass Business predominantly consists of revenue from the sale of electricity, ROCs, LECs and embedded benefits to electricity suppliers under our PPAs, accounting for an aggregate of £26.1 million and £23.6 million for the quarters ended March 31, 2015 and 2014, respectively. Turnover generated in our Biomass Business also includes turnover from the sale of Fibrophos fertilizer products, this element of our business is seasonal with the majority of sales arising during March, August and September each year. Revenue in each of the quarters ended March 31, 2015 and 2014 was £0.7 million.

Our Landfill Gas Business generated turnover of £9.1 million for the quarter ended March 31, 2015 and £10.1 million for the quarter ended March 31, 2014, representing 25.3% and 29.1% of our turnover in each period respectively. Turnover generated in our Landfill Gas Business predominantly consists of revenue from the sale of electricity, ROCs, LECs and embedded benefits to electricity suppliers under our PPAs.

Analysis of Key Operating and Performance Measures

We use several key operating measures, availability, output and average revenue per MWh, to track the performance of our business. Additionally, we rely on load factor to track the performance of our Biomass Business. None of these terms are measures of financial performance under UK GAAP, nor have these measures been reviewed by an outside auditor, consultant or expert. These measures are derived from management information systems. As these terms are defined by our management, they may not be comparable to similar terms used by other companies.

Availability measures the number of hours a power station or an engine is available to generate electricity during a certain period after subtracting scheduled and unscheduled maintenance, divided by the theoretical maximum of available number of hours over the period.

Output describes the amount of electricity generated over a specified period of time.

Average revenue per MWh represents the turnover from electricity generation during any period divided by the output generated during the same period.

Load factor represents the actual output generated by our power stations in a given period as a percentage of the theoretical maximum output of that plant. The theoretical maximum output assumes that the plant runs at its net capacity continuously over such period. Two elements generally affect output: (i) scheduled or unscheduled outages of the plant, during which a power station does not generate electricity (for example, to undertake maintenance activity); or (ii) electricity generation at below maximum net capacity due to, for example, operational issues or combustion conditions.

The following table sets forth certain key operating measures for the Group for the quarters and years ended March 31, 2014 and 2015:

	Quarter ended March 31		**Year ended March 31**	
	2014	**2015**	**2014**	**2015**
Biomass Business				
Availability (in %)[1]	89.0%	91.4%	85.1%	86.6%
Output (in MWh)	193,706	206,851	735,728	762,163
Average Revenue per MWh [2](in £)	122.00	126.03	115.73	115.82
Average load factor[1]	82.3%	87.9%	77.1%	79.8%
Thetford	78.1%	89.3%	75.0%	77.9%
Ely	86.0%	89.8%	75.4%	83.0%
Glanford	83.4%	89.3%	84.3%	84.5%
Eye	92.5%	88.1%	86.8%	81.8%
Westfield	71.7%	73.2%	69.8%	67.2%
Landfill Gas Business				
Availability (in %)	91.7%	88.1%	90.5%	89.5%
Output (in MWh)	96,655	87,885	388,209	370,826
Average revenue per MWh [2] (in £)	104.05	103.62	96.74	94.70

(1) The availability and load factor in our Biomass Business for the quarters ended March 31, 2014 and 2015 will generally be slightly higher than the availability for the associated years ended March 31, 2014 and 2015, reflecting the fact that the majority of scheduled annual maintenance outages take place during the second quarter of our financial year.

(2) Average revenue per MWh for the quarters ended March 31, 2014 and 2015 includes the one off annual Triad income, calculated by reference to station output during the three half hour periods between November and February with the highest electricity demand, and announced at the end of March each year.

Biomass Business

Quarter Ended March 31, 2015 Compared to the Quarter Ended March 31, 2014

For the quarter ended March 31, 2015, the average availability across our five power stations was 91.4%, which represented an increase of 2.4 percentage points from 89.0% for the quarter ended March 31, 2014. This reflects a continuation of improved availability at all sites, except Eye, which had exceptionally high availability in the three months ended March 31, 2014 which was not quite replicated in the three months ended March 31, 2015. During the quarter ended March 31, 2015 there has been the usual cycle of short maintenance and cleaning outages at the biomass assets, but no unplanned outages of any significant length or worthy of note.

For the quarter ended March 31, 2015, output of our Biomass Business was 206,851 MWh, which represented an increase of 13,145 MWh, or 6.8%, compared to 193,706 MWh for the quarter ended March 31, 2014. This increase resulted from the generally higher availability (hours on line) noted above together with generally higher average output whilst on line, particularly at Thetford, resulting from targeted improvements in combustion.

As a result of higher availability and generally increasing average output, the average load factor of our five power stations was 87.9% for the quarter ended March 31, 2015, representing an increase of 5.6 percentage points compared with 82.3% for the quarter ended March 31, 2014. This increase was driven by the higher availability and greater output at all biomass power stations except Eye, which did not quite replicate the exceptionally high load factor it achieved in the three months ended March 31, 2014.

For the quarter ended March 31, 2015, average revenue per MWh of our Biomass Business was £126.03, which represented an increase of £4.03, or 3.3%, compared with £122.00 for the quarter ended March 31, 2014. This increase reflects significantly higher embedded benefits income, principally triads as each of the five biomass power stations was online at full load during the three triad half hours. This additional income and the annual indexation of the ROC buy-out price and LEC value, more than offset a reduction in the electricity price received under the BGT Biomass PPA comparing the quarter ended March 31, 2015 with same period in the prior year.

Year Ended March 31, 2015 Compared to the Year Ended March 31, 2014

For the year ended March 31, 2015, the average availability across our five power stations was 86.6%, an increase of 1.5 percentage points from 85.1% for the year ended March 31, 2014. This increase generally reflected improved availability at both Thetford and Ely, driven by the group's preventative maintenance regime. In addition, the relative increase at Ely reflected the longer than normal annual outage of the year ended March 31, 2014. There was a slight reduction in availability at Eye which did not repeat the exceptionally high availability it achieved in the year ended March 31, 2014.

The output of our Biomass Business was 762,163 MWh in the year ended March 31, 2015, this represented an increase of 26,435 MWh, or 4.0%, compared with 735,728 MWh for the year ended March 31, 2014. This increase was primarily due to greater output at Thetford and Ely driven by higher availability and improved average output when online.

For the year ended March 31, 2015, the average load factor of our five power plants was 79.8%, which represented an increase of 2.7 percentage points from 77.1% for the year ended March 31, 2014.

In the year ended March 31, 2015, average revenue per MWh of our Biomass Business was £115.82, a marginal increase of £0.09, or 0.1%, compared to £115.73 for the year ended March 31, 2014. This reflects a combination of lower ROC recycle value received in respect of the annual compliance period to March 31, 2014, offset by the annual indexation of the ROC buy-out price and LEC value and increased triad revenue in the year ended March 31, 2015 due to each station generating at full load in each of the three triad half hours. Average electricity prices were similar across the two twelve month periods.

Landfill Gas Business

Quarter Ended March 31, 2015 Compared to the Quarter Ended March 31, 2014

For the quarter ended March 31, 2015, output from our Landfill Gas Business was 87,885 MWh, which represented a decrease of 8,770 MWh, or 9.1%, compared to 96,655 MWh for the quarter ended March 31, 2014. This decrease was primarily the result of the natural reduction in available gas and output from the closed landfill sites within the portfolio. In addition, access to gas and output at Cathkin was hampered in the quarter ended March 31, 2015 as the landfill operator was undertaking capping and site remediation works, in line with agreed planning conditions following the sites closure to new wastes. This remediation work is scheduled to complete by the end of September 2015 when access to available gas should be improved.

In the quarter ended March 31, 2015, average revenue per MWh of our Landfill Gas Business was £103.62, representing a decrease of £0.43, or 0.4%, compared to £104.05 for the quarter ended March 31, 2014. This primarily reflects lower electricity price receivable pursuant to the BG Landfill Gas PPA which reduced from £51.36 to £47.40 per MWh comparing prices from October 1st 2013 to October 1st 2014, driven by lower wholesale market electricity prices during the relevant PPA calculation periods. These unit revenue reductions were largely offset by the annual indexation of the ROC buy-out price, LEC value and triad payments.

Year Ended March 31, 2015 Compared to the Year Ended March 31, 2014

For the year ended March 31, 2015, average engine availability in our Landfill Gas Business remained stable at 90%. Output from our Landfill Gas Business was 370,826 MWh, which represented a decrease of 17,383 MWh, or 4.5%, compared to 388,209 MWh for the year ended March 31, 2014. This decrease reflects the natural reduction in available gas and output from the closed landfill sites within the portfolio. In addition, access to gas and output at Cathkin was hampered as the landfill operator was undertaking capping and site remediation works, in line with agreed planning conditions following the sites closure to new wastes. This remediation work is scheduled to complete by the end of September 2015 when access to available gas should be improved. The output reductions were partly offset by increased generation from Connon Bridge, where the site re-opened to new waste in November 2010 resulting in increasing gas volumes.

Average revenue per MWh of our Landfill Gas Business for the year ended March 31, 2015 was £94.70, representing a reduction of £2.04, or 2.1%, compared to £96.74 for the year ended March 31, 2014. This decrease was primarily the result of the lower ROC recycle value received in respect of the annual compliance period to March 31, 2014 and lower wholesale electricity process received in the latter period. These revenue per MWh reductions were partially offset by the annual indexation of the ROC buy-out price, LEC value and triad payments and the switch of some output from the NFFO/SRO to the higher revenue RO regime during the year ended March 31, 2014.

Discussion of Financial Results

Analysis of revenue from generation

The following table provides a breakdown of turnover from electricity generation of our Biomass Business and our Landfill Gas Business for the quarters and years ended March 31, 2014 and 2015:

	Quarter ended March 31		Year ended March 31	
	2014	**2015**	**2014**	**2015**
(in thousands of £s)				
Biomass Business				
Wholesale market electricity price	9,380	9,638	34,127	36,233
ROC buyout	11,090	12,190	42,399	44,580
LEC sales	823	906	3,194	3,338
ROC Recycle	-	-	2,828	530
Embedded benefits	2,340	3,337	2,596	3,597
	23,633	**26,071**	**85,144**	**88,278**
Landfill Gas Business				
Wholesale market electricity price	4,927	4,148	18,973	16,990
ROC buyout	3,485	3,270	13,556	13,825
LEC sales	439	412	1,706	1,747
ROC Recycle	-	-	1,093	208
Embedded benefits	1,205	1,277	2,227	2,345
	10,056	**9,107**	**37,555**	**35,115**

Biomass Business turnover from electricity generation increased in the year ended March 31, 2015 compared to the prior year by £3.2 million (3.7%), despite a £2.3 million reduction in ROC recycle income and broadly flat electricity prices across the two periods. The overall revenue improvement reflects a 26,435 MWh (3.6%) increase in output across the biomass generation portfolio, greater triad revenue and the indexation of unit ROC buyout and LEC values.

Output increased by 6.8% in the quarter ended March 31, 2015 compared with the quarter ended March 31, 2014 from 193,706 MWh to 206,851 MWh, with revenue from electricity generation similarly increasing from £23.6 million to £26.1 million, also reflecting greater triad revenue.

Landfill Gas Business turnover from electricity generation fell from £37.6 million in the year ended March 31, 2014 to £35.1 million in the year ended March 31, 2015. This reduction reflects lower output, reduced electricity prices and a reduction in ROC Recycle value. Similar factors have impacted revenue in the quarter ended March 31, 2015 which was £1.0 million lower than in the same period of the previous year.

Fuel Costs

The following table provides an overview of our total fuel costs for our Biomass Business, these consist of biomass costs including associated storage and haulage, fossil fuel and sorbent costs. Total fuel costs for the quarters and years ended March 31, 2014 and 2015 are summarized below:

	Quarter ended March 31		Year ended March 31	
	2014	**2015**	**2014**	**2015**
(in thousands of £s)				
Fuel costs	8,771	9,307	32,579	34,208

Fuel costs consist of biomass, fossil fuel and sorbent costs. Fuel costs increased by £1.6 million or 5.0%, from £32.6 million in the year ended March 31, 2014 to £34.2 million in the year ended March 31, 2015. This increase reflects a 3.6% increase in output from the biomass portfolio, the price indexation of fuel contracts, a one off write off of straw as holding sites were cleared in the autumn of 2014, net of a reduction in MBM fuel costs based upon the two year fuel supply agreements effective from the beginning of 2014.

Fuel costs in the quarter ended March 31, 2015 were £0.5 million or 6.1% higher, at £9.3 million, compared with the quarter ended March 31, 2014, the increase predominantly due to output which was 6.8% higher in the quarter ended March 31, 2015 compared to the equivalent quarter of the previous year.

Landfill Sites Royalties

We have secured access to our 25 landfill sites pursuant to long-term gas supply agreements with the relevant landfill site owner or operator. Pursuant to the gas supply agreements, we have the right to use the gas produced at the site in return for payment of a royalty fee to the landfill owner or operator. Royalty mechanisms vary from site to site, but are based on a percentage of the revenue received in respect of a site.

The following table provides an overview of our royalty payments to landfill owners and operators for the quarters and years ended March 31, 2014 and 2015:

	Quarter ended March 31		**Year ended March 31**	
	2014	**2015**	**2014**	**2015**
(in thousands of £s)				
Royalties paid to landfill gas site owners and operators	1,801	1,885	6,738	6,595
(as a percentage of turnover)				
Royalties paid to landfill gas site owners and operators	17.9%	20.7%	17.9%	18.8%

On an absolute basis, royalties decreased in the year ended March 31, 2015 compared to the previous year, generally due to lower revenue which has been impacted by declining output and lower ROC recycle revenue in the latter periods. Royalties increased in the quarter ended March 31, 2015 primarily due to a contractual increase in the royalty rate at one site with effect from January 1, 2015.

Royalties are calculated by reference to revenue, generally as a percentage, be that either a simple or stepped arrangement. Accordingly, the overall royalty percentage is driven by the mix of revenue by site and any changes to gas agreements. There have been three royalty changes relevant to understanding the year ended March 31, 2015 (i) one gas agreement was extended for 20 years to September 2034 but at a higher royalty; (ii) a previous gas agreement extension included a higher royalty from January 2015; and (iii) a negotiated royalty reduction came to an end in April 2014.

Results of Operations

Comparison of the Quarter Ended March 31, 2015 and the Quarter Ended March 31, 2014

The following table sets forth our results of operations for the quarter ended March 31, 2015 compared to the quarter ended March 31, 2014.

	For the quarter ended March 31,		
(in thousands of £)	**2014**	**2015**	**Change (%)**
Group turnover	**34,596**	**35,993**	**4.0**
Biomass Business	24,526	26,883	9.6
Landfill Gas Business	10,069	9,110	(9.5)
Cost of sales	(12,069)	(13,013)	(7.8)
Gross profit	**22,527**	**22,980**	**2.0**
Other operating income	81	-	-
Administrative expenses	(12,005)	(12,260)	(2.1)
Group operating profit	**10,603**	**10,720**	**1.1**
Share of operating profit in joint venture	202	206	2.0
Total operating profit: group and share of joint venture	**10,805**	**10,926**	**1.1**
Interest receivable and similar income	11	16	45.5
Interest payable and similar charges	(3,761)	(18,277)	(386.0)
Profit/(loss) on ordinary activities before taxation	**7,055**	**(7,335)**	**(204.0)**
Tax on profit/loss on ordinary activities	(2,222)	823	137.0
Profit/(loss) for the period	**4,833**	**(6,512)**	**(234.7)**

Group Turnover

Group turnover for the quarter ended March 31, 2015 was £36.0 million, an increase of £1.4 million, or 4.0%, from £34.6 million for the quarter ended March 31, 2014. This reflects a significant increase in output in the Biomass Business, higher triad revenue and the indexation of ROC buyout prices and LEC values, all of which was partially offset by reduced output in the Landfill Gas Business and lower unit electricity prices received in the quarter ended March 31, 2015.

Biomass Business

Turnover in our Biomass Business for the quarter ended March 31, 2015 was £26.9 million, an increase of £2.4 million, or 9.6% from £24.5 million for the quarter ended March 31, 2014. In addition to increased output in the quarter ended March 31, 2015, embedded benefits income was higher, principally triads income, as each of the five biomass power stations was online at full load during the three triad half hours. Further, the annual indexation of the ROC buy-out price and LEC value, more than offset a reduction in the electricity price received under the BGT Biomass PPA comparing the quarter ended March 31, 2015 with the quarter ended March 31, 2014.

Landfill Gas Business

Turnover in our Landfill Gas Business for the quarter ended March 31, 2015 was £9.1 million, a decrease of £1.0 million, or 9.5% from £10.1 million for the quarter ended March 31, 2014. This decrease was primarily attributable to a combination of reduced output and lower electricity prices which was partially offset by the RPI indexation of the ROC buyout price, LEC value streams and embedded benefits.

Cost of Sales

Cost of sales for the quarter ended March 31, 2015 were £13.0 million, an increase of £0.9 million, or 7.8%, from £12.1 million for the quarter ended March 31, 2014. Cost of sales includes biomass fuel, fossil fuel and sorbent costs, landfill gas royalties, engine maintenance costs and the cost of Fibrophos sales comprising processing, storage, haulage and commission.

Biomass fuel and other associated cost of sales in the quarter ended March 31, 2015 were £0.5 million higher than the quarter ended March 31, 2014, predominantly due to higher output. Landfill gas royalties were £0.1 million higher in the quarter ended March 31, 2015.

Administrative Expenses

Administrative expenses for the quarter ended March 31, 2015 were £12.3 million, an increase of £0.3 million, or 2.1%, from £12.0 million for the quarter ended March 31, 2014, such costs mainly comprise plant maintenance, depreciation, salaries and overheads.

Share of Operating Profit in Joint Venture

Share of operating profit in joint venture for the quarter ended March 31, 2015 was £0.2 million, in line with the quarter ended March 31, 2014, which was also £0.2 million.

Interest Payable and Similar Charges

Interest payable and similar charges for the quarter ended March 31, 2015 were £18.3 million, an increase of £14.5 million compared with the quarter ended March 31, 2014. This increase reflects the settlement of three out of the money interest rate swaps on February 5, 2015 at a cost of £12.7 million, contemporaneous with the Bond issue and repayment in full of the previous Biomass Business and Landfill Gas Business third party bank debt. Further, additional interest charges were incurred on the shareholder loan from MEIF Luxembourg Renewables Sarl which was put in place upon the acquisition of MEIF Renewable Energy Limited and MEIF LG Holding Limited by MEIF Renewable Energy UK PLC on September 26, 2014.

Tax on Profit/(Loss) on Ordinary Activities

The tax credit on the loss on ordinary activities for the quarter ended March 31, 2015 was £0.8 million, compared with a tax charge of £2.2 million for the quarter ended March 31, 2014. The tax credit arose primarily due to the large one-off settlement of the three out of the money interest rate swaps during the quarter ended March 31, 2015 which gave rise to a loss on ordinary activities before taxation.

Profit/(Loss) for the Period

Loss for the quarter ended March 31, 2015 was £6.5 million, compared with a profit of £4.8 million for the quarter ended March 31, 2014, a reduction of £11.3 million.

Comparison of the Year Ended March 31, 2015 and the Year Ended March 31, 2014

The following table sets forth our results of operations for the year ended March 31, 2015 compared to the year ended March 31, 2014.

(in thousands of £)	Year ended March 31, 2014	Year ended March 31, 2015	Change (%)
Group turnover	**129,484**	**129,400**	**(0.1)**
Biomass Business	91,876	94,242	2.6
Landfill Gas Business	37,608	35,158	(6.5)
Cost of sales	(47,528)	(49,419)	(4.0)
Gross profit	**81,956**	**79,981**	**(2.4)**
Other operating income	1,279	661	(48.3)
Administrative expenses	(51,398)	(50,528)	1.7
Group operating profit	**31,837**	**30,114**	**(5.4)**
Share of operating profit in joint venture	567	480	(15.3)
Total operating profit: group and share of joint venture	**32,404**	**30,594**	**(5.6)**
Interest receivable and similar income	25	32	28.0
Interest payable and similar charges	(15,117)	(31,324)	(107.2)
Profit/(loss) on ordinary activities before taxation	**17,312**	**(698)**	**(104.0)**
Tax on profit/loss from ordinary activities	(4,454)	(1,440)	67.6
Profit/(loss) for the financial year	**12,858**	**(2,138)**	**(116.6)**

Group Turnover

Group turnover for the year ended March 31, 2015 was £129.4 million, a reduction of £0.1 million, or 0.1%, from £129.5 million for the year ended March 31, 2014. Group turnover reflected higher output and increased triad revenue from the Biomass Business, and the indexation of ROC buyout prices and LEC values. However, these revenue increases were offset by both reduced output and lower unit electricity prices in the Landfill Gas Business in the year ended March 31, 2015, together with a £3.2 million reduction in ROC Recycle payments received by the Group comparing the year ended March 31, 2015 with the prior year. The decrease in ROC Recycle payments relates to the higher volume of ROCs issued in respect of the year ended March 31, 2014 compared with DECC's expectations, primarily due to greater wind levels and thus higher ROC supply from wind farms, which coincided with slightly lower demand.

The increase in output from the Biomass Business in the year ended March 31, 2015 compared to the prior year offset a reduction in output from the Landfill Gas Business. Group output in the year ended March 31, 2015 was 1,133.0 GWh compared to 1,123.9 GWh in the year ended March 31, 2014.

There was a small overall increase in the average electricity price received pursuant to the Biomass PPAs in the year ended March 31, 2015 (£47.54 per MWh compared to £46.39), however the electricity price received pursuant to the Landfill Gas PPA reduced, driven by wholesale market electricity prices in the relevant calculation periods.

Biomass Business

Turnover in our Biomass Business for the year ended March 31, 2015 was £94.2 million, an increase of £2.3 million, or 2.6%, from £91.9 million for the year ended March 31, 2014. This increase was attributable to a higher electricity generation as well as increase in electricity prices, the RPI-linked increase in ROC and LEC revenue and greater triad income. This more than offset a £2.3 million reduction in ROC Recycle payments received in the year ended March 31, 2015 compared with the prior year.

There was a reduction of £0.7 million in fertilizer revenue from £5.9 million in the year ended March 31, 2014 to £5.2 million in the year ended March 31, 2015, reflecting a lower sales price as potash and phosphate commodity prices fell in the period. This was partially offset by slightly higher sales volumes.

Landfill Gas Business

Turnover in our Landfill Gas Business for the year ended March 31, 2015 was £35.2 million, a decrease of £2.4 million, or 6.5%, from £37.6 million for the year ended March 31, 2014. This decrease was attributable to a reduction in output, lower electricity prices and a £0.9 million reduction in ROC Recycle payments received in the year ended March 31, 2015.

Cost of Sales

Cost of sales for the year ended March 31, 2015 were £49.4 million, an increase of £1.9 million, or 4.0%, from £47.5 million for the year ended March 31, 2014, wholly attributable to the Biomass Business. Landfill gas royalties and engine maintenance costs were slightly lower comparing the year ended March 31, 2015 to the year ended March 31, 2014.

Biomass cost of sales (including biomass fuel, fossil fuel, sorbent and fertiliser cost of sales) increased by £2.0 million or 5.8% in the year ended March 31, 2015 compared to the prior year. In addition to the increase in biomass fuel costs attributable to RPI indexation and the 3.6% improvement in annual output, there was a one-off write off of waste straw amounting to £0.6 million arising from the decision to revert to 100% contract straw from the harvest of 2015 and the clearance of holding sites. Fertiliser cost of sales were broadly flat comparing the year ended March 31, 2015 to the previous year.

Other operating income

Other operating income in the year ended March 31, 2015 was £0.7 million compared with £1.3 million in prior year. In the year ended March 31, 2014. Other operating income in the year ended March 31, 2015 represents an insurance settlement received in respect of an off-site stock of straw which was destroyed by fire following a lightning strike in June 2014.

In the previous year, the Landfill Gas Business received one-off other operating income of £1.2 million, representing the value of a rebate in Scottish non-domestic rates charges covering the period April 1, 2010 to March 31, 2014. The methodology used by the Scottish Assessor for the 2010 non-domestic rates revaluation resulted in a significant increase in the annual rates charges with effect from April 1, 2010. The methodology applied was challenged by appeal to the Scottish Assessor and then subsequently the Lands' Tribunal. During 2013, an agreement was reached with the Scottish Assessor resulting in a significant reduction in rateable values at our sites in Scotland and accordingly, a significant reduction in non-domestic rates charges, leading to a refund of amounts paid.

Administrative Expenses

Administrative expenses for the year ended March 31, 2015 were £50.5 million, a decrease of £0.9 million, or 1.7%, from £51.4 million for the year ended March 31, 2014. The decrease in administrative costs arises from lower maintenance costs in the year ended March 31, 2015, costs in the previous year included additional costs relating to the planned major overhaul of the turbine and generator at Ely power station, such overhauls only being undertaken every six years.

Share of Operating Profit in Joint Venture

Share of operating profit in joint venture (YWP) for the year ended March 31, 2015 was £0.5 million, a decrease of £0.1 million, or 15.3%, from £0.6 million for the year ended March 31, 2014. During the year ended March 31, 2015, wind turbine availability at the two wind farms within our YWP joint venture decreased, reflecting the age of the assets and reduced propensity to undertake expensive repairs given the de-commissioning of existing turbines and re-powering of new wind turbines at the larger of the two sites, will commence in August 2015. The reduction in availability has resulted in a slight reduction in YWP's operating profit comparing the year ended March 31, 2015 with the year ended March 31, 2014.

Interest Payable and Similar Charges

Interest payable and similar charges for the year ended March 31, 2015 were £31.3 million, an increase of £16.2 million from £15.1 million for the year ended March 31, 2014. This increase reflects the settlement of three out of the money interest rate swaps on February 5, 2015 at a cost of £12.7 million, contemporaneous with the Bond issue and repayment in full of the previous Biomass Business and Landfill Gas Business third party bank debt. Additional interest charges have been incurred in respect of the shareholder loan from MEIF Luxembourg Renewables Sarl which was put in place upon the acquisition of MEIF Renewable Energy (Holdings) Limited and MEIF LG Holding Limited by MEIF Renewable Energy UK PLC on September 26, 2014.

Tax on Profit on Ordinary Activities

Tax on profit on ordinary activities for the year ended March 31, 2015 was £1.4 million, a reduction of £3.1 million compared with the charge of £4.5 million for the year ended March 31, 2014. The reduction reflects the reduction in profits on ordinary activities principally due to higher interest payable and similar charges detailed above.

Profit/Loss for the Financial Year

The loss for the year ended March 31, 2015 was £2.1 million, compared with a profit of £12.9 million for the year ended March 31, 2014.

MEIF Renewable Energy UK PLC

Audited Consolidated Accounts

for the period from 29 August 2014 to 31 March 2015

See Appendix