The Renewables Infrastructure Group

Annual Report and Financial Statements

for the year ended 31 December 2014

The Renewables Infrastructure Group Limited

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Highlights

for the year to 31 December 2014

Operational performance and distributions from TRIG's diversified portfolio of onshore wind and solar PV projects in line with expectations since IPO

Profit before tax of £23.3 million (2013[1]: £10.3 million)

Interim distribution of 3.08p per ordinary share for the six months to 31 December 2014 declared with a scrip dividend alternative (2013[1]: 2.50p)

Targeting a further distribution of 3.08p per ordinary share for the six months ending 30 June 2015, or 6.16p annualised

Directors' valuation of the portfolio at 31 December 2014 of £472.9 million (2013: £300.6 million)

NAV per ordinary share of 102.4p at 31 December 2014 compared to 101.5p at 31 December 2013, a 0.9% increase year-on-year

Portfolio generation capacity increased by 52% to 439MW, with 9 additional projects bringing the total to 29 investments in the UK, Ireland and France; 38% of the portfolio by value now invested in solar PV (2013: 17%)

Raised total equity capital of £104.8 million (before issue costs)

Revolving acquisition facility signed in February 2014 and Share Issuance Programme launched in December 2014 to enhance flexibility to make further acquisitions

Healthy pipeline of further attractive investment opportunities under consideration

New Director, Klaus Hammer, appointed in March 2014, enhancing and complementing the experience of the Board

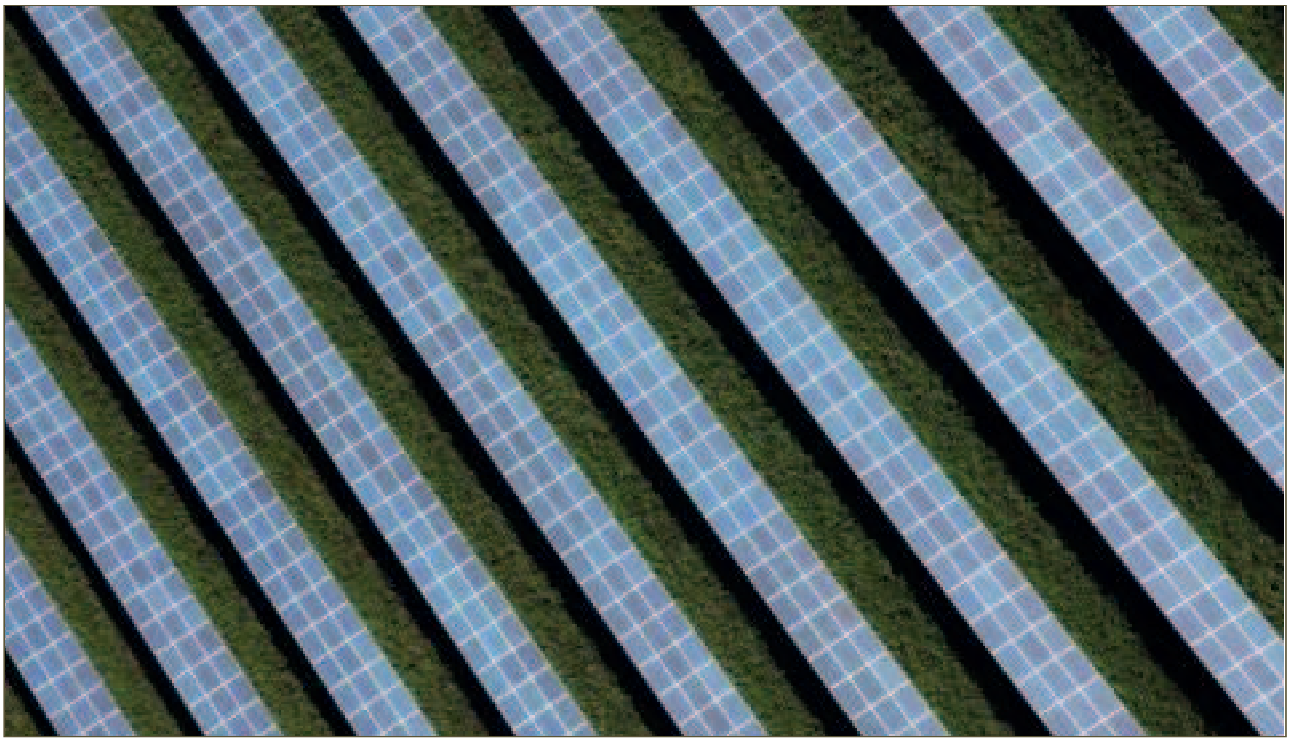
Post year-end activities

Extended the revolving acquisition facility to £120 million (from £80 million), providing TRIG with further flexibility in acquisition funding

1 2013 was accounted for as a part year for the Company, as it was incorporated on 30 May 2013 and was admitted to listing on the London Stock Exchange on 29 July 2013.

Summary of Results

	(For the year to) 31 December 2014	(For the period[1] to) 31 December 2013
Operating income (Expanded Basis)[2]	£30.1m	£15.2m
Operating income (IFRS Basis)	£23.1m	£12.2m
Profit before tax	£23.3m	£10.3m
Earnings per share	6.2p	3.4p
First interim dividend for period to 30 June[3]	3.00p	–
Second interim dividend for period to 31 December[3]	3.08p	2.50p
Total dividend per share in the year[2]	6.08p	2.50p
Net Asset Value per share[4]	102.4p	101.5p
NAV per share[4] net of the second interim dividend	99.3p	99.0p



1 The period to 31 December 2013 relates to the period from the Company's incorporation on 30 May 2013 to 31 December 2013, although the Group did not acquire any projects until after the initial public offering (IPO) on 29 July 2013. The period to 31 December 2014 relates to a full calendar year.

2 Operating Income shown above is both on the Expanded Basis and the IFRS Basis. On the Expanded Basis, The Renewables Infrastructure Group (UK) Limited ("TRIG UK"), which is the sole direct subsidiary of The Renewables Infrastructure Group Limited ("TRIG") and is the entity through which investments are purchased, is consolidated rather than being accounted for at fair value. On the IFRS Basis, TRIG UK is accounted for at fair value rather than being consolidated. Further explanation of the difference in the two accounting approaches is provided in the Analysis of Financial Results at page 35 and in the Chairman's Statement.

3 There was no interim dividend applicable for the period to 30 June 2013 as the Company's IPO was not effective until 29 July 2013. The second interim dividend for 2014 is scheduled to be paid on 31 March 2015.

4 The NAV per share at 31 December 2014 is calculated on the basis of the 415,475,783 Ordinary Shares in issue at 31 December 2014 plus a further 431,070 Ordinary Shares to be issued to the Managers in relation to part-payment of Managers' fees in the form of Ordinary Shares, as set out in the IPO Prospectus.

CHAIRMAN'S STATEMENT

"The Board is delighted to report strong results demonstrating the quality of TRIG's portfolio. The Company is underpinned by a strategy of diversification meaning TRIG has remained resilient in a year characterised by falls in energy prices and variable weather conditions."

Helen Mahy, Chairman
The Renewables Infrastructure Group Limited

INTRODUCTION

On behalf of the Board, I am pleased to present the 2014 report and accounts for The Renewables Infrastructure Group Limited ("TRIG" or the "Company", and with the holding companies and investments, the "Group").

TRIG, which listed in London in July 2013, manages a diversified renewables infrastructure investment portfolio which is also the largest by number of projects, generation capacity and by portfolio enterprise value among the six London-listed investment companies focused on the sector.

The Board is delighted to report strong results demonstrating the quality of TRIG's portfolio. The Company is underpinned by a strategy of diversification meaning TRIG has remained resilient in a year characterised by falls in energy prices and variable weather conditions. Since IPO and over the year as a whole the portfolio has performed closely in line with the Company's expectations. Total Shareholder Return (on a share price basis) for 2014 was 7.5%, comfortably outperforming the total return for the FTSE-All Share Index (1.2%). Details of the portfolio's operating and financial performance are set out in the new, expanded Strategic Report, which has been reviewed and approved by the Board of Directors on 24 February 2015.

During the year to 31 December 2014, TRIG has continued to increase the diversification and scale of its investments with generation capacity increasing by 52% to 439MW and portfolio value by 57% to £472.9 million over the period. The addition of 5 solar PV projects and 4 onshore wind projects brings the total portfolio to 29 assets across the UK, France and Ireland. The portfolio is also now more balanced with the complementary technologies of onshore wind and solar PV now accounting for approximately 62% and 38% of the portfolio by value respectively (2013: 83% and 17% respectively).

Our newly acquired projects have been sourced from a range of third party vendors as well as from the Managers. The overall volume of renewables opportunities across TRIG's target markets – both those currently under review and those expected to become available from developers – provide the Board with confidence that TRIG will benefit from further scale and diversification in the years ahead.

TRIG is the only London-listed investment company offering the joint capabilities of a specialised investment manager and a specialised operations manager, in the form of InfraRed Capital Partners Limited and Renewable Energy Systems Limited, leading providers in their respective areas. The Board is delighted by the effectiveness and depth demonstrated by this combination being applied to the day-to-day management and growth of TRIG's diversified portfolio in a continually evolving market.

The Board has also increased during the year to four independent non-executive directors, with the addition of Mr Klaus Hammer in March 2014. Klaus has brought a wealth of knowledge of international energy markets to the Board based on his extensive experience at both Shell and EON.

Financial Results and Performance

Accounting

Following the issuance by the International Accounting Standards Board in December 2014 of Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28), IFRS 10 now states that investment entities should measure all of their subsidiaries that are themselves investment entities at fair value. The implication of this change is that The Renewables Infrastructure Group (UK) Limited ("TRIG UK"), the Company's single direct subsidiary through which investments are purchased, which was previously consolidated on a line-by-line basis into the Company's financial statements, will be measured at fair value. Whilst this change does not affect Group net assets, profit before tax or net assets per share, it does mean that TRIG UK's cash, debt and working capital balances are now included in the fair value of investments as opposed to the Group's current assets. The financial statements and notes for the comparative period ended 31 December 2013 have therefore been restated applying the amended standard.

The Directors consider the revised accounting treatment, whilst compliant with IFRS 10 and, in particular, compliant with the recent amendment, provides less useful information to investors than the previous treatment because key balances of the Group including cash and debt balances carried in TRIG UK and expenses incurred in TRIG UK are netted off rather than being shown in full. The Company therefore produces pro forma primary financial statements on the alternative basis (i.e. including the consolidation of TRIG UK) in the Strategic Report on pages 35 to 39.

In this report the basis that is compliant with IFRS 10 is referred to as the IFRS Basis and the basis previously adopted by the Company that consolidated the results of TRIG UK is referred to as the Expanded Basis and in the Strategic Report the impact of the difference in approach is shown.

Financial results

The Company has prepared financial statements for the year to 31 December 2014 in accordance with IFRS, including the amendment to IFRS 10.

Profit before tax for the year was £23.3 million (2013: £10.3 million) and earnings per share were 6.2p (2013: 3.4p). Cash received from the portfolio by way of distributions, which include dividends, interest and loan repayments, was £35.3 million (2013: £13.2 million). After Group costs, net cash inflows from the investment portfolio of £30.6 million (2013: £12.9 million) as measured under the Expanded Basis covered the total cash dividends paid during the year by approximately 1.9 times. £13.3 million of surplus cash generated by the portfolio during the year was reinvested in new portfolio projects, together with £3.3 million of cash balances brought forward.

The net asset value ("NAV") per share was 102.4p at 31 December 2014, an increase of 0.9% on the 101.5p NAV as at 31 December 2013. After taking into account the interim dividend declared on 12 February 2015 and to be paid on 31 March 2015, NAV per share at 31 December 2014 was 99.3p (2013: 99.0p).

During the year, the Company raised £66.2 million before expenses in March 2014 via an issue of C shares which were converted into ordinary shares on 1 July 2014 and a further £38.6 million before expenses in August 2014 through a tap issue of ordinary shares. Ordinary shares in issue, including these offerings as well as shares issued by way of scrip dividend and as part payment of fees to the Managers, increased to 415.5 million (2013: 310.0 million).

Total management fees accruing to InfraRed Capital Partners Limited (the Investment Manager) and Renewable Energy Systems Limited (the Operations Manager) amounted to £3.8 million in the period, comprising their management and advisory fees based on 1.0% per annum in aggregate of the applicable Adjusted Portfolio Value with 20% of the fees being paid through the issue of Ordinary Shares.

For 2014, using the methodology of the Association of Investment Companies (AIC), the Company's Ongoing Charges Percentage was 1.25% (2013: 1.20% on an annualised basis).

More details of the financial performance are set out in the Strategic Report in Section 2.6 as well as in the financial statements that follow.

Portfolio Update and Acquisitions

The Board is pleased to report that the operational performance of the portfolio in terms of electricity production continues to meet the Company's expectations set upon acquisition of projects, with the diversification of the portfolio across geographical regions and by energy source and technology smoothing out the effects of some notable swings in weather conditions in our markets during 2014.

For example, in the British Isles, after the productive, windy winter of 2013-2014, much of the summer and autumn of 2014 was unusually still. This factor was counterbalanced by strong performance by TRIG's expanded solar portfolio during the year, by the diversification provided by our wind plants in the South of France, as well as by strong performances in British Isles wind in December 2014 (and more recently in January 2015). In TRIG's portfolio, overall onshore wind production was approximately 7% below expectations for the year (2013: +5%) while TRIG's solar production was 6% above expectations (2013: -4%). Total production across both technologies was 6.0% below P50 forecasts for the year (or 2.9% below P50 for the 17 months since IPO), both well within the range of expectations. Total electricity production in 2014 was 814 GWh (2013: 345 GWh).

During the year, TRIG successfully completed nine acquisitions for an aggregate consideration of approximately £178 million, increasing the portfolio capacity to 439 MW, an increase of 52% on the capacity as at the end of 2013. These included five solar PV projects in Southern England, two onshore wind farms in Scotland and one onshore wind farm in each of Northern England and the Republic of Ireland. Further details of operational performance, market conditions and acquisitions and strategy are set out in the Strategic Report which follows.

In November 2014, to allow for the further diversification of the Company's portfolio, as well as increasing TRIG's scale and liquidity, shareholders approved the launch of a share issuance programme. The programme enables the Company to issue up to 250 million shares (either ordinary or C shares) without pre-emption for a 12 month period from the publication of the Prospectus on 1 December 2014. The launch of this programme and the resulting ability to raise equity more efficiently positions TRIG well for addressing the pipeline of investments in both onshore wind and solar PV in our target markets, both from RES under the right of first offer agreement and from other project developers.

Valuation

The Investment Manager has prepared a fair market valuation for each investment in the portfolio as at 31 December 2014. This valuation is based on a discounted cash flow analysis of the future expected equity and loan note cash flows accruing to the Group from each investment. This valuation uses key assumptions which are set by the Investment Manager using its experience and judgement having taken into account available comparable market transactions and financial market data in order to arrive at a fair market value.

The Directors have satisfied themselves as to the methodology used and the assumptions adopted and have approved the valuation of £472.9 million for the portfolio of 29 investments as at 31 December 2014. This valuation compares with £300.6 million for the portfolio of 20 investments as at 31 December 2013. The year-end valuation incorporates the effects of lower long-term power price forecasts which were adversely affected in particular by lower natural gas prices, which are an important driver of wholesale electricity pricing. This has been partially offset by the reduction in applicable valuation discount rates as investors continue to make allocations to infrastructure (including renewable energy) with the asset class becoming more established and offering attractive long-term cash yields in a low interest rate environment. This has resulted in applicable discount rates being reduced for both solar PV and onshore wind projects. The weighted average portfolio discount rate of 9.0% used in the 31 December 2014 valuation (2013: 9.8%) reflects both this factor and the significant increase in the proportion in the portfolio of unleveraged solar projects (which generally attract a lower discount rate than wind projects or levered solar projects) following acquisitions undertaken in 2014. Further details of the valuation, including sensitivities, are set out in the Strategic Report in Section 2.7.

Distributions

In line with the policy stated upon IPO, the Board has increased the annual dividend in line with UK RPI by declaring a second interim dividend for the period ended 31 December 2014 of 3.08p per share. Combined with the first interim dividend of 3.00p per share paid in respect of the first half of 2014, this equates to a distribution of 6.08p in respect of the full year (2013: 2.50p, in relation to the period from IPO to 31 December 2013). The second interim dividend is payable to those ordinary shareholders on the register on the record date of 20 February 2015.

A scrip dividend alternative is also being offered and details will be sent shortly to shareholders in a separate circular. The cash dividend will be paid to shareholders on 31 March 2015, except in relation to those shareholders who make valid elections for the scrip dividend alternative referred to above.

Based on the current performance of the portfolio, the Board is targeting, as expected, an interim dividend of 3.08p per ordinary share for the six months ending 30 June 2015, and a further annual inflation-linked step-up in the interim dividend with respect to the six months to 31 December 2015.

Risks and Uncertainties

As TRIG is the owner of a portfolio of project companies whose underlying assets are predominantly fully constructed and operating renewable electricity generating facilities, TRIG has the opportunity to benefit from predictable long-term returns, with a set of risks that can be identified and assessed. The Board believes that TRIG's portfolio and growth strategy is well designed to withstand, mitigate and / or make adjustments for the risks it is most likely to confront in its industry.

While the Board as well as the Managers monitor a range of factors that may impact on the performance and the valuation of the portfolio, and make plans for mitigating risks of a range of these factors, I take the opportunity of re-iterating the three key risk factors which may in particular affect future performance.

The first risk factor is the periodic performance of the portfolio's energy yield – essentially the amount of power produced by the portfolio over time compared to estimated levels of production. The proven nature of the onshore wind and solar PV technologies, together with the experience of the Managers, provides the Board with confidence that this factor is appropriately addressed by TRIG's portfolio construction and forecast assumptions. While short-term variability of the production levels of a single asset may be material, portfolio construction across the two separate technologies of onshore wind and solar PV with a broad geographical spread (29 sites in England, Scotland, Northern Ireland, the Republic of Ireland and Southern France) reduces volatility regardless of the time scale. Output over the long term is more predictable than in the short term both for onshore wind and for solar. Overall portfolio production levels have been closely in line with expectations since IPO, and 2015 has commenced with a strong start with wind production comfortably ahead of the target for January. Further detail on the energy production is set out in Section 2.6 in the Strategic Report.

The second risk factor is the level of future wholesale electricity prices. In the second half of 2014 we have seen some reductions in prevailing and forecasted wholesale power prices – partly as a result of generally warmer weather conditions in 2014 which have reduced near-term demand for electricity in the UK and Northern Europe and resulted in a build-up of natural gas in storage. This factor and the fall in oil prices in 2014 have affected gas prices which are a significant influence on wholesale power prices. The Company's performance is partially protected from power price movements with approximately two-thirds of the portfolio's current revenues being derived from support schemes or agreements not based on power pricing. In addition, in the longer term a range of factors provide the potential for upside from power pricing. The potential risks and mitigants relating to power price movements are more extensively discussed in Section 2.10 of the Strategic Report.

The third risk factor is government support for renewables. This comprises direct subsidies such as the Renewable Obligation in the UK and indirect measures such as carbon taxes which are paid for by fossil fuel generators and therefore feed into wholesale power prices to the benefit of the Company. Changes to either of these support measures would impact the portfolio's future expected revenues. The EU has a clear programme up to 2020 for individual countries to meet challenging targets for renewables' contribution to the energy mix, and the focus has now been extended to longer term decarbonisation goals for 2030. The roll-out of investment in new renewable energy generation projects is expected to continue, especially for onshore wind and solar PV technologies which are likely to contribute the most towards new capacity across Europe and have the fiscal benefit of requiring lower subsidies than less mature technologies.

In the UK in 2015, we will see the introduction, from April, of the Contracts-for-Difference (CfD) programme affecting initially the solar PV market for larger projects above 5 MW in capacity, which will no longer be able to utilise the UK's ROC programme. While the limited budget for CfDs may influence the number of larger projects being developed, we note both the flexibility of the solar industry in developing both smaller (but still industrial-scale) sub 5 MW projects, as well as the UK government's continued ambitions to grow the solar PV industry as the segment continues its improvements in technology and cost effectiveness.

We also place trust in governments in the UK and Northern Europe, the markets on which TRIG focuses, to grandfather their previous commitments in relation to earlier, higher-cost developments, not least given the importance of maintaining credibility in financial markets and in order to be able to continue broader public infrastructure procurement in partnership with the private sector. In 2014, we saw some latent concern over the potential effects of Scottish independence prior to the vote in favour of continuing with the union, although as we noted in our Interim Report it would be expected that an independent Scotland would have continued to seek the expansion of renewables including the appropriate financial commitments entailed by such a policy.

With regard to the UK general election, it seems unlikely there will be any challenge to the honouring of financial commitments to the installed base of operating renewables projects, although the pace of new project development of onshore wind in England might be affected by the result. Whatever the outcome, opportunities for TRIG's growth are expected to remain extensive, based on the general public and political support in the UK and Europe for expanding renewables' contribution to the energy mix.

There is further discussion on risk factors and risk management in the Strategic Report in Section 2.10.

ESG

From launch, the Directors have prioritised environmental, social, health, safety and governance matters in support of the goal to provide investors with a socially conscious, well-managed, high-yielding investment. Maintaining the best standards is important to ensure the continued attractiveness of the Group to the wide array of stakeholders with which it interacts.

TRIG's portfolio of clean energy from sustainable resources powers the equivalent of 230,000 households and prevents the issuance of 360,000 tonnes of CO_2 annually. The Group continues to pursue excellence in environmental efficiency and social sensitivity across all aspects of the portfolio, through the landscaping of our wind farms and solar parks, the oversight of our contractors' activities and in the engagement with our local communities on which we report in further detail in our Strategic Report in Section 2.11.

The Company reports governance against the Association of Investment Companies (the "AIC") Code of Corporate Governance endorsed by the Financial Reporting Council. As a member of the AIC, the Company seeks to benefit from the ongoing development of best practices in the industry and play a meaningful role as a flag-bearer of the renewables sector of the infrastructure investment market.

As part of good corporate governance, all of the Directors will offer themselves for re-election at the Annual General Meeting to be held on 6 May 2015.

The Board also regards it as particularly important in a dynamic, fast-growing sector to focus on improving the information which the Company publishes both on the Company website and in reports and presentations. In this Annual Report we include a Strategic Report for the first time, which I hope investors will find useful both in terms of clarity and format, as it includes an expanded description of our strategy and business performance and includes some Key Performance Indicators. Our intention is to remain at the forefront of disclosure and transparency for our sector.

Outlook

The Company's strategy and its diversified portfolio have demonstrated robustness in spite of more-than-expected seasonal weather volatility and a downward shift in power prices during 2014. The portfolio exhibits strong diversification benefits with 29 assets across three jurisdictions, two broad weather systems and two established technologies, with solar now representing 38% by value and with no asset representing more than 10% of the portfolio value. The Board believes that this positions the Company well for achieving both its targeted distributions and its long-term return targets. The pipeline of new projects and portfolios available for acquisition across its target markets and technologies on which the Investment Manager, InfraRed Capital Partners, is engaged provides confidence that TRIG can achieve further gains in portfolio diversification and in scale, supported by funding from the Company's share issuance programme and revolving acquisition facility. In addition, the in-house expertise across the portfolio provided by TRIG's Operations Manager, RES, is showing itself through the steady operational performance across two technologies, multiple jurisdictions and power markets, monitoring and coordinating with a broad range of underlying equipment and service providers.

With the declaration of the second interim dividend of 3.08p for the six months to 31 December 2014, reflecting the first inflation adjustment to the dividend per share since the Company's launch in July 2013, TRIG has met its target distributions for 2014 of 6.08p per share in aggregate. The Board is satisfied that the target distributions, linked with inflation over the medium term, together with the upside in NAV that is expected to be obtained from the reinvestment of surplus cash flows after payment of dividends, remain achievable.

In conjunction with the Investment Manager, the Board has reviewed the performance and cash flow generation of the portfolio forecast for the current period and it re-affirms a target distribution of 3.08p per share for the six months to 30 June 2015 and a distribution for the second half of 2015 that includes an increase above 3.08p at a rate that reflects any uplift in the UK RPI inflation prevailing for the 12 months to 30 June 2015, as targeted by the Company.

The Company looks forward to a further year of steady portfolio performance and growth and to further positive engagement with our stakeholders.

Helen Mahy
Chairman

24 February 2015

Taurbeg Wind Farm, Co. Cork, Republic of Ireland (Photo: Norman Childs)

Section 2
Strategic Report

2.1 Introduction

Contents

This Strategic Report sets out:

- 2.2 – the Company's Objectives;
- 2.3 – the Strategy adopted to deliver these objectives;
- 2.4 – the Company's Business Model;
- 2.5 – the Investment Policy and Current Acquisition Strategy
- 2.6 – an Operational and Financial Review for the year, including KPIs;
- 2.7 – the Directors' Valuation of the Group's portfolio as at 31 December 2014;
- 2.8 – the current Outlook;
- 2.9 – the Ten Largest Investments;
- 2.10 – the key risks and mitigants relating to the Group and its investments; and
- 2.11 – the policies, approach and achievements adopted in respect of Corporate Social Responsibility

References in this report to the "Company" or "TRIG" mean The Renewables Infrastructure Group Limited (and together with its holding companies and investments, the "Group").

Overview

TRIG is a leading renewable energy infrastructure company investing in multiple renewable energy technologies, jurisdictions and climate systems in Europe. A Guernsey company, TRIG was launched on the London Stock Exchange through an Initial Public Offering in July 2013 and raised £300 million which was substantially invested in an initial portfolio of 18 wholly-owned projects (14 onshore wind projects and 4 solar photovoltaic or "PV" projects) in the UK, France and Ireland. Since the IPO, the Company has raised a further £115 million through equity issues and increased the portfolio by acquiring a further 11 projects for £198 million, creating a diversified portfolio of 29 onshore wind and solar PV projects at 31 December 2014. TRIG continues to review a broad pipeline of further onshore wind and solar PV assets with a view to further investment and diversification.

With highly experienced management teams TRIG has access to leading resources in specialised investment and operations teams at InfraRed and RES which deploy resources together in the management of TRIG and its portfolio. Shareholders benefit from a competitive and simple fee structure that is the result of the operating scale of both of the Managers, reflecting their committed, long-term approach to the infrastructure and renewables markets.

Roussas-Claves Wind Farm, France

TRIG's Investment Manager – InfraRed Capital Partners Limited

("InfraRed"), is a leading international manager in the alternative investment segments of infrastructure and property. The total headcount of the InfraRed group is approximately 120 and the infrastructure team now comprises 50 staff in offices in London, Hong Kong, New York, Paris, Seoul and Sydney. InfraRed has a core team of seven dedicated to advising the Group on financial management, sourcing and implementing new investments and providing capital raising and investor relations services. In addition, four InfraRed managing partners sit on TRIG's Investment Committee and the core team also has access to a range of other InfraRed partners and staff in both the infrastructure team and in central functions in support of the Group and its investments. InfraRed has been investing in infrastructure and/or managing infrastructure dedicated funds for over 15 years, including the established HICL Infrastructure Company Limited, which invests in predominantly social infrastructure both in the UK and internationally and is also listed on the London Stock Exchange. InfraRed is authorised and regulated by the Financial Conduct Authority.

InfraRed
Capital Partners

InfraRed is a leading international investment manager specialised in infrastructure and real estate

- Strong, 15+ year track record in raising and managing 15 infrastructure and real estate funds with over US$8 billion of equity under management
- Experience in managing a broad range of renewables investments since 2006
- Also advisers HICL Infrastructure Company Ltd, the largest of the London-listed infrastructure investment companies with market capitalisation of £2.0 billion
- Independent manager following successful spin-out from HSBC Group in April 2011
- London based, with offices in Hong Kong, New York, Paris, Seoul and Sydney
- 10 year established working relationship with Sir Robert McAlpine group

TRIG's Operations Manager – Renewable Energy Systems Limited

("RES"), is a leading global developer and operator of renewable energy infrastructure projects with operations in 14 countries and over 1,200 employees globally. The RES team has more than 30 staff providing portfolio-level operations management, supporting the evaluation of investment opportunities for the Group and providing project-level services in the UK, Ireland and France. RES has been developing, constructing and operating renewables for over 30 years.

res
power for good

RES has spent three decades at the forefront of the development of the renewable energy market

Proud recipient of the Queen's Award for Enterprise for International Trade 2013

THE QUEEN'S AWARDS FOR ENTERPRISE INTERNATIONAL TRADE 2013

- One of the world's leading renewable energy developers
- Privately-owned, RES is a sister company of Sir Robert McAlpine Ltd and a member of the 145 year old Sir Robert McAlpine group of companies
- Global footprint with head office in Hertfordshire, UK, and operations in 14 countries
- Over 1,200 employees engaged in renewables globally
- Extensive, 30+ year experience in developing, constructing and operating renewables including onshore and offshore wind, solar and biomass
- More than 140 wind and solar energy generation projects totalling more than 8,600 megawatts

2.2 Objectives

TRIG was created in 2013 with the purpose of investing principally in a range of diversified operational assets which generate electricity from renewable sources, with a particular focus on onshore wind farms and solar PV parks in the UK and Northern Europe with a view to providing investors with long-term, stable dividends, while preserving the capital value of its investment portfolio through re-investment of surplus cash flows after payment of dividends.

Financial

The key financial objectives of the Group are set out as follows:

- To target an annualised dividend of 6.16 pence per ordinary share for the 12 months to 30 June 2015 with the aim of increasing this dividend progressively in line with inflation over the medium term. The dividend is paid gross as the Company is registered in Guernsey and the Company also offers shareholders a scrip dividend alternative to cash dividends as this can be advantageous to certain investors.
- To target long-term annualised total return of 8 to 9%. At the time of the IPO, the company targeted a total internal rate of return (IRR) of 8 to 9% (net of expenses and fees) on the issue price of its Ordinary Shares to be achieved over the longer term via active management of the investment portfolio and reinvestment of excess cash flow. This target set on IPO is expected to be reflected in the annualised Total Shareholder Return since IPO achieved over the long term. In any given year the actual total return result obtained will depend on the precise share price performance over the 12 months being measured (together with the distributions paid during the year).
- To pay dividends comfortably covered by cash generated. Targeting 1.3x cash cover over the next five years from the current portfolio. This level of cash cover is expressed after accounting for cash utilised to pay down project-level debt within the investment portfolio. This structured reduction in project-level debt benefits the NAV in each period. Over the next five years, pay-down of project-level debt on the current portfolio is expected to amount to approximately 0.4x the aggregate dividends targeted to be paid. While TRIG seeks to mitigate the effects of variability through investment diversification and some financial hedging, the dividend cover outcome in any given period may on occasion fall outside this range and will vary depending on such factors as weather conditions, prevailing power market prices, foreign exchange rates, portfolio asset mix and gearing levels.
- To provide an investment with positive correlation to inflation expected to be obtained through exposure to government support regimes which are generally inflation-linked and to power prices, which are assumed in the long term to be positively correlated with inflation (described in more detail in Section 2.7).
- To maintain prudent financial management including the valuation policy for the existing portfolio and new investments, the analysis and utilisation of forecasts, controls on project-level and Group expenditure, financing arrangements and foreign exchange hedging policy. As the Group has overseas investments, it maintains a foreign currency hedging policy utilising forward contracts for euro-sterling in relation to the current portfolio (explained in Section 2.6).
- To grow its investment portfolio to enhance diversification, increase share liquidity and obtain scale efficiencies – the Company achieves this portfolio growth by issuing further shares to existing and new investors at or above the current NAV per share, thus avoiding NAV dilution. The Company currently has in place a Share Issuance Programme, launched in December 2014, in relation to up to 250 million new shares. This programme, alongside the Company's £120 million revolving acquisition facility, is designed to increase the Company's flexibility in competing for acquisitions on a timely basis, in particular enabling TRIG to consider larger portfolios that become available from time to time. Further acquisitions may achieve reduced portfolio risk by additional diversification by location, by power market and by generation technology.

Non-Financial

The key non-financial objectives of the Group are:

- To maintain a business model consistent with trends in global energy and infrastructure – with sustainable opportunities for both portfolio management and portfolio growth, based on the economies and societies of the countries in which the Company invests;
- To build and maintain strong relationships with key stakeholders of both the Company and the Group's investments, including investors, national and local government, local communities, project developers, vendors, key contractors and providers of finance. Consistent, effective engagement with a broad range of key stakeholders and adopting a positive approach of partnership is expected to contribute meaningfully to the Company's ability to deliver targeted long-term investment returns;

- To manage its affairs in accordance with the Company's Corporate Social Responsibility statements and policies, as summarised in Section 2.11; and
- To provide leadership in enhancing the understanding of investment in the expanding renewables sector through appropriate disclosure and engagement with existing and potential investors, thereby further promoting interest in investment in TRIG as a benchmark investment vehicle in its peer group.

2.3 Strategy

Portfolio Construction within the Renewables Market

TRIG's investment approach is based on accessing the growing renewables market resulting from the long-term commitment of the UK and other Northern European countries to increasing the supply of cleaner, more secure and sustainable energy. TRIG pursues this opportunity via managing and expanding a diversified portfolio of power generating assets across established technologies, different weather systems and electricity markets. This strategy of diversification supports the long-term investment proposition of delivering steady dividends together with NAV resilience.

The Renewables Market Growth Opportunity

Growth of the renewable energy infrastructure market is supported by a long-term global shift – in particular in the OECD and the larger emerging economies – towards achieving economic growth with sustainability. This shift is based on a determination to reduce or reverse the human impact on the climate and living environment of fossil fuel usage and to ensure a secure energy supply. The need is compounded by continued increases in human population, urbanisation, industrial and agricultural production and consumer affluence, which outweigh the benefits of ongoing energy efficiency improvements. The Company sees further global support for the promotion of renewable energy generation in 2015 and beyond, from new research as well as from public and political impetus.

In the 2013 annual report, the Company noted the Intergovernmental Panel on Climate Change's Fifth Assessment Report (Working Group 1 – Physical Science) findings published in October 2013 which emphasised the likely impact of man-made greenhouse gases on climate change, for example in the form of warmer upper oceans and atmosphere, reduced glaciers and ice sheets, and a higher incidence of extreme weather conditions.

Globally, the year 2014 now ranks as the warmest on record since 1880, according to an analysis by scientists at NASA's Goddard Institute of Space Studies in New York published in January 2015, supported also by findings from the National Oceanic and Atmospheric Administration in the US (NOAA). The report highlighted that the ten warmest years in the instrumental record, with the exception of 1998, have occurred since 2000. Based on their analysis, while the ranking of individual years can be affected by chaotic weather patterns, the trend of the warming of Earth's average surface temperature by about 1.4 degrees Fahrenheit (0.8 degrees Celsius) since 1880 can be attributed largely to the increase in carbon dioxide and other human emissions into the planet's atmosphere. The majority of that warming has occurred in the past three decades.

In 2015, it seems likely that the run-up to the United Nations Framework Convention on Climate Change in December will increase the focus on the contribution of the renewable generation industry towards meeting targets under any long-term decarbonisation agreements that may be reached.

In Europe, wind and solar PV seem set to be increasingly important components of the region's net new generation capacity as the region moves towards its target for 20% of the EU's energy consumption being supplied by renewable sources by 2020 under the Renewable Energy Directive. With indigenous natural oil and gas production in the North Sea reducing, and with ageing coal, gas and nuclear plants being retired, there is pressure to maintain a diverse source of energy supplies for which renewables are expected to make a meaningful contribution. This pressure shows indications of increasing as a result of several factors: the increased focus on energy security as a result of geopolitical considerations; the expected increase in global energy demand driven by emerging markets; and public policies evolving towards limiting both the usage of fossil fuels and, in some larger industrialised countries such as Germany, France and Japan, the reliance on nuclear power.

After several years of slack demand in the UK and Europe, overall electricity demand is expected to increase with recovery in economic activity and with the potential for shifts towards greater electricity use and away from fossil fuels in heating or transportation. In the area of subsidies for renewable energy, the Company continues to be confident of the commitment of governments in our target markets to maintaining subsidies for existing projects at the rate levels set at their inception. Newer projects acquired by the Group are valued on the basis of the subsidies available to them at the time of commissioning, which generally reduce over time as deployment costs reduce with improvements in technology or in scale.

The commitment to continued strong financial support for renewables has been reinforced in the UK by further steps to implement the Electricity Market Reform Delivery

Plan ("EMR Delivery Plan"). The EMR Delivery Plan puts in place a package of measures to incentivise the investment needed to replace the UK's ageing electricity infrastructure with a more diverse and low-carbon energy mix, while maximising benefits and minimising costs to taxpayers and consumers. In April 2015, the UK will also see the shift in the support mechanism for larger scale ground-mounted solar projects (above 5MW in capacity) from the established Renewables Obligation ("RO") regime to a Contracts-for-Difference ("CfD") regime, with onshore wind also expected to shift from the RO to the CfD regime by 2017. In terms of the UK's commitment to achieve a level of renewable energy production representing 15% of its energy consumption by 2020, the UK is likely only to reach about halfway to this goal during 2015.

Diversification
– Across Established Renewables Technologies

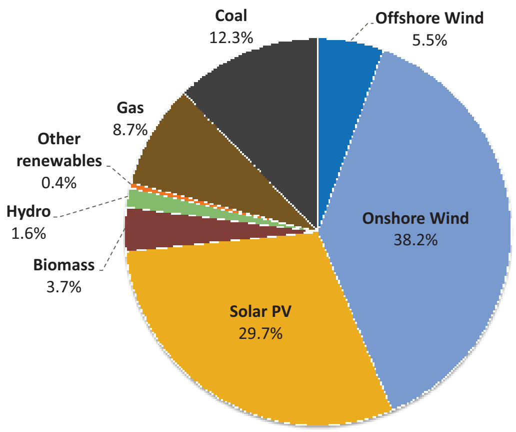
TRIG adopts a strategy focused on investing in operational renewable energy generation projects, predominantly in onshore wind and solar PV segments – we believe these represent established renewables technologies with, currently, the best combination of proven operating cost histories and a healthy diversified pipeline of new investible projects.

The wind energy market has seen enormous advances since the 1980s from small prototypes into large-scale commercial developments, with individual turbines today producing as much as forty times the amount of power as turbines thirty years ago and further scale and efficiency advances may also be possible. Modern turbines also benefit from considerable development and operating experience gained over this time.

Solar energy is the most abundant of all energy resources available, and a range of different technologies have been utilised to capture it. These include solar photovoltaics, the most mature solar technology for electricity production, which is now deployed widely across the world, with accelerated growth in the last few years as a result of the significant reduction in panel costs, with Germany, Italy, Spain, China, Japan, the USA and the UK in particular deploying PV fast on a large scale.

In the European Union, there is vastly more onshore wind and solar PV being added to the installed base of capacity than any other types of generation. Data for 2014's new installed capacity is illustrated in the chart below. Of a total of 27GW of new capacity installations in 2014, onshore wind represented approximately 10.3GW (or 38.2%) while solar PV represented 8.0GW (29.7%). Offshore wind contributed 5.5% and all other renewables less than 6% of new power capacity. New gas and coal facilities represented the bulk of the remainder with a combined 21%.

2014 Share of New EU Power Capacity Installations (Total = 27.0 GW)

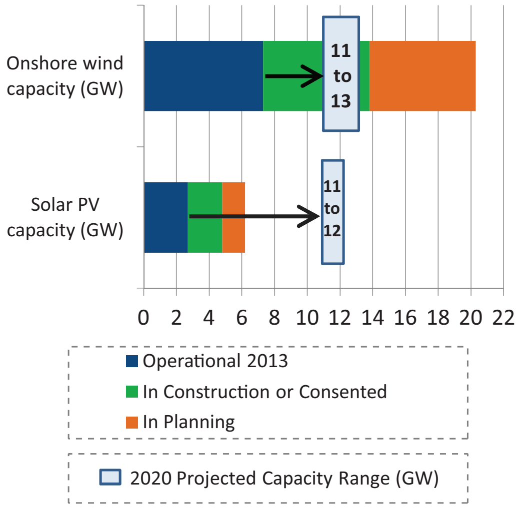


Source: InfraRed analysis / EWEA Annual Statistics 2014 (Copyright: The European Wind Energy Association)

The UK's new annual capacity additions are also dominated by wind (both onshore and offshore) and solar PV. Within the wind generation sector, TRIG currently focuses on onshore wind as offshore wind currently presents a higher level of investment risk – in particular with the potential for greater variability in operational and maintenance costs over the long term associated with the challenges of managing large-scale projects in offshore locations.

The following chart illustrates the volume of both existing and estimated future capacity in the UK's pipeline for onshore wind and solar PV:-

UK Onshore Wind and Solar PV Capacity Pipeline (GW)



Source: InfraRed analysis / DECC / HM Government: Delivering UK Energy Investment (July 2014)

TRIG is currently permitted under its investment policy to invest up to 10% of the portfolio in technologies beyond onshore wind and solar PV and keeps under review further technologies which would increase diversification and where the risk-adjusted returns may become attractive as market dynamics evolve. This may in the future include offshore wind if the level of operational risk can be more clearly defined.

Diversification
– Across UK and Northern European Power Markets

TRIG's investment strategy also provides for diversification across electricity markets. TRIG has substantial protection in its revenues from movements in wholesale power prices in the short and medium term as a result of receiving a high proportion of its revenue from power purchase agreements with fixed prices, feed-in tariffs and Renewables Obligation Certificates. In the longer term, TRIG, based on its current portfolio, will have greater exposure to future wholesale electricity prices. TRIG also has the benefit of being diversified across three separate power markets of Great Britain, the Single Electricity Market (of The Republic of Ireland and Northern Ireland) and France. The chart on page 42 illustrates the profile of long-term power prices used by TRIG in its base case assumptions (weighted for TRIG's investment portfolio across the three markets).

While the public electricity pricing debate has quietened down on the back of recent falls in energy prices, over the longer term the world demand for power is expected to grow with population, economic growth and factors such as increased electrification of transportation. This, combined with Europe's requirement to upgrade old power plants and grid networks, including the decommissioning of old generation facilities (coal, gas and nuclear), green subsidies (both for generators and consumers in the form of energy efficiency grants) and carbon pricing for fossil fuel based generation are likely to mean UK and European prices will remain at relatively high levels, at least relative to the United States.

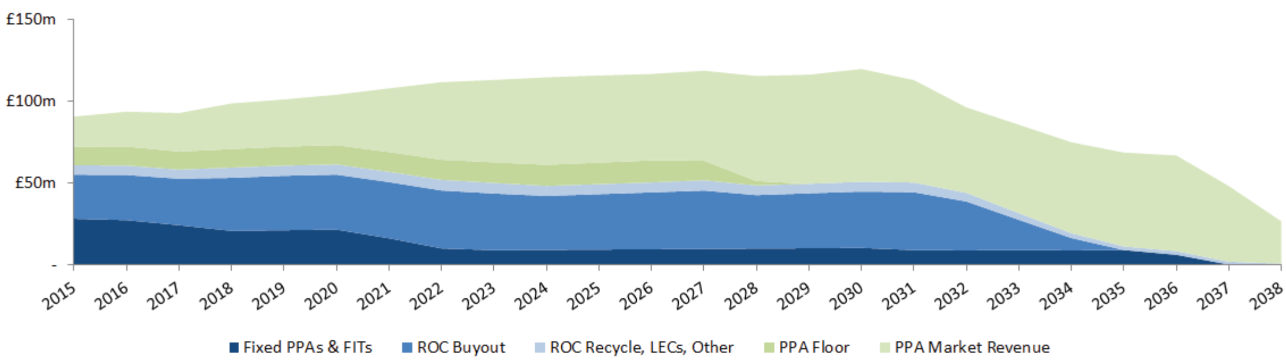
Diversification
– Across Regulatory Regimes and Contract Types

TRIG's policy is to invest across several markets with a strong governmental track record of commitment to supporting the growth in deployment of renewables towards challenging EU and national targets. While investments in the UK, France and Ireland form the current portfolio, a number of other markets including in particular Scandinavia, Benelux and Germany offer a similar profile and may therefore be attractive to TRIG.

TRIG's portfolio revenues reflect the different regulatory jurisdictions in which TRIG is invested with revenue sources ranging from contracted feed-in tariffs (FITs), Renewables Obligation Certificates (ROCs), embedded benefits, Levy Exemption Certificates (LECs) and a variety of wholesale power purchase agreements with contracting counterparties which are, for the most part, major utilities.

The chart below illustrates the spilt of revenues across different types of revenue over time, based on the base case assumptions used in the Company's portfolio valuation as at 31 December 2014.

Split of Project Revenues by Contract Type for the Portfolio as at 31 December 2014



In the current portfolio, the majority of near-term revenues come from contracted revenues, for example feed-in tariffs or fixed price PPAs (with, accordingly, greater stability and predictability of revenues), while in the long term (in the absence of further contracting or re-contracting of the revenues), it is anticipated that the majority of revenues will be based on market prices. The wind farms and solar parks in the UK have more exposure to wholesale power prices under their current long-term PPAs, whereas the French and Irish projects have more stable revenue sources in the early years, given the feed-in tariff structures used. The UK will be moving towards a similar model via the Contract-for-Difference scheme being phased in between 2014 and 2017 as part of the Electricity Market Reform. The wholesale power element of PPAs is normally based on a combination of season and/or month ahead pricing against established market indices and a small discount against the market price is applied.

Diversification – Across Weather Systems

From a meteorological perspective, while short-term volatility is to be expected, wind and solar resources demonstrate a high degree of predictability over the long term. In addition, TRIG's portfolio demonstrates the benefit of diversity as a result of the geographical spread of the projects and the energy yield performance of solar and wind technologies not being positively correlated.

Given the complexity of wind flows, even within a specific geographical area, energy yield outcomes can vary from location to location and from time to time but these tend to even out over time. For solar, the key factor driving irradiation levels is latitude, although the precise meteorological conditions (prevailing local irradiation intensity, duration and temperature) have a bearing on the energy output performance. Weather risk can be reduced within a portfolio by combining a large number of plants spread over a wide geography and by combining wind and solar.

The chief differences in yield outcome across the TRIG portfolio occurs because of (1) the inclusion of both wind and solar technologies which are not correlated and (2) the relative impact of the North Atlantic weather patterns on the British Isles (more exposed to the prevailing oceanic winds and cyclonic systems from the south-west) versus Southern France (where the influence of the Mediterranean prevails). Specifically for wind, the dominant winds in Southern France (such as the "mistral") are associated with gap flows which are formed when north or north-west air flow (associated with cyclogenesis over the Gulf of Genoa) accelerates in topographically confined channels such as the river valleys descending from the Alps, Pyrenees or the Massif Central.

With stronger summer solar irradiation counterbalancing the lower typical summer wind speeds versus the winter, the portfolio also has the benefit of a more balanced revenue mix through the year than would be the case for a fund investing only in either wind or solar. In TRIG's portfolio in a typical year, approximately 70% of the total annual solar production is expected to occur in the six months between April and September (against 40% for wind) and approximately 30% of solar production tends to occur between October and March (against 60% for wind).

As TRIG continues to expand its portfolio, the Managers' emphasis will be on investing in a variety of further onshore wind and solar PV in the UK, France and Ireland, while also considering additional appropriate geographies for investment in Northern Europe (maintaining a minimum investment of 50% of the portfolio by value in the UK, as set out in the Company's Investment Policy). The volume of opportunities to acquire onshore wind and solar PV providing returns in line with our targets means that TRIG is likely to remain focused on these two technologies in the near term, although we will keep further technologies under consideration to the extent that as markets evolve they may offer a risk-return profile commensurate with the financial goals of TRIG.

Puits-Castan Solar Park, France (Photo: Pascal Rodriguez)

Taurbeg Wind Farm, Co. Cork, Republic of Ireland (Photo: Norman Childs)

A Portfolio of 29 Operating Projects

As at 31 December 2014, the TRIG portfolio comprised 29 investments in the UK, Republic of Ireland and France, including 18 onshore wind projects and 11 solar photovoltaic projects:

Project	Market	Capacity(MW)	Commissioning[1]	Turbine (MW) / Panel
Onshore Wind				
Roos	GB (Eng)	17.1	2013	Vestas (1.9)
Grange	GB (Eng)	14.0	2013	Vestas (2.0)
Tallentire	**GB (Eng)**	**12.0**	**2013**	**Vestas (2.0)**
Hill of Towie	GB (Scot)	48.3	2012	Siemens (2.3)
Green Hill Energy	GB (Scot)	28.0	2012	Vestas (2.0)
Earlseat	**GB (Scot)**	**16.0**	**2014**	**Vestas (2.0)**
Meikle Carewe	**GB (Scot)**	**10.2**	**2013**	**Gamesa (0.85)**
Forss	GB (Scot)	7.2	2003	Siemens (1.0-1.3)
Altahullion	SEM (NI)	37.7	2003	Siemens (1.3)
Lendrums Bridge	SEM (NI)	13.2	2000	Vestas (0.7)
Lough Hill	SEM (NI)	7.8	2007	Siemens (1.3)
Taurbeg	**SEM (RoI)**	**25.3**	**2006**	**Siemens (2.3)**
Milane Hill	SEM (RoI)	5.9	2000	Vestas (0.7)
Beennageeha	SEM (RoI)	4.0	2000	Vestas (0.7)
Haut Languedoc	France	29.9	2006	Siemens (1.3)
Haut Cabardes	France	20.8	2005	Siemens (1.3)
Cuxac Cabardes	France	12.0	2006	Vestas (2.0)
Roussas – Claves	France	10.5	2006	Vestas (1.8)
Total Onshore Wind		**319.9**		
Solar PV				
Parley Court Farm	**GB (Eng)**	**24.2**	**2014**	**ReneSola**
Egmere Airfield	**GB (Eng)**	**21.2**	**2014**	**ReneSola**
Stour Fields	**GB (Eng)**	**18.7**	**2014**	**Hanwha SolarOne**
Tamar Heights	**GB (Eng)**	**11.8**	**2014**	**Hanwha SolarOne**
Penare Farm	**GB (Eng)**	**11.1**	**2014**	**ReneSola**
Parsonage	GB (Eng)	7.0	2013	Canadian Solar
Churchtown	GB (Eng)	5.0	2011	Canadian Solar
East Langford	GB (Eng)	5.0	2011	Canadian Solar
Manor Farm	GB (Eng)	5.0	2011	Canadian Solar
Marvel Farms	GB (Eng)	5.0	2011	LDK / Q.Cells
Puits Castan	France	5.0	2011	Fonroche
Total Solar PV		**119.0**		
Total Portfolio		**438.9 MW**		

Source: TRIG

1 Where a project has been commissioned in stages, this refers to the earliest commissioning date

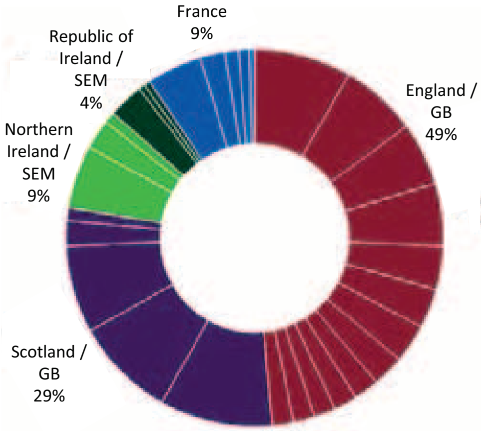
Name Addition to portfolio in 1st half of 2014

Name Addition to portfolio in 2nd half of 2014

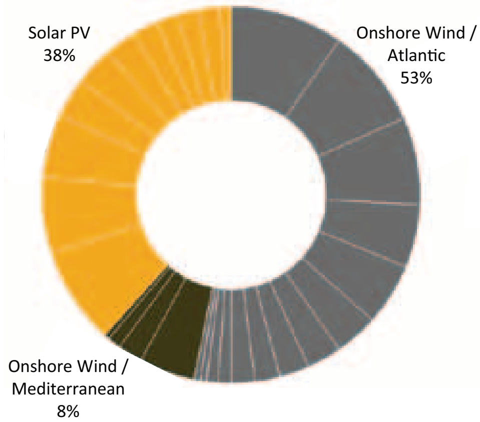
A Diversified Portfolio

The TRIG portfolio comprises a diverse range of assets across different regulatory jurisdictions, energy markets, generating technologies, revenue contracts and/or subsidy sources, as well as a variety of geographic areas with differing meteorological conditions (affecting wind speeds and solar irradiation applicable to each of TRIG's projects), as illustrated in the analysis below:

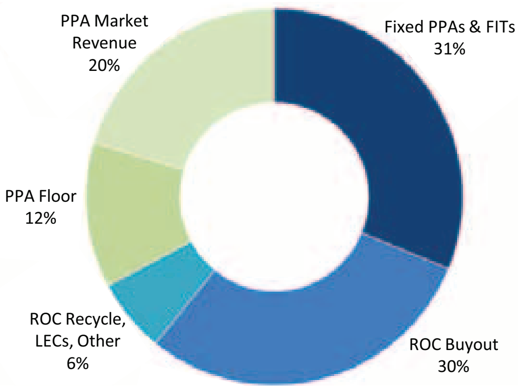
By Market / Jurisdiction [1 2]



By Technology / Weather System [2 3]



By Project Revenue Type [2]

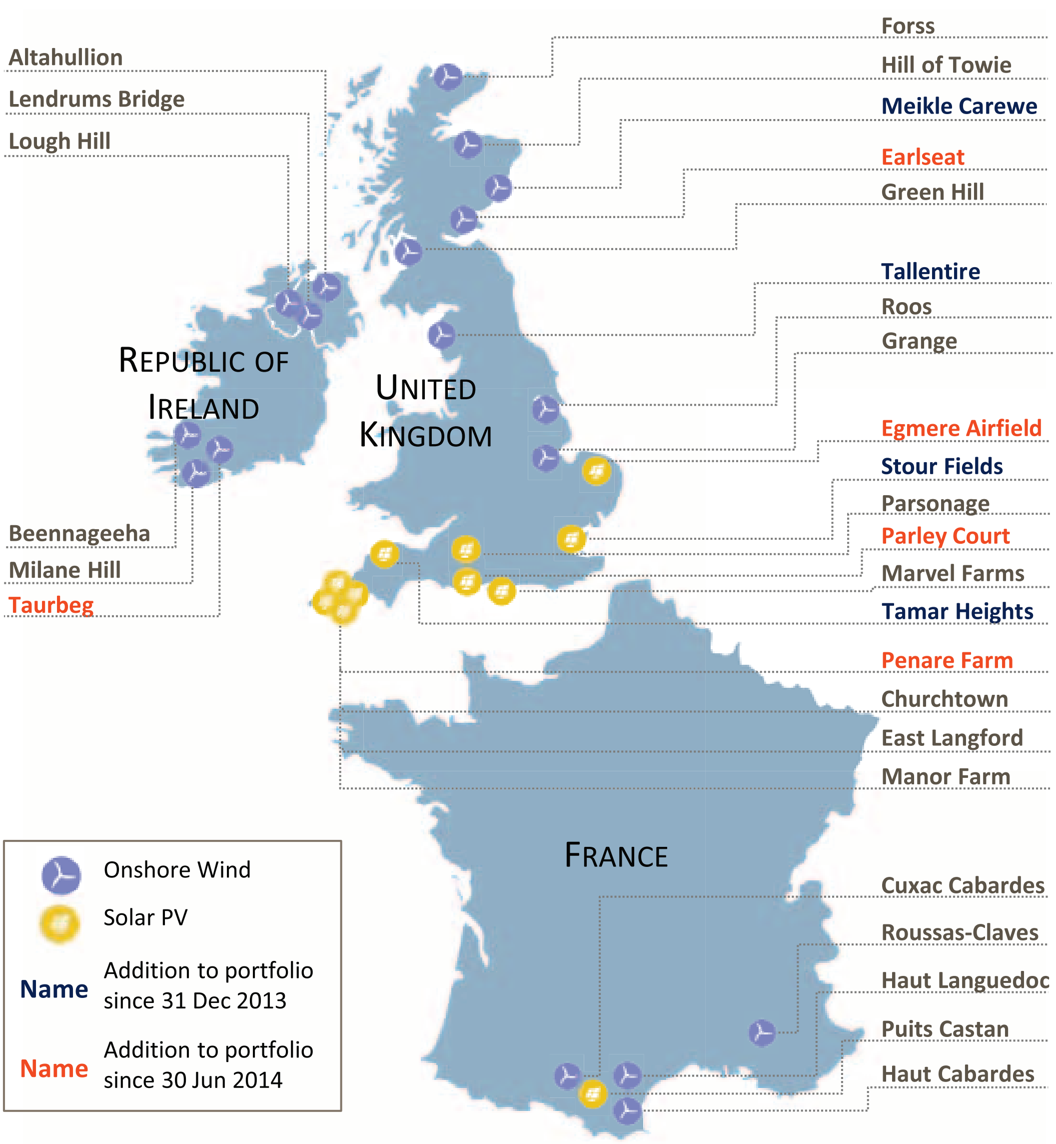


1 Northern Ireland and the Republic of Ireland form a Single Electricity Market, distinct from that operating in Great Britain.

2 Analysis by Jurisdiction / Power Market and by Technology / Weather System is by portfolio valuation; analysis by Revenue Type is by 2015 expected revenue received by the project companies in the 31 December 2014 portfolio.

3 Dominant winds in the British Isles are from the south-west and are generally driven by the passages of Atlantic cyclones across the country. Dominant winds in Southern France are associated with gap flows which are formed when north or north-west air flow (associated with cyclogenesis over the Gulf of Genoa) accelerates in topographically confined channels.

Map of TRIG's projects at 31 December 2014

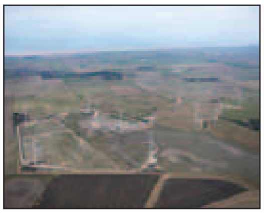


PORTFOLIO ASSET SUMMARIES

Wind

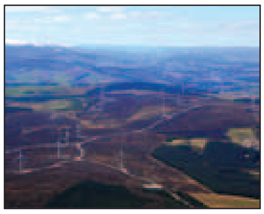
Roos

Project Size (MW)	17.1
Ownership	100%
Location	Yorkshire, England
Turbines	9 x Vestas 1.9MW
PPA Counterparty	Scottish Power
Asset / O&M Management	RES / Vestas
Acquisition Date	August 2013



Hill of Towie

Project Size (MW)	48.3
Ownership	100%
Location	Moray, Scotland
Turbines	21 x Siemens 2.3MW
PPA Counterparty	Scottish Power
Asset / O&M Management	RES / Siemens
Acquisition Date	August 2013



Grange

Project Size (MW)	14 0
Ownership	100%
Location	Lincolnshire, England
Turbines	7 x Vestas 2.0MW
PPA Counterparty	Scottish Power
Asset / O&M Management	RES / Vestas
Acquisition Date	August 2013

Green Hill Energy

Project Size (MW)	28.0
Ownership	100%
Location	Ayrshire, Scotland
Turbines	14 x Vestas 2.0MW
PPA Counterparty	Scottish Power
Asset / O&M Management	RES / Vestas
Acquisition Date	August 2013

Tallentire

Project Size (MW)	12.0
Ownership	100%
Location	Cumbria, England
Turbines	6 X Vestas V80 2.0MW
PPA Counterparty	Statkraft
Asset / O&M Management	RES / Vestas
Acquisition Date	June 2014

Earlseat

Project Size (MW)	16.0
Ownership	100%
Location	Fife, Scotland
Turbines	8 x Vestas 2.0MW
PPA Counterparty	GDF SUEZ
Asset / O&M Management	Natural Power + Carbon Free / Vestas
Acquisition Date	November 2014

Meikle Carewe

Project Size (MW)	10.2
Ownership	100%
Location	Aberdeenshire, Scotland
Turbines	12 x Gamesa G52-850kW
PPA Counterparty	Statkraft
Asset / O&M Management	RES / Gamesa
Acquisition Date	June 2014

Lendrums Bridge

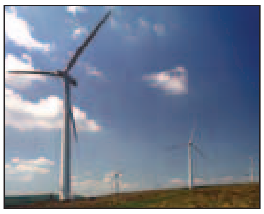
Project Size (MW)	13.2
Ownership	100%
Location	Co. Tyrone, Northern Ireland
Turbines	20 X Vestas 0.7MW
PPA Counterparty	Viridian and Power NI
Asset / O&M Management	RES / B9
Acquisition Date	August 2013

Forss

Project Size (MW)	7.2
Ownership	100%
Location	Caithness, Scotland
Turbines	2 x Siemens 1.0MW; 4 x Siemens 1.3MW
PPA Counterparty	E.ON and NFPA
Asset / O&M Management	RES / Siemens
Acquisition Date	August 2013

Lough Hill

Project Size (MW)	7.8
Ownership	100%
Location	Co. Tyrone, Northern Ireland
Turbines	6 x Siemens 1.3MW
PPA Counterparty	ESB Independent Energy NI
Asset / O&M Management	RES / Siemens
Acquisition Date	August 2013

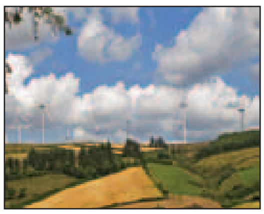


Altahullion

Project Size (MW)	37.7
Ownership	100%
Location	Co. Derry, Northern Ireland
Turbines	29 Siemens 1.3MW
PPA Counterparty	Viridian
Asset / O&M Management	RES / B9 +Siemens
Acquisition Date	August 2013

Taurbeg

Project Size (MW)	25.3
Ownership	100%
Location	Co. Cork, Republic of Ireland
Turbines	11 x Siemens 2.3MW
PPA Counterparty	SSE Airtricity
Asset / O&M Management	RES / Siemens
Acquisition Date	November 2014



Portfolio Asset Summaries

Wind (continued)

Milane Hill

Project Size (MW)	s.q
Ownership	100%
Location	Co. Cork, Republic of Ireland
Turbines	9 x Vestas 0.7MW
PPA Counterparty	ESB Power Contracting
Asset / O&M Management	RES / B9
Acquisition Date	August 2013

Haut Cabardes

Project Size (MW)	20.8
Ownership	100%
Location	Languedoc-Roussillon, France
Turbines	16 x Siemens 1.3MW
PPA Counterparty	EDF
Asset / O&M Management	RES / Siemens
Acquisition Date	August 2013

Beennageeha

Project Size (MW)	4.0
Ownership	100%
Location	Co. Kerry, Republic of Ireland
Turbines	6 x Vestas 0.7MW
PPA Counterparty	ESB Power Contracting
Asset / O&M Management	RES / B9
Acquisition Date	August 2013

Cuxac Cabardes

Project Size (MW)	12.0
Ownership	100%
Location	Languedoc-Roussillon, France
Turbines	6 x Vestas 2.0MW
PPA Counterparty	EDF
Asset / O&M Management	RES / Vestas
Acquisition Date	August 2013

Haut Languedoc

Project Size (MW)	29.9
Ownership	100%
Location	Languedoc-Roussillon, France
Turbines	23 x Siemens 1.3MW
PPA Counterparty	EDF
Asset / O&M Management	RES / Siemens
Acquisition Date	August 2013

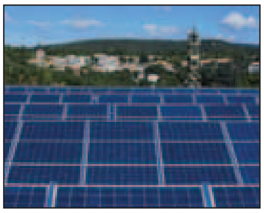
Roussas-Claves

Project Size (MW)	10.5
Ownership	100%
Location	Rhône-Alpes, France
Turbines	6 x Vestas 1.8MW
PPA Counterparty	EDF
Asset / O&M Management	RES / Vestas
Acquisition Date	August 2013

Solar

Puits Castan

Project Size (MW)	5.0
Ownership	100%
Location	Languedoc-Roussillon, France
Solar Panels	Fonroche
PPA Counterparty	EDF
Asset / O&M Management	RES / EOLE-RES
Acquisition Date	August 2013



Stour Fields

Project size (MW)	18.7
Ownership	100%
Location	Essex, England
Solar Panels	Hanwha Solar One
PPA Counterparties	Centrica
Asset / O&M Management	RES / ib Vogt
Acquisition Date	March 2014

Parley Court Farm

Project Size (MW)	24.2
Ownership	100%
Location	Dorset, England
Solar Panels	ReneSola
PPA Counterparties	Neas Energy
Asset / O&M Management	RES / Isolux Corsan
Acquisition Date	August 2014

Tamar Heights

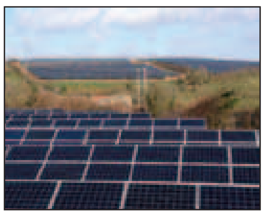
Project Size (MW)	11.8
Ownership	100%
Location	Devon, England
Solar Panels	Hanwha Solar One
PPA Counterparties	Centrica
Asset / O&M Management	RES / ib Vogt
Acquisition Date	March 2014

Egmere Airfield

Project Size (MW)	21.2
Ownership	100%
Location	Norfolk, England
Solar Panels	ReneSola
PPA Counterparties	Neas Energy
Asset / O&M Management	RES / Isolux Corsan
Acquisition Date	August 2014

Penare Farm

Project Size (MW)	11.1
Ownership	100%
Location	Cornwall, England
Solar Panels	ReneSolar
PPA Counterparties	Neas Energy
Asset / O&M Management	RES / Isolux Corsan
Acquisition Date	August 2014



PORTFOLIO ASSET SUMMARIES

Solar (continued)

Parsonage

Project Size (MW|	7.0
Ownership	100%
Location	Somerset, England
Solar Panels	Canadian Solar
PPA Counterparties	GDF Suez Energy UK
Asset / O&M Management	RES / Goldbeck
Acquisition Date	November 2013

Manor Farm

Project Size (MW)	5.0
Ownership	100%
Location	Cornwall, England
Solar Panels	Canadian Solar
PPA Counterparty	Smartest Energy
Asset / O&M Management	Low Carbon / Isolux
Acquisition Date	August 2013

Churchtown

Project Size (MW)	5.0
Ownership	100%
Location	Cornwall, England
Solar Panels	Canadian Solar
PPA Counterparty	Smartest Energy
Asset / O&M Management	Low Carbon / Isolux
Acquisition Date	August 2013

Marvel Farms

Project Size (MW)	5.0
Ownership	100%
Location	Isle of Wight, England
Solar Panels	LDK / Q-Cells
PPA Counterparties	SSE Energy Supply Ltd
Asset / O&M Management	RES
Acquisition Date	November 2013

East Langford

Project Size (MW)	5.0
Ownership	100%
Location	Cornwall, England
Solar Panels	Canadian Solar
PPA Counterparty	Smartest Energy
Asset / O&M Management	Low Carbon / Isolux
Acquisition Date	August 2013

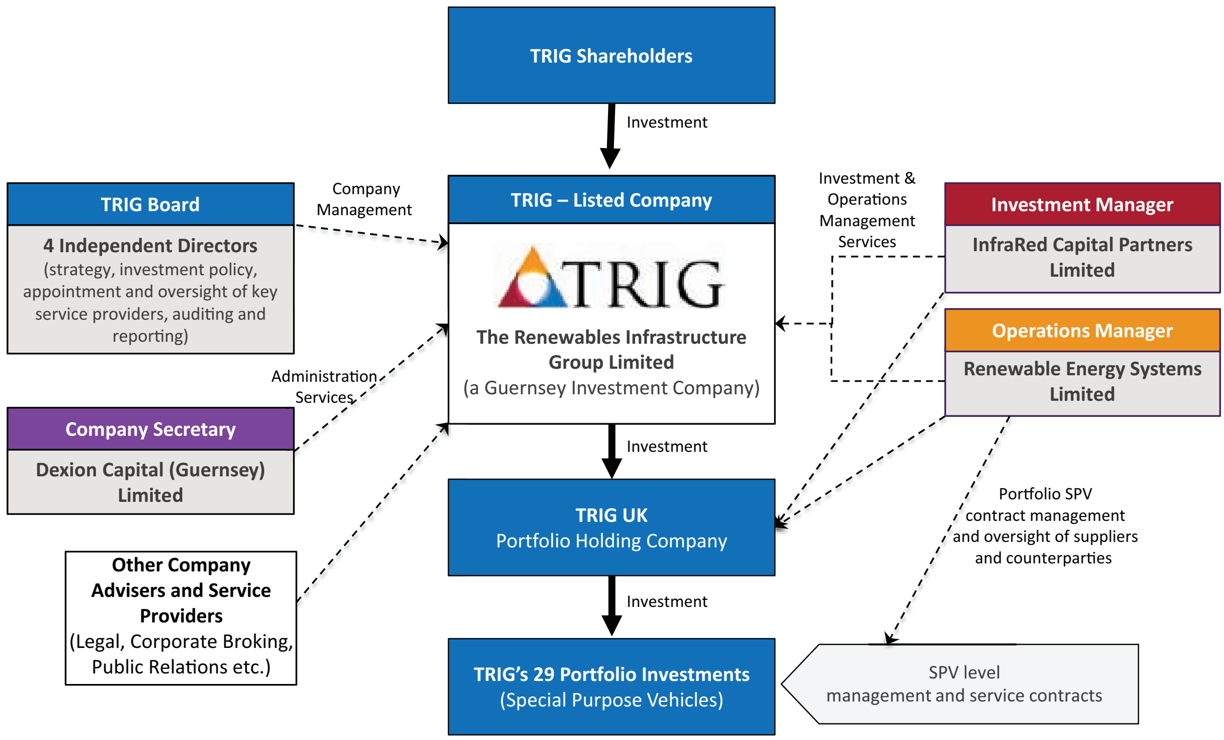
2.4 Business Model

Introduction

The Company is a Guernsey-registered investment company with an independent board of directors whose shares are listed on the London Stock Exchange. Through the group structure, the Company owns a portfolio of 29 renewable energy infrastructure investments in the UK, Ireland and France and is seeking to protect and enhance the income from and value of the existing portfolio through active management and sourcing of new investments which enhance the diversity and scale of the portfolio, utilising the expertise of market-leading Investment and Operations Managers appointed by the Company. The Company has a 31 December year-end, announces interim results in August and full year results in February and pays dividends twice a year.

Group Structure

TRIG's group structure, including management structure and key service providers, is illustrated below.



The Company is a self-managed Alternative Investment Fund under the European Union's Alternative Investment Fund Managers Directive. The Company has a board of four independent non-executive directors (details of whom can be found in Section 3) whose role is to manage the governance of the Company in the interests of shareholders and other stakeholders. In particular, the Board approves and monitors adherence to the Investment Policy, determines risk appetite of the Group, sets Group policies and monitors the performance of the Investment Manager, the Operations Manager and other key service providers. The Board meets a minimum of four times per year for regular Board meetings and there are a number of ad hoc meetings dependent upon business need. In addition the Board has four committees covering Audit, Nomination, Remuneration and Management Engagement.

The Board takes advice from the Investment Manager, InfraRed, as well as the Operations Manager, RES, on matters concerning the market, the portfolio and new investment opportunities. Day-to-day management of the Group's portfolio is delegated to the Investment Manager and the Operations Manager, with investment decisions within agreed parameters delegated to an Investment Committee constituted by senior members of the Investment Manager. The Company has management agreements in place with the Investment Manager and the Operations Manager which can be terminated at 12 months' notice from 29 July 2018.

The key roles of the Investment Manager and the Operations Manager are set out below:

Investment Manager *(InfraRed)*

- Monitoring financial performance against Group targets and forecasts
- Advising the Board on investment strategy and portfolio composition to achieve the desired target returns within the agreed risk appetite
- Sourcing, evaluating and implementing the pipeline of new investments for the portfolio
- Managing the investment cash flows from the Group's investments
- Minimising cash drag (having un-invested cash on the balance sheet) and improving cash efficiency generally
- Managing the process and analysis for semi-annual valuations of the Group's portfolio submitted to the Board for approval
- Ensuring good financial management of the Group, having regard to accounting, tax, and debt covenants
- Hedging non-sterling investments
- Managing the Company's investor reporting and investor relations activities

Operations Manager *(RES)*

- Day-to-day monitoring and oversight of the operations of the Group portfolio of investments
- Appointment of directors to each project company board
- Monitoring of service providers to project investment companies
- Facilitation of early resolution of operational issues as they arise, including performance and disputes
- Management of project-level financing including implementation and project-level debt covenants
- Management of power sales strategy including power purchase agreements
- Assisting on technical and commercial due diligence of projects being evaluated for acquisition by the Group
- Seeking of cost savings through contract variations and extensions
- Project level ESG co-ordination including community relations and compliance with regulations affecting project companies

Further details on the Investment Manager and the Operations Manager are set out in Section 2.1 and in Section 2.6 with respect to fees. Dexion Capital (Guernsey) Limited has been appointed as Company Secretary and Administrator.

Other key service providers to the TRIG Group include Canaccord Genuity Ltd and Jefferies International as joint brokers, Tulchan Communications LLP as financial public relations advisers, Carey Olsen as legal advisers as to Guernsey law, Norton Rose Fulbright as legal advisers as to English law, Capita Registrars as registrars, Deloitte LLP as auditors, and National Australia Bank and Royal Bank of Scotland as lenders to the Group via the £120 million revolving acquisition facility.

The Board reviews the performance of all key service providers on an annual basis.

MAKING NEW PORTFOLIO INVESTMENTS

When seeking to acquire an investment, the proposition is subject to a two-stage process: it is considered and recommended by the Advisory Committee which includes representatives of both the Investment Manager and the Operations Manager. It is then fully assessed by the Investment Committee of the Investment Manager which, for investments within the Manager's delegated authority (with agreed limits set by the Board), gives the final approval before an investment may proceed. These committees may meet on a number of occasions before an investment is acquired for the Group. Commercial and technical due diligence is undertaken by the Investment Manager with support from the Operations Manager on aspects such as energy yield assessment, off-take contract arrangements, maintenance and other operational costs. Third party legal and technical due diligence is commissioned as appropriate to support the acquisition.

An important characteristic of the Company is that it is well-positioned to acquire assets from its Managers, in particular RES in relation to which TRIG enjoys a right of first offer for renewables assets developed in the UK and Northern Europe. With no representatives from RES on the Investment Committee, decisions on acquisitions from RES under the Company's Right of First Offer Agreement are taken at arms' length from the Operations Manager, while any acquisitions from other funds managed by InfraRed would require prior unanimous recommendation by the Advisory Committee and also approval by TRIG's independent board together with an independent valuation, as well as utilising prudent internal conflict management procedures established at InfraRed.

The Company is focused on owning operational, yielding projects although the Managers expect that there will be opportunities where it will be advantageous for the Company to invest in projects prior to their completion and grid connection. A notable example is solar PV where projects may be acquired "shovel ready" and the plant built and connected within a period of months which is manageable for a "yield fund". Such projects may be acquired at more attractive discount rates than buying off an intermediary who has financed the construction. There may also be opportunities to acquire onshore wind projects during construction which may enhance returns to the Company.

The Company's policy is not to have more than 15% of the value of its assets in development or construction. During the period under review the Company has had some limited exposure to assets in construction. At 31 December 2014 all construction was complete and all projects were operational.

Given the strong pipeline of available assets, the characteristics of new investments are not expected to deviate materially from the underlying risk and reward characteristics of the existing portfolio, and therefore the Managers do not expect that new investment cash flows would be subject to risk or revenue dynamics which are substantially different from the profile already established.

An engineer on site at a TRIG turbine

SUMMARY OF TYPICAL RENEWABLES INFRASTRUCTURE PROJECTS

TRIG is currently focused on two segments of the renewable energy infrastructure market which together account for the majority of new installations in renewable energy capacity in the UK and in Europe as a whole – onshore wind and solar PV. Typical features of these projects are set out below:

*Features common to **Onshore Wind** and **Solar PV***

- Expanding segments of the renewable energy generation market
- Established technologies with proven track record
- Predictable long-term energy output
- Revenues derived from a variety of government support schemes such as ROCs, FITs or (from 2015) CfDs and/or from the sale of electricity produced (typically to a utility)
- Equipment and related infrastructure owned by the Group (not a concession typical in other (e.g. social) infrastructure)
- Typically have 25 year operating lives with similar or longer land leases and planning permission
- Potential for extending the life or increasing the capacity ("repowering") after the end of the support scheme period
- Typically, large-scale individual projects (between 5MW and 50MW in TRIG's portfolio) with a high degree of homogeneity across each technology and the potential for portfolio-wide scale efficiencies
- Mutually complementary technologies as a result of seasonal differences and lack of short-term output correlation

*Features specific to **Onshore Wind***

- Winter bias of energy yield output
- Higher short-term variability in output from forecasts
- Steady improvements in cost and production efficiency over time
- Longer development and construction lead time – generally acquired as operational
- Higher returns and a narrower range of buyers – resulting from (typically) larger size of individual projects and greater maintenance complexity
- New large-scale projects in the UK continue to benefit from ROC support scheme until 2017

*Features specific to **Solar PV***

- Summer bias of energy yield output
- Lower short-term variability in output from forecasts
- Substantial improvements in cost and production efficiency over time
- Shorter development and construction lead time – can be acquired pre-construction
- Lower returns and a wider range of buyers resulting from (typically) smaller size of individual projects and lower maintenance complexity
- Large-scale projects moving to Contracts-for-Difference support scheme in 2015 (sub-5MW still able to access ROCs and/or FITs)

Illustrations of the equipment used at, as well the layout of, typical onshore wind and solar PV sites are set out on pages 111 and 112.

2.5 Investment Approach and Policy

Investment Approach

TRIG's investment approach is based on the following two factors:-

The renewables market opportunity

- Long-term public and political commitment in the UK and other countries in Northern Europe towards supplying cleaner, more secure and sustainable energy
- Shortfall in power generation capacity due principally to the reduction in coal-fired and old nuclear generation facilities
- EU-wide renewables target requiring 20% of energy to be generated from renewable sources by 2020 as a milestone of a longer-term de-carbonisation agenda
- Rapid expansion of the secondary market for generation assets as utilities and other developers find it necessary to recycle capital into new projects

+

The ability to construct a diversified portfolio across established low-risk technologies, electricity markets, weather systems and revenue types

- Diversification across predominantly operational assets providing a sustainable long-term investment proposition, delivering steady income together with NAV resilience
- Technologies of onshore wind and solar PV dominating new power capacity installations in the EU, delivering – cost-effectively – progress towards national and EU targets
- Proven operational track record
- Low and predictable operating costs
- Future potential for incremental improvements in design, scale and efficiency
- UK and Northern European focus – markets with a robust long-term energy demand outlook and a well-established political / regulatory commitment to renewables
- Variability of weather patterns across Europe adds to diversification provided by exposure to wind and solar energy sources
- Contracted revenues with utility counterparties and / or state subsidies provide stability of revenues in early years before giving way to market power price exposure in later years

Investment Policy

In order to achieve its investment objective, the Company invests principally in operational assets which generate electricity from renewable energy sources, with a particular focus on onshore wind farms and solar PV parks.

Investments will be made principally by way of equity and shareholder loans which will generally provide for 100% or majority ownership of the assets by the holding entities. In circumstances where a minority equity interest is held in the relevant portfolio company, the holding entities will secure their respective shareholder rights (including voting rights) through shareholder agreements and other transaction documentation.

The Group aims to achieve diversification principally through investing in a range of portfolio assets across a number of distinct geographies and a mix of renewable energy technologies.

Limits

Investments will be focused in the UK and Northern European countries (including France, Ireland, Germany and Scandinavia) where the Directors, the Investment Manager and the Operations Manager believe there is a stable renewable energy framework. Not more than 50% of the portfolio value (calculated at the time of investment) may be invested in projects that are located in countries outside the UK.

Investments will be made in onshore wind farms and solar PV parks with the amount invested in other forms of energy technologies (such as biomass or offshore wind) limited to 10% of the portfolio value, calculated at the time of investment.

Investments in portfolio companies which have assets under development or construction (including the repowering of existing assets) may not account for more than 15% of the portfolio value, calculated at the time of investment.

The Company will not invest more than 15%, in aggregate, of the value of its total assets in other investment companies or investment trusts that are listed on the Official List maintained by the Financial Conduct Authority.

In order to ensure that the Group has a spread of investment risk, it is the Company's intention that no single asset will account for more than 20% of the portfolio value, calculated at the time of investment.

The Group may enter into borrowing facilities in the short term principally to finance acquisitions. Such short-term financing is limited to 30% of the portfolio value. It is intended that any facility used to finance acquisitions is likely to be repaid, in normal market conditions, within a year through further equity fund raisings.

Wind farms and solar parks, typically with 25 year operating lives, held within portfolio companies generate long-term cash flows that can support longer term project finance debt. Such debt is non-recourse and typically is fully amortising over a 10 to 15 year period. There is an additional gearing limit in respect of such non-recourse debt of 50% of the gross portfolio value (being the total enterprise value of such portfolio companies), measured at the time the debt is drawn down or acquired as part of an investment. The Company may, in order to secure advantageous borrowing terms, secure a project finance facility over a group of portfolio companies.

Revenue

Generally, the Group will manage its revenue streams to moderate its revenue exposure to merchant power prices with appropriate use of power purchase agreements, feed-in-tariffs and green certificates.

Hedging

The Group may enter into hedging transactions in relation to currency, interest rates and power prices for the purposes of efficient portfolio management. The Group will not enter into derivative transactions for speculative purposes.

Cash Balances

Until the Company is fully invested and pending re-investment or distribution of cash receipts, cash received by the Group will be invested in cash, cash equivalents, near cash instruments and money market instruments.

Origination of Further Investments

Each of the investments comprising the portfolio complies with the Company's investment policy and further investments will only be acquired if they comply with the Company's investment policy. It is expected that further investments will include operational onshore wind and solar PV investments that have been originated and developed by the Operations Manager. The Company will also review investment opportunities originated by third parties, including from investment funds managed or advised by the Investment Manager or its affiliates.

Pursuant to the First Offer Agreement, the Company has a contractual right of first offer, for so long as the Operations Manager remains the operations manager of the Company in respect of the acquisition of investments in projects which the Operations Manager wishes to dispose of and which are consistent with the Company's investment policy. It is envisaged that the Operations Manager will periodically make available for sale further interests in projects (although there is no guarantee that this will be the case). Investment approvals in relation to any acquisitions of investments from the Operations Manager will be made by the Investment Manager through the Investment Committee.

Furthermore, any proposed acquisition of assets by the Group from other funds managed by InfraRed (the Investment Manager) that fall within the Company's investment policy will be subject to detailed procedures and arrangements established to manage any potential conflicts of interest that may arise. In particular, any such acquisitions will be subject to approval by the Directors (who are independent of the Investment Manager and the Operations Manager) and will also be subject to an independent private valuation in accordance with valuation parameters agreed between the other InfraRed funds and the Company.

A key part of the Company's investment policy is to acquire assets that have been originated by RES by exercising the Company's rights under the First Offer Agreement. As such, the Company will not seek the approval of Shareholders for acquisitions of assets from the Operations Manager or members of its group in the ordinary course of its Investment Policy.

Further investments will be subject to satisfactory due diligence and agreement on price which will be negotiated on an arm's length basis and on normal commercial terms. It is anticipated that any further investments will be acquired out of existing cash resources, borrowings, funds raised from the issue of new capital in the Company or a combination of all three.

Repowering

The Company will have sole discretion to repower projects in its investment portfolio. For these purposes, repowering will include the removal of substantially all of the old electricity generating equipment in relation to a project, and the construction of new electricity generating equipment excluding, for the avoidance of doubt, repair, maintenance and refurbishment of existing equipment. Where the Company determines to repower a project originally acquired from the Operations Manager, the Operations Manager will have the first option to repower such assets in partnership with the Company, whilst the Company will have the right to acquire the newly constructed assets on completion subject to satisfactory due diligence and for a price determined in accordance with a pre-agreed valuation mechanism and on normal commercial terms. Repowering expenditure will be treated as development or construction activity and therefore (when aggregated with any investments made by the Company in portfolio companies with projects under construction) may not account for more than 15% of the portfolio value, calculated at the time of investment.

Amendments

Material changes to the Company's Investment Policy may only be made with the approval of the Shareholders by way of an ordinary resolution and (for so long as the Ordinary Shares are listed on the Official List) in accordance with the Listing Rules. The investment limits detailed above apply at the time of the acquisition of the relevant investment. The Company is not required to dispose of any investment or to rebalance its investment portfolio as a result of a change in the respective valuations of its assets. Non-material changes to the Investment Policy must be approved by the Board, taking into account advice from the Investment Manager and the Operations Manager where appropriate.

Lough Hill Wind Farm (Photo: Esler Crawford)

2.6 Operational and Financial Review

Key Performance Indicators

The Company sets out below its Key Performance Indicators (KPIs) which it utilises to track its performance over time against its objectives.

Category	KPI	(12 months to) 31 December 2014	(Part year to) 31 December 2013 [1]
Financial	Dividend per share (declared)	6.08p	6.0p (annualised)
	Share price	104.00p	102.25p
	Total Shareholder Return for the year [2] (TSR – share price basis)	+ 7.5%	–
	Portfolio Value [3] *Year-on-year growth* *Number of projects*	£472.9m *+57%* *29*	£300.6m – *20*
	Market capitalisation *Year-on-year growth* *Number of shares in issue*	£432.1m *+36%* *415.5m*	£317.0m – *310.0m*
	Ongoing Charges Percentage	1.25%	1.20% (annualised)
Risk & Operations	Largest single investment as % of portfolio by value	10%	16%
	Largest ten investments as % of portfolio by value	65%	79%
	Portfolio operating history (average, weighted by MW)	5.0 years	5.5 years
	Electricity Production *% increase*	814.2 GWh *+136%*	344.6 GWh (since 1 August 2013)
	Average Revenue per MWh [4]	£84.0/MWh	£84.9/MWh

1 For 2013, data is derived from the period from IPO on 29 July 2013 to 31 December 2013 unless otherwise stated.

2 Total Shareholder Return (TSR) measures the internal rate of return based on the share price at the beginning and end of 2014 together with dividends per share reinvested in the Company. In 2014, TRIG outperformed the FTSE-All Share index which achieved a TSR of 1.2%.

3 There have been acquisitions in the year of £177.6m as set out in more detail in section 2.7 of the Strategic Report

4 Average Revenue per MWh was relatively unaffected by the reduction in wholesale power prices seen during 2014 largely as a result of an increase in the portfolio of the proportion of solar PV generation which generally benefits from higher subsidy levels and market prices. The average for 2013 relates to portfolio revenues for the IPO portfolio back-dated to May 2013 (when TRIG was incorporated) in order to provide as long as possible a period for the purposes of comparison.

TRIG Portfolio Update

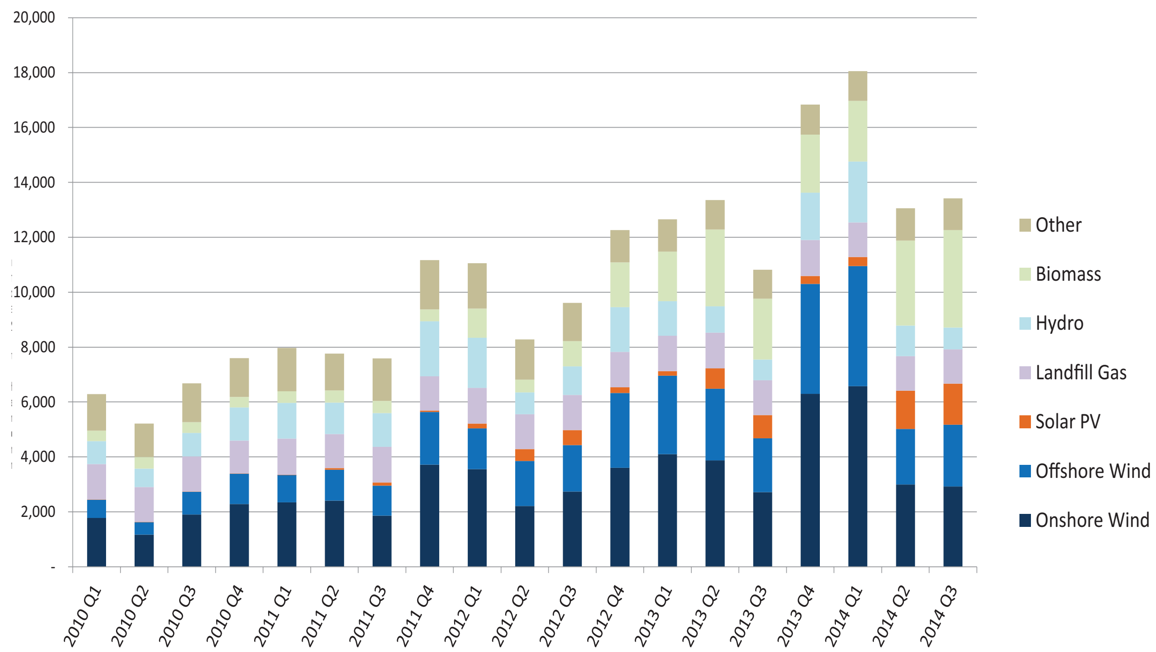
Portfolio Performance

The Group's portfolio continues to perform in line with expectations, enabling the 3.08p per ordinary share interim dividend to be declared for the six months ending 31 December 2014 (making 6.08p per ordinary share for the full year).

With the backdrop of unusual weather conditions experienced in the UK and Northern Europe during 2014, TRIG's portfolio performed well, exhibiting the benefits of a diversified portfolio. During the year, the portfolio produced a total of 814 gigawatt hours (GWh) of electricity, an increase of 136% over the production of 345 GWh in the last five months of 2013 following the IPO of the Company, reflecting the growth in the portfolio in 2014. This performance was achieved during a year when the British Isles in particular experienced unusual conditions with warmer-than-expected weather during both the winter and summer seasons, and with generally strong winter wind speeds early in the year but offset by lower-than-normal wind speeds over the summer and autumn. In contrast, TRIG's solar production, which also benefitted from increased portfolio generating capacity, exceeded expectations over the summer of 2014 in favourable prevailing weather conditions.

The broader market conditions in which the UK part (i.e. the majority) of TRIG's portfolio operated are reflected in the UK's overall renewable electricity generation statistics up to September 2014, as illustrated below. The chart provides an indication of both the expansion in capacity of UK renewables over time and the variation in production between segments in each quarter, depending on the seasonality of the production and specific weather conditions.

UK Electricity Production from Renewable Energy by Major Source (GWh)



Source: DECC (December 2014)

The following table sets out the energy production performance of TRIG's portfolio by category for the year as a whole against the P50 central estimate for energy production set at the time of acquisition of each project:

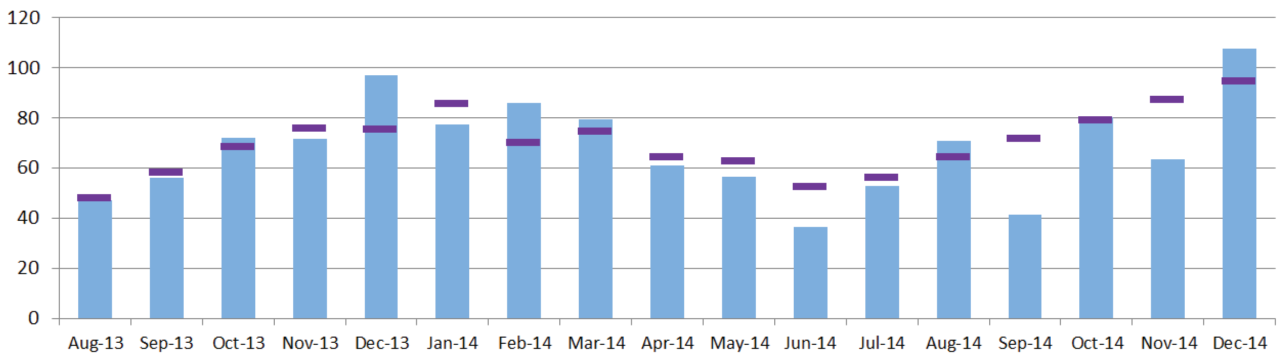
TRIG's Portfolio – Analysis of Production

Technology	Region	Electricity Production (GWh) 2014	Performance vs. acquisition P50 estimates FY 2014	*Performance vs. acquisition P50 estimates IPO to Dec'13*	*Performance vs. acquisition P50 estimates IPO to Dec'14*	Generating Capacity (Dec '14) (MW)
Onshore Wind	UK & Ireland	520.5	-8.0%	*+6.9%*	*-3.7%*	246.7
	France	214.3	-5.1%	*+1.9%*	*-3.0%*	73.2
Solar PV	UK & France	79.5	+6.2%	*-4.1%*	*+5.2%*	119.0
	TOTALS	814.2	-6.0%	*+5.3%*	*-2.9%*	438.9

It should be noted that while solar PV is less productive than onshore wind (with significantly lower average capacity factors), it attracts a higher average subsidy and provides a higher average revenue per MWh as well as having lower operating costs. In addition, the majority of the solar PV projects in TRIG are unlevered. This results in solar PV providing 28% of TRIG's expected operating profit in 2015 and 38% of portfolio valuation as at 31 December 2014, with a lower discount rate being applied to solar PV projects compared to wind.

The chart below shows the monthly electricity production performance of the portfolio from August 2013 (immediately following the acquisition of the initial portfolio at IPO) to the end of December 2014. The aggregate P50 central projection for the portfolio is shown for illustration.

TRIG's portfolio: monthly electricity production performance (GWh) against aggregate P50 projections



The chart illustrates the monthly variability in production, as well as the seasonality, although these effects are substantially reduced by the diversification across TRIG's portfolio, with the offsetting of weak performances in one segment by better performance in another segment as a result of geographical differences in weather systems and the different generating technologies (i.e. wind and solar) in the portfolio.

The Company's diversification across wind and solar generation was extended during 2014 by an increase in the solar component of the portfolio to 27% by generating capacity (2013: 11%) and 38% by value (2013: 17%). Reflecting weather conditions in the British Isles as a whole, 2014 began with a strong quarter for wind in the UK and Ireland but this was not matched in the second and third quarters when there were some relatively still months, notably May to July and September, which was the calmest (and driest) month recorded in the UK in the last fourteen years (Source: DECC). Conversely solar (mainly represented by Southern England in TRIG's portfolio) had a weak first quarter but generally outperformed monthly expectations for the rest of the year. Wind in the South of France, influenced by the Mediterranean weather systems rather than the North Atlantic, started the year relatively weak but had strong months in May and July, counterbalancing the British Isles in those periods.

Availability for the portfolio as a whole was in line with expectations. Several sites required cable repairs, gearbox or similar equipment upgrades or replacements which were consistent with expected levels of maintenance and repair requirements for a portfolio of this size. Much of the portfolio benefits from manufacturer availability warranties which help protect the owner from any extended downtime.

Acquisitions

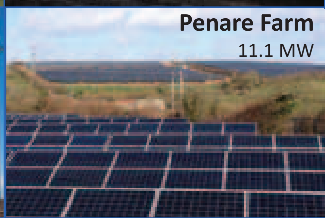
During the year, the Group acquired a further 9 projects (4 onshore wind and 5 solar) in the UK and Ireland, for a total consideration of approximately £178 million, bringing the total portfolio to 29 projects and adding more than 150MW of generating capacity with TRIG's total portfolio capacity reaching 439MW. To date, TRIG has acquired projects from six different vendors (or vendor groups), including from RES under the Right of First Offer Agreement, demonstrating the breadth of opportunities available to the Company.

Acquisitions Completed During 2014:

March *Solar*

June *Wind*

August *Solar*



November *Wind*

In March 2014, TRIG invested in two large-scale ground-mounted solar PV generating projects, both on agricultural sites in the South of England. These were the Tamar Heights Solar Park, located near Barnstaple in Devon with a generating capacity of approximately 11.8MW and the Stour Fields Solar Park, located near Colchester in Essex with a generating capacity of approximately 18.7MW. 100% interests were acquired in the solar parks from ib vogt, a specialised German EPC contractor with a significant track record in solar PV. The parks incorporate modules supplied by Hanwha SolarOne. The sites, which became operational in March 2014, qualify under the UK's support banding of 1.6 renewables obligation certificates (ROCs) per MWh. The expected asset lives are 25 years from the commencement of operations, with site leases also for 25 years. In addition, TRIG has an option to extend the lease at Stour Fields Solar Park by up to a further five years. The acquisitions were transacted utilising TRIG's revolving acquisition facility which was repaid with proceeds from the C share issue launched and completed in March 2014.

In June 2014, TRIG completed the investment in 100% interests in two onshore wind farms in the UK. These were: Tallentire Wind Farm, a project with a 12.0MW rated generating capacity near Cockermouth in Cumbria, England consisting of six Vestas V80 2.0MW wind turbines, which commenced operations in May 2013 with a 25 year expected operating life; and Meikle Carewe Wind Farm, a project with a 10.2MW rated generating capacity near Aberdeen in Scotland consisting of 12 Gamesa G52-850kW turbines, which became operational in July 2013, also with a 25 year operating life. The two projects have been acquired from RES which also developed both sites. They represent acquisitions under the Right of First

Offer Agreement between the Company and RES which was entered into prior to the IPO in July 2013. The two investments are subject to a single long-term financing facility.

In August 2014, TRIG acquired a portfolio of three large-scale ground-mounted fully operational solar PV generating projects, on agricultural sites in the South and East of England with an aggregate generating capacity of 56.6MW from a joint venture between the British Solar Renewables group, one of UK's most experienced solar developers with over 150 employees, and Santander. The acquired portfolio comprises a 24.2MW plant at Parley Court Farm, Dorset, a 21.2MW plant at Egmere Airfield, Norfolk and an 11.1MW plant at Penare Farm, Cornwall. The projects have been constructed by Isolux Corsán with modules supplied by ReneSola. All projects have received ROC accreditation at 1.6 ROCs per MWh. Isolux Corsán has been retained to provide operations and maintenance services under an agreement covering the two year warranty period under the EPC. The projects do not have project-level debt. The acquisitions were funded by the Group partly from cash resources and partly from utilisation of the revolving acquisition facility.

In November 2014 TRIG acquired 100% interests in a further two wind farms. One was the Earlseat Wind Farm, an eight turbine operational wind farm with 16MW of rated generating capacity, located near Kirkcaldy in Fife, Scotland. The project includes eight Vestas V90 2.0 MW wind turbines and was grid-connected in June 2014. The project, which benefits from the UK's 0.9 ROCs per MWh support scheme, has a 25-year operational life. Operations and maintenance services are provided by Vestas, with a power purchase agreement in place with GDF SUEZ. The vendor was a private equity investment fund separately managed by InfraRed, TRIG's Investment Manager. Accordingly the transaction process included the procedures as set out in the Company's recent prospectuses, including the conduct of independent due diligence by a specially constituted buy-side committee, the obtaining by TRIG of an independent valuation and approval by TRIG's Board of Directors, all of whom are independent of the Investment Manager. The other was Taurbeg Wind Farm, an operational project with 25.3 MW of rated generating capacity, located near Newmarket, County Cork in the Republic of Ireland. The project, which was developed by the RES group, includes eleven Siemens wind turbines, each with rated capacity of 2.3 MW, and has been operational since March 2006. Operations and maintenance services are provided by RES, with a power purchase agreement in place with SSE Airtricity. With revenues derived predominantly from power sales, Taurbeg provides an attractive expected cash yield. The vendor was Renewable Energy Systems UK & Ireland Limited, part of the RES group which acts as the Operations Manager to TRIG. The transaction, acquired under TRIG's Right of First Offer Agreement with RES, was approved by TRIG's Investment Committee (comprised wholly of senior members of InfraRed, the Company's Investment Manager). Both of these investments, which were acquired without project-level financing, were funded by TRIG's corporate revolving acquisition facility. In due course, TRIG may introduce project-level debt and/or sell down a minority interest in these and other ungeared projects to optimise the capital structure and enhance overall returns to the Group.

With the backdrop of a continued expansion in the development of renewable energy generation capacity both in the UK and in Europe, the Managers have access to a healthy pipeline of operational (or in some instances construction-stage) renewables projects for acquisition, from a range of vendors in the UK and elsewhere in Northern Europe. Further portfolio growth will enable TRIG to access benefits of scale as well as further diversification of its investments. As well as evaluating a range of opportunities in the onshore wind market in its areas of geographical focus, TRIG is also reviewing several opportunities in the UK large-scale solar PV market, ahead of the move of the segment from a ROC-based support programme to one based on Contracts-for-Differences (due from April 2015). Projects in line with TRIG's investment policy are also expected to be available in other markets including in France, where the Government is active in reviewing legislation for encouraging the development of further new renewable generation projects, including onshore wind. The promotion of renewables in France is partly in order to facilitate a gradual reduction in the country's dependency on nuclear generation, which is currently estimated to produce around three-quarters of the country's power, as well as to continue the push towards its 2020 EU commitments towards the deployment of renewable energy.

Financing

In February 2014, the Group entered into a three year £80m revolving acquisition facility with Royal Bank of Scotland ("RBS") and National Australia Bank ("NAB") to fund new acquisitions and to provide letters of credit for future investment obligations should they be required. In February 2015 the Group agreed with RBS and NAB to increase the size of the facility to £120m, reflecting the growth of the portfolio and the pipeline of acquisitions available.

This type of short-term financing is limited to 30% of the portfolio value. It is intended that any facility used to finance acquisitions is likely to be repaid, in normal market conditions, within a year through equity fundraisings.

The acquisition facility was drawn down to fund acquisitions several times in the year. The facility was fully repaid with part of the proceeds of the C Share equity fund raise in March 2014 (£33.4m) and mostly repaid, following further acquisitions, from the proceeds of the tap issue in August 2014 (£38.2m). The facility was drawn down again in November 2014 to fund further acquisitions and at 31 December 2014 was £60.1m drawn.

The Company raised gross proceeds of £66.2m through the issue of 66.2 million C Shares in March 2014 which converted to 64.0 million new Ordinary Shares on 1 July 2014. The net proceeds from the C share issue (£64.8m) were used to repay TRIG's revolving acquisition facility and to acquire further investments.

In August 2014, the Company raised gross proceeds of £38.6m through a tap issue of 36.7 million Ordinary Shares. The net proceeds (£38.2m) from the tap issue were used to substantially repay the acquisition facility.

In addition to the revolving acquisition facility, the projects may have underlying project level debt. There is an additional gearing limit in respect of such debt, which is non-recourse to TRIG, of 50% of the Gross Portfolio Value (being the total enterprise value of such portfolio companies), measured at the time the debt is drawn down or acquired as part of an investment. The Company may, in order to secure advantageous borrowing terms, secure a project finance facility over a group of Portfolio Companies. The project-level gearing at 31 December 2014 across the portfolio was 35% (2013: 44%). The reduction in gearing within the Group during the year has arisen as a result of the majority of acquisitions during the year being of ungeared project investments and the scheduled repayment of project debt. The Group may introduce gearing into these ungeared projects in the future to enhance returns. Overall gearing may also change as a result of the purchase of further investments with or without project-level debt within them. Long-term non-recourse project level-debt in the portfolio has minimal refinancing risk and has generally been secured during the construction phase of the underlying investments.

As at 31 December 2014, the Group had cash balances of £12.9m, excluding cash held in investment project companies as working capital or otherwise.

Foreign Exchange Hedging

14% of the portfolio is located within France and the Republic of Ireland and hence is invested in euro-denominated assets. The Group enters into forward hedging contracts (selling euros, buying sterling) for an amount equivalent to its expected income from the euro-denominated investments' distributions over the short term, currently approximately the next 18 months. In addition the Group enters into further forward hedging contracts (selling euros, buying sterling) such that, when combined with the "income hedges", the overall level of hedge achieved in relation to the euro denominated assets is approximately 50%.

The Investment Manager keeps under review the level of euros hedged, with the objective of minimising variability in shorter term cash flows with a balance between managing the sterling value of cash flow receipts and mark-to-market cash outflows.

As well as addressing foreign exchange uncertainty on the conversion of the expected euro distributions from investments, the hedge also provides a partial offset to foreign exchange movements in the portion of the portfolio value relating to the euro-denominated assets.

The impact on NAV per share of a 10% movement in the euro exchange rate after the impact of hedges held by the Group outside of the investment portfolio is 0.7p – this is explained in more detail in Section 2.7 (Valuation Sensitivities – euro/ sterling exchange rate).

Analysis of Financial Results

Accounting

At 31 December 2014, the Group had 29 investments all classified for IFRS reporting purposes as subsidiaries which it was deemed to control by virtue of having the power, directly or indirectly, to govern the financial and operating policies of the project entities. As an investment entity for IFRS reporting purposes, the Company carries these 29 investments at fair value. The investments are held for investment purposes and managed as a whole, such that the Group does not participate in their day-to-day management. Further, all debt owed by the project companies is non-recourse to the Company and is not shown on the Group balance sheet.

Following the issuance by the International Accounting Standards Board ("IASB") in December 2014 of Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28), IFRS 10 now states that investment entities should measure all of their subsidiaries that are themselves investment entities at fair value. The implication of this change is that The Renewables Infrastructure Group (UK) Limited ("TRIG UK"), the Company's single direct subsidiary through which investments are purchased, which was previously consolidated on a line-by-line basis into the

Company's financial statements, is now measured at fair value. Whilst this change does not affect Group net assets, NAV per share or profit before tax, it does mean that TRIG UK's cash, debt and working capital balances are now included as an aggregate number in the fair value of investments as opposed to being consolidated on a line-by-line basis into the Group's balance sheet. In order to provide shareholders with more transparency into the Group's capacity for investment, ability to make distributions, its operating costs and gearing levels, the results have been restated in the below pro-forma tables. The pro-forma tables show the Group's results for the year ended 31 December 2014 and the period ended 31 December 2013 on an "Expanded Basis", where TRIG UK is consolidated on a line-by-line basis, compared to the statutory financial statements (the "IFRS Basis").

The Directors consider the Expanded Basis a more helpful basis for users of the accounts to understand the performance and position of the Company because key balances of the Group including cash and debt balances carried in TRIG UK and expenses incurred in TRIG UK are netted off rather than being shown in full. Commentary is provided below on the primary statements of TRIG on this basis.

Income Statement

	Year to 31 December 2014 £'million			Period to 31 December 2013[1] £'million		
Summary income statement	**IFRS Basis**	**Adjustments[2]**	**Expanded Basis**	**IFRS Basis (Restated*)**	**Adjustments[2]**	**Expanded Basis**
Operating income	23.1	7.0	30.1	12.2	3.0	15.2
Acquisition costs	–	(1.5)	(1.5)	(1.5)	(1.7)	(3.2)
Net operating income	**23.1**	**5.5**	**28.6**	**10.7**	**1.3**	**12.0**
Fund expenses	(0.8)	(4.0)	(4.8)	(0.4)	(1.3)	(1.7)
Foreign exchange gains	1.0	0.2	1.2	–	–	–
Finance costs	–	(1.7)	(1.7)	–	–	–
Profit before tax	**23.3**	**–**	**23.3**	**10.3**	**–**	**10.3**
EPS	6.2p		6.2p	3.4p		3.4p

* Comparative information, including relevant Notes, has been restated as a result of the IASB's issuance of Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28). The narrow-scope amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investments in Associates and Joint Ventures introduce clarifications to the requirements when accounting for investment entities. See Note 2(a) to the Financial Statements for details.

1 Comparatives shown are for the initial period ended 31 December 2013 where the Company was established for seven months but only traded for five months.

2 The following were incurred within TRIG UK: acquisition costs, the majority of expenses and other finance costs, some foreign exchange gains and acquisition facility fees and interest. The income adjustment offsets these cost adjustments.

Expanded Basis versus IFRS Basis

The IFRS Basis excludes TRIG UK's costs, including overheads, management fees and acquisition costs, from the income statement. Above we show the Expanded Basis, which includes the expenses incurred within TRIG UK to enable users of the accounts to fully understand the Group's costs. There is no change to profit before tax or earnings per share as a result of the amended standard.

Analysis of Expanded Basis financial results

Profit before tax for the year to 31 December 2014 was £23.3 million, generating earnings per share of 6.2p, which compares to £10.3 million and earnings per share of 3.4p for the prior five month period to 31 December 2013. The increases in net operating income and expenses in the year ended 31 December 2014 as compared to the previous five month period ended 31 December 2013 reflect the longer period of account and the increase in the size of the portfolio.

Acquisition costs, the costs to purchase new investments, represent 0.83% (2013: 1.06%) of the cost of the assets acquired and are set out below.

	Year to 31 December 2014 (£'million)	Period to 31 December 2013[1] (£'million)
Acquisition costs	1.5	3.2
Purchase of new investments	179.8	301.0
Acquisition costs as % of investments	0.83%	1.06%

1 Comparatives shown are for the initial period ended 31 December 2013 where the Company was established for seven months but only traded for five months.

Company expenses of £4.8 million (2013: £1.7 million), includes all operating expenses and £3.8 million (2013: £1.2 million) fees for the Investment and Operations Managers. Management fees are charged at 1% of the Adjusted Portfolio Value as set out in more detail in Note 18 to the Financial Statements.

There is strong cash cover for actual and proposed dividends (as reported below) and the EPS for the period of 6.2p provides coverage over the dividend despite the significant reductions in forecast power price assumptions, offset in part by reduced valuation discount rates and enhanced portfolio return as explained more fully in the valuation section of the Strategic Report.

Ongoing Charges

Ongoing Charges (Expanded Basis)	Year to 31 December 2014 £'000s	Period to 31 December 2013[1] £'000s
Investment and Operations Management fees	3,827	1,197
Audit fees	73	38
Directors' fees and expenses	156	66
Other ongoing expenses	554	255
Total expenses	4,610[2]	1,556[3]
Annual equivalent expenses (156 days in prior period)	4,610	3,664
Average net asset value	370,273	304,584
Ongoing Charges Percentage (OCP)	1.25%	1.20%

1 Comparatives shown are for the initial period ended 31 December 2013 where the Company was established for seven months but only traded for five months.

2 Total expenses excludes £0.2 million of lost bid costs incurred during the year.

3 Total expenses excludes £0.1 million of one-off legal expenses incurred during the year.

The Ongoing Charges Percentage is 1.25% (2013: 1.20%). Managers' fees are only paid on actual (invested) portfolio value during the year. As average net cash balances were lower in 2014 than in 2013, this results in a slightly higher OCP for 2014 versus the Company's part year in 2013. There is no performance fee paid to any service provider to the Group. The ongoing charges have been calculated in accordance with AIC guidance and are defined as annualised ongoing charges (i.e. excluding acquisition costs and other non-recurring items) divided by the average published undiluted net asset value in the period. The Ongoing Charges Percentage has been calculated on the Expanded Basis and therefore takes into consideration the expenses of TRIG UK as well as the Company's.

BALANCE SHEET

Summary balance sheet	As at 31 December 2014 £'million			As at 31 December 2013 £'million		
	IFRS Basis	Adjustments	Expanded Basis	IFRS Basis (restated*)	Adjustments	Expanded Basis
Portfolio value	412.4	60.5	472.9	312.0	(12.2)	299.8
Working capital	0.9	(0.9)	–	–	(1.1)	(1.1)
Debt	–	(60.1)	(60.1)	–	–	–
Cash	12.4	0.5	12.9	2.9	13.3	16.2
Net assets	**425.7**	**–**	**425.7**	**314.9**	**–**	**314.9**
Net asset value per share	102.4p		102.4p	101.5p		101.5p

* Comparative information, including relevant Notes, has been restated as a result of the IASB's issuance of Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28). The narrow-scope amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investments in Associates and Joint Ventures introduce clarifications to the requirements when accounting for investment entities. See Note 2(a) to the Financial Statements for details.

Expanded Basis versus IFRS Basis

The IFRS Basis includes TRIG UK's cash, debt and working capital balances as part of portfolio value. There is no change to net assets as a result of the amended standard.

At 31 December 2013, cash generated from investments had not been passed up from TRIG UK to the Company, whereas at 31 December 2014, the majority of cash generated from investments had been passed up from TRIG UK to the Company.

At 31 December 2014, TRIG UK had drawn £60.1 million of acquisition facility debt, which is shown separately under the Expanded Basis but netted off under the IFRS Basis.

At 31 December 2014, the IFRS investments at fair value balance of £412.4 million includes a net liability balance of £60.5 million representing the fair value of TRIG UK, reflecting the debt drawn within TRIG UK.

Analysis of Expanded Basis financial results

Portfolio value grew by £173.1 million in the year to £472.9 million, substantially as a result of the nine new acquisitions in the year as described more fully in the valuation Section 2.7 of this Strategic Report.

Group cash at 31 December 2014 was £12.9 million (2013: £16.2 million) and acquisition facility debt drawn was £60.1 million (2013: £Nil).

Net assets grew by £110.8 million in the year to £425.7 million as a result of the Company raising £103.0 million (after issue expenses) of new equity during the year and with £23.3 million of earnings in the year, and after accounting for dividends (after deducting scrip issues) of £15.8 million being paid. Other movements totalled £0.3 million.

Net asset value per share as at 31 December 2014 was 102.4p (2013: 101.5p). The increase in net asset value per share is in line with the 6.2p earnings per share and 0.2p benefit of accretive share issues in the year less dividends paid in the year of 2.5p (March 2014) and 3.0p (September 2014).

Cash Flow Statement

Summary cash flow statement	Year to 31 December 2014 £'million			Period to 31 December 2013[1] £'million		
	IFRS Basis	Adjustments	Expanded Basis	IFRS Basis (Restated*)	Adjustments	Expanded Basis
Cash received from investments	25.6	9.7	35.3	–	13.2	13.2
Operating and finance costs	(1.0)	(3.7)	(4.7)	(0.1)	(0.2)	(0.3)
Cash flow from operations	24.6	6.0	30.6	(0.1)	13.0	12.9
Debt arrangement costs	–	(1.7)	(1.7)	–	–	–
Foreign exchange gains	0.2	0.1	0.3	–	–	–
Issue of share capital (net of costs)	103.5	(0.5)	103.0	304.3	–	304.3
Acquisition facility drawn	–	60.1	60.1	–	–	–
Purchase of new investments (including acquisition costs)	(103.0)	(76.8)	(179.8)	(301.3)	0.3	(301.0)
Distributions paid	(15.8)	–	(15.8)	–	–	–
Cash movement in period	9.5	(12.8)	(3.3)	2.9	13.3	16.2
Opening cash balance	2.9	13.3	16.2	–	–	–
Net cash at end of period	12.4	0.5	12.9	2.9	13.3	16.2

1 Comparatives shown are for the initial period ended 31 December 2013 where the Company was established for seven months but only traded for five months.

* Comparative information, including relevant Notes, has been restated as a result of the IASB's issuance of Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28). The narrow-scope amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investments in Associates and Joint Ventures introduce clarifications to the requirements when accounting for investment entities. See Note 2(a) to the Financial Statements for details.

Expanded Basis versus IFRS Basis

The most significant differences in the year between the IFRS Basis and the Expanded Basis cash flows arise because the IFRS Basis excludes the £60.1 million facility debt drawn by TRIG UK, and therefore it also excludes all investments funded by the revolving acquisition facility, as well as those funded by cash balances at TRIG UK. Other differences include expenses incurred by TRIG UK, including the debt facility arrangement costs and movements in TRIG UK's working capital that are excluded under the IFRS Basis, and that not all cash income had been passed up to TRIG at 31 December 2014.

For the period ended 31 December 2013, differences arose because of cash held in TRIG UK, expenses incurred by TRIG UK and movements in TRIG UK's working capital that are excluded under the IFRS Basis.

Analysis of Expanded Basis financial results

Cash received from investments in the period was £35.3 million (2013: £13.2 million). The increase in cash received compared with the previous period reflects the increase in the size of the portfolio and the longer period of account. Cash flow from operations of £30.6 million (2013: £12.9 million) covers cash dividends paid in the period of £15.8 million (excluding £4.3 million of scrip dividends) (2013: £Nil) by 1.9 times. The £30.6 million of cash flow from operations was after £5.7 million of scheduled repayments of project-level debt made by the portfolio project companies during the year (which contributes to NAV). The interim dividend paid in March 2014 of 2.5p per share related to the first approximately 5 month period from IPO to 31 December 2013, rather than the usual semi-annual period. Adjusting for this anomaly, the cash dividend cover would have been 1.8 times.

Share issue proceeds (net of costs) totalling £103.0 million reflects the net proceeds of the 66.2 million C shares issued in March 2014 and the 36.7 million Ordinary shares issued in August 2014 as a tap issue.

The £179.8 million investment expenditure in the year was funded through £103.0 million of share capital raised, £60.1 million of acquisition facility funding, £13.4 million of distributions from existing investments reinvested and the use of £3.3 million cash brought forward at 31 December 2013.

2.7 VALUATION OF THE GROUP'S PORTFOLIO

INTRODUCTION

The Investment Manager is responsible for carrying out the fair market valuation of the Group's investments which is presented to the Directors for their approval and adoption. The valuation is carried out on a six monthly basis as at 31 December and 30 June each year.

For non-market traded investments (being all the investments in the current portfolio), the valuation principles used are based on a discounted cash flow methodology, and adjusted in accordance with the European Venture Capital Associations' valuation guidelines where appropriate to comply with IAS 39, given the special nature of infrastructure investments. Where an investment is traded, a market quote is used.

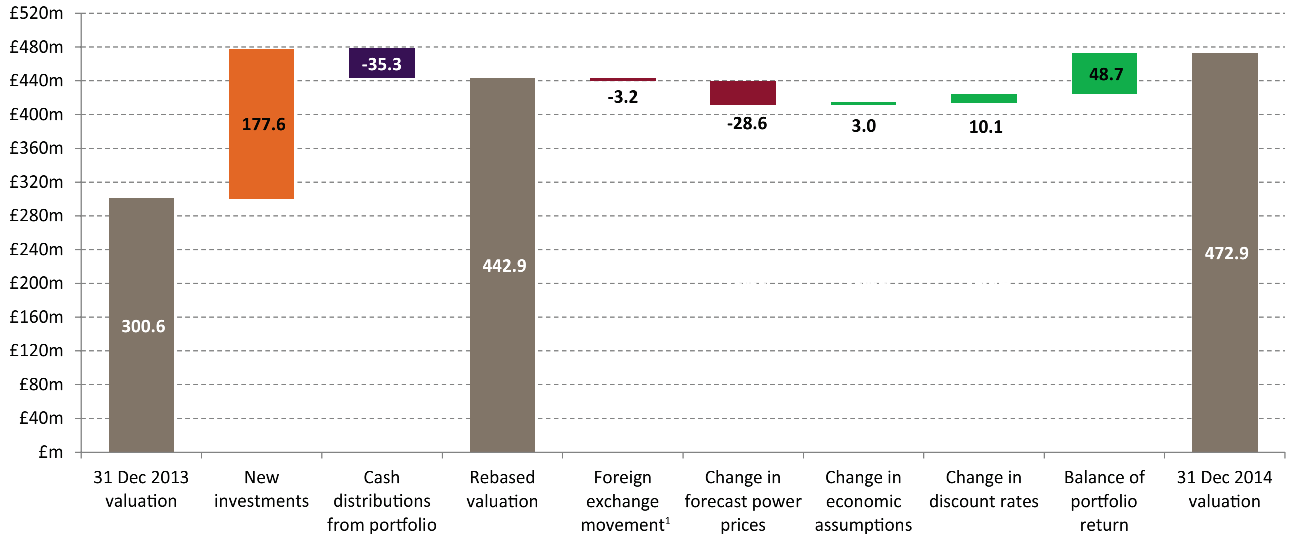
The valuation for each investment reflected in the portfolio valuation is derived from the application of an appropriate discount rate to reflect the perceived risk to the investment's future cash flows to give the present value of those cash flows. The Investment Manager exercises its judgment in assessing both the expected future cash flows from each investment based on the project's life and the financial models produced by each project company and the appropriate discount rate to apply. This is the same method as applied at the time of the IPO and at 31 December 2013.

The Directors' Valuation of the portfolio as at 31 December 2014 was £472.9 million. This valuation compares to £300.6 million as at 31 December 2013 and £353.3 million at 30 June 2014.

VALUATION MOVEMENTS

A breakdown of the movement in the Directors' valuation in the year is illustrated in the chart and set out in the table below.

Valuation movement in the year to 31 December 2014 (£million)



1. The foreign exchange movement at the portfolio level excludes £1.2m gain as a result of currency hedging arrangements in place at the Company level, resulting in a net effect of -£2.0m.

Valuation movement during the year to 31 December 2014	£m	£m
Valuation at 31 December 2013		**300.6**
New investments in the period	177.6	
Cash distributions from portfolio	(35.3)	
Rebased valuation of portfolio		**442.9**
Forex movement on euro investments	(3.2)	
Changes in forecast power prices	(28.6)	
Change in economic assumptions	3.0	
Change in discount rate	10.1	
Portfolio return	48.7	
Valuation at 31 December 2014		**472.9**

Allowing for investments of £177.6m and cash receipts from investments of £35.3m, the rebased valuation is £442.9m. The valuation at 31 December 2014 is £472.9m, representing an increase over the rebased valuation of 6.8% over the year.

Each movement between the rebased valuation and the 31 December 2014 valuation is considered in turn below:

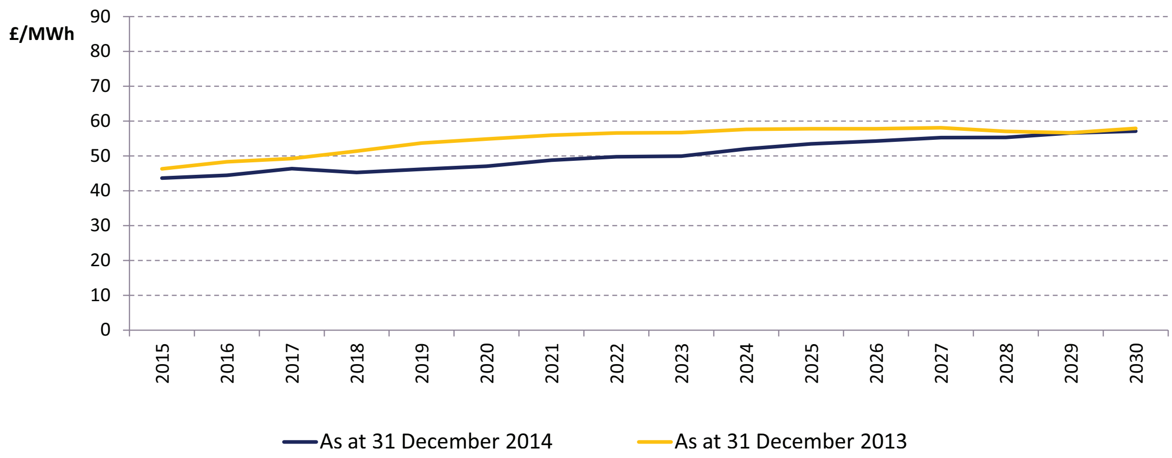
(i) *Foreign exchange*: Appreciation of sterling versus the Euro has led to a £3.2m loss on foreign exchange in the period in relation to the euro-denominated investments i.e. those located in France and the Republic of Ireland which at 31 December 2014 comprised 14% of the portfolio. This is before the mitigating impact of hedges which are held outside the investment portfolio as follows: the Group enters into forward hedging contracts (selling euros, buying sterling) to fix the expected income from euro denominated investments over the near term and also to provide a hedge against movements in value. As the euro depreciated the currency hedge generated a £1.2m gain in the year to 31 December 2014 and serves to reduce the sensitivity to movements in the euro/sterling exchange rate. The impact on net assets of the foreign exchange movement is hence £2.0m after netting off the £1.2m benefit of the foreign exchange hedge.

The Investment Manager keeps under review the level of euros which is hedged, with the objective of minimising variability in shorter term cash flows with a balance between managing the sterling value of cash flow receipts and potential mark-to-market cash outflows.

The impact of foreign exchange movements within power prices is included in the "change in forecast power prices" bar. This is a change from that presented in the 31 December 2013 Report and Accounts when an estimate of the impact of euro/sterling exchange rate movements on power prices for the Northern Ireland assets (which sell into a shared market with the Republic of Ireland) was allocated to foreign exchange movements. This revised allocation is consistent with the treatment adopted by other renewables investment companies that do not attempt to separate out currency influences on UK power price forecasts from other factors. For comparison purposes, if the valuation bridge in the 31 December 2013 Report and Accounts (page 24) had been stated on this basis, the foreign exchange movement for that reported period would have been -£1.3m (instead of -£2.1m) and the power price movement would have been +£0.1m (instead of +£0.9m).

(ii) *Forecast power prices*: A reduction in power price forecasts during 2014 has had the impact of reducing (excluding all other factors) the valuation of the portfolio by £28.6m. The valuation uses updated power price forecasts for each of the markets in which TRIG invests, namely the GB market, the Single Electricity Market of Ireland, and the French market. A number of power forecasters have materially reduced their wholesale power price projections during the year. The main drivers reducing the forecast power prices are reduced short-term gas prices (caused in part by a warmer than average 2014 and hence lower demand, combined with a build-up of Liquefied Natural Gas (LNG) stocks in the period) and also lower gas prices being forecast over the longer term as well as lower expectations for carbon prices. The weighted average power price used to determine the Directors' valuation is shown below in real terms – this is comprised of the blend of the forecasts for each of the three power markets in which TRIG is invested after applying expected Power Purchase Agreement power sales discounts and the capture rate applied to the respective wind and solar projects. The forecast continues to assume an increase in power prices in real terms over time. The equivalent power price curve assumed at 31 December 2013 is also included.

Illustrative blended real power price curve for TRIG's portfolio[1]



1 Power price forecasts used in the Directors' valuation for each of GB, the Single Electricity Market of Ireland and France are based on analysis by the Investment Manager using data from leading power market advisers. In the illustrative blended price curve, the power price forecasts are weighted by P50 estimates of production for each of the projects in the Company's 31 December 2014 Portfolio.

(iii) *Economic assumptions*: The change in economic assumptions relates to:

a. a change in the assumed UK corporation tax rate for UK investments to 20% from April 2015 (previously 21%). This follows legislation to apply this rate in the 2014 Finance Act having been enacted. The valuation of the UK investments has increased by £2.4m as a result of this; and

b. a reduction in interest receivable/payable rates applied to cash deposits and project level debt not subject to fixed rate swaps in the UK projects to reflect lower interest rate projections applicable in the UK – rates now assumed are 1% until March 2019 (previously the 1% rate was assumed until March 2018) and a 3% rate thereafter (previously 3.5% was assumed). This change in assumption leads to an increase in the valuation of the UK investments of £0.6m.

(iv) *Discount rates*: During the year, there has been strong demand for income-producing infrastructure assets, including renewable energy projects as the market matures. This has resulted in a reduction in the prevailing discount rates applied for operating projects which partially offsets the changes in power price forecasts. Overall the Investment Manager, based on its experience of bidding in the secondary market for renewable infrastructure assets, has applied a reduction of 0.3% in discount rates.

In addition, over the year the proportion of ungeared projects in the portfolio has increased (the gearing level of the portfolio has reduced over the year from 44% to 35%) and the proportion of solar in the portfolio has increased from 17% to 38%.

This increase in the proportion of such projects valued using lower discount rates has reduced the weighted average portfolio valuation discount rate by a further approximately 0.5%. Overall the weighted average portfolio valuation discount rate has reduced from 9.8% applied at 31 December 2013 to 9.0% at 31 December 2014. The discount rate used for valuing each investment represents an assessment of the rate of return at which infrastructure investments with similar risk profiles would trade on the open market.

The lower valuation discount rates applied to solar projects reflect the lower generation variability, the higher subsidy element, the simpler operating characteristics of solar (versus wind) and the absence of project debt in the solar projects acquired in the period.

(v) *Portfolio return*: This refers to the balance of valuation movements in the period (excluding (i) to (iv) above and represents an uplift of £48.7m. This represents an 11.0% increase in the rebased value of the portfolio.

VALUATION SENSITIVITIES

The Investment Manager has provided sensitivity analysis to show the impact of changes in key assumptions adopted to arrive at the valuation. For each of the sensitivities, it is assumed that potential changes occur independently of each other with no effect on any other base case assumption, and that the number of investments in the portfolio remains static throughout the model life. All of the NAV per share sensitivities assume 415.9m Ordinary Shares as at 31 December 2014 (which includes those in issue as well as approximately 0.4m shares due to be issued to the Managers in March 2015 in part-payment of the management fees).

The analysis below shows the sensitivity of the portfolio value to changes in key assumptions as follows:

Discount rate assumptions

The weighted average valuation discount rate applied to calculate the portfolio valuation is 9.0% at 31 December 2014. The sensitivity shows the impact on valuation of increasing or decreasing this rate by 0.5%.

Discount rate sensitivity	-0.5%	Base 9.0%	+0.5%
Directors' valuation	+£19.1m	£472.9m	-£17.9m
Implied change in NAV per Ordinary Share	+4.6p / share		-4.3p/ share

Energy yield assumptions

The table below shows the sensitivity of the portfolio value to changes in the energy yield applied to cash flows from project companies in the portfolio. The terms P90, P50 and P10 are explained below.

Energy yield sensitivity	P90 (10-year)	Base (P50)	P10 (10-year)
Directors' valuation	-£58.7m	£472.9m	+£57.7m
Implied change in NAV per Ordinary Share	-14.1p / share		+13.9p / share

The base case assumes a "P50" level of output. The P50 output is the estimated annual amount of electricity generation (in MWh) that has a 50% probability of being exceeded – both in any single year and over the long term – and a 50% probability of being under achieved. Hence the P50 is the expected level of generation over the long term.

The sensitivity illustrates the effect of assuming "P90 10-year" (a downside case) and "P10 10-year" (an upside case) energy production scenarios. A P90 10-year downside case assumes the average annual level of electricity generation that has a 90% probability of being exceeded over a 10 year period. A P10 10-year upside case assumes the average annual level of electricity generation that has a 10% probability of being exceeded over a 10 year period. This means that the portfolio aggregate production outcome for any given 10 year period would be expected to fall somewhere between these P90 and P10 levels with an 80% confidence level, with a 10% probability of it falling below that range of outcomes and a 10% probability of it exceeding that range. The sensitivity includes the portfolio effect which reduces the variability because of the diversification of the portfolio. The sensitivity is applied throughout the life of each asset in the portfolio (even though this exceeds 10 years in all cases).

Power price assumptions

The sensitivity considers a flat 10% movement in power prices for all years, i.e. the effect of adjusting the forecast electricity price assumptions in each of the jurisdictions applicable to the portfolio down by 10% and up by 10% from the base case assumptions for each year throughout the operating life of the portfolio.

Power price sensitivity	-10%	Base	+10%
Directors' valuation	-£37.8m	£472.9m	+£37.1m
Implied change in NAV per Ordinary Share	-9.1p / share		+8.9p / share

Inflation assumptions

The projects' income streams are principally a mix of subsidies, which are amended each year with inflation, and power prices, which the sensitivity assumes will move with inflation. The projects' management and maintenance and tax expenses typically move with inflation but debt payments are fixed. This results in the portfolio returns and valuation being positively correlated to inflation.

The portfolio valuation assumes 2.75% p.a. inflation for the UK (based on the Retail Prices Index) and 2.0% p.a. for each of France and Ireland (based on the Consumer Prices Indices).

The sensitivity illustrates the effect of a 0.5% decrease and a 0.5% increase from the assumed annual inflation rates in the financial model for each year throughout the operating life of the portfolio.

Inflation rate sensitivity	**-0.5%**	**Base**	**+0.5%**
Directors' valuation	-£19.8m	£472.9m	+£21.8m
Implied change in NAV per Ordinary Share	-4.8p / share		+5.3p / share

Euro/sterling exchange rates

This sensitivity shows the effect of a 10% decrease and a 10% increase in the value of the euro relative to sterling used for the 31 December 2014 valuation (based on a 31 December 2014 exchange rate of €1.2874 to £1). In each case it is assumed that the change in exchange rate occurs from 1 January 2015 and thereafter remains constant at the new level throughout the life of the projects.

At the year end 14% of the portfolio was located in France and Ireland comprising euro-denominated assets. The Group has entered into forward hedging of the expected euro distributions for the next 18 months and in addition placed further hedges (sell euros/ buy sterling) to reach a position where approximately 50% of the valuation of euro-denominated assets is hedged. The hedge reduces the sensitivity of the portfolio value to foreign exchange movements and accordingly the impact is shown net of the benefit of the foreign exchange hedge in place.

Exchange rate sensitivity	**-10%**	**Base**	**+10%**
Directors' valuation	-£3.9m	£472.9m	+£3.9m
Implied change in NAV per Ordinary Share	-0.9p / share		+0.9p / share

The euro / sterling exchange rate sensitivity does not attempt to illustrate the indirect influences of currencies on UK power prices which are interrelated with other influences on power prices.

Operating costs at project company level

The sensitivity shows the effect of a 10% decrease and a 10% increase to the base case for annual operating costs for the portfolio, in each case assuming that the change to the base case for operating costs occurs with effect from 1 January 2015 and that change to the base case remains reflected consistently thereafter during the life of the projects.

Operating cost sensitivity	**-10%**	**Base**	**+10%**
Directors' valuation	+£15.2m	£472.9m	-£15.3m
Implied change in NAV per Ordinary Share	+3.7p / share		-3.7p / share

Interest rates applying to project company debt and cash balances

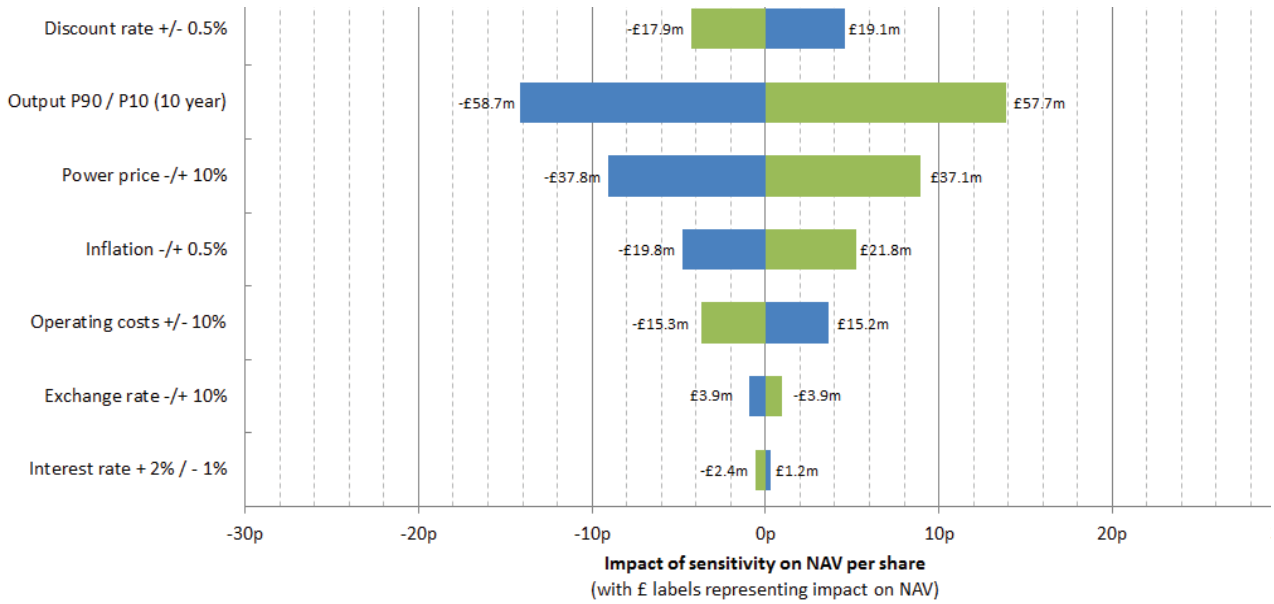
This shows the sensitivity of the portfolio valuation to the effects of a reduction of 1% and an increase of 2% in interest rates. The change is assumed with effect from 1 January 2015 and continues unchanged throughout the life of the assets.

The portfolio is relatively insensitive to changes in interest rates. This is an advantage of TRIG's approach of favouring long-term structured project financing (over shorter term corporate debt) which is secured with the substantial majority of this debt having the benefit of long-term interest rate swaps which fix the interest cost to the projects.

Interest rate sensitivity	**-1%**	**Base**	**+2%**
Directors' valuation	+£1.2m	£472.9m	-£2.4m
Implied change in NAV per Ordinary Share	+0.3p / share		-0.6p / share

Illustration of Key Sensitivities

The following chart illustrates the sensitivity of TRIG's NAV per share to changes in key input assumptions (with the £ labels indicating the impact of the sensitivities on portfolio value):



It should be noted that all of TRIG's sensitivities above are stated after taking into account the impact of project level gearing on returns.

Tax Rates

The profits of each UK project company are subject to UK corporation tax. On 1 April 2014 the prevailing rate of corporation tax reduced from 23% to 21%. The Government has enacted legislation to reduce the UK corporation tax down to 20% from 1 April 2015. The UK corporation tax assumption for the portfolio valuation is 20% from 1 April 2015.

The profits of each French project company are subject to French corporate tax at the rate of 33.3%, plus an additional 1.1% above the €763,000 threshold.

The profits of the projects located in the Republic of Ireland are taxed at a 12.5% active rate (applicable to general trading – which is the majority of profits) and a 25% passive rate (interest income received).

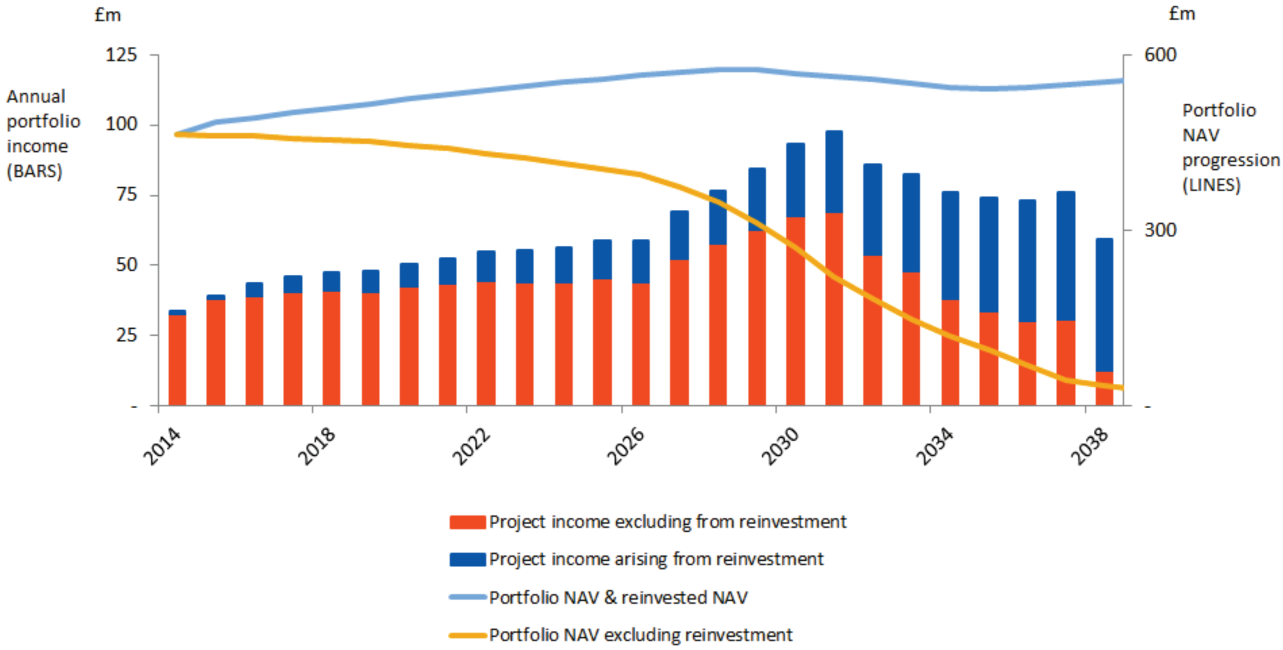
Future Cash Flows

While a range of factors will affect the Company's future cash flows and the ability to sustain a dividend at targeted levels, the Company believes that the combination of the portfolio as at 31 December 2014, the Managers, the relative predictability of the selected investment segments, the nature of the jurisdictions and energy markets encompassed by the Company's investment policy and the expected opportunities for reinvestment together provide a robust framework for achieving the Company's targeted returns.

Under the Company's valuation financial model prepared as at 31 December 2014, the portfolio (together with reinvestment of surplus cash flows after payment of the target dividend) would yield net cash flows after all costs, taxes and fees that provide an average dividend cash cover of approximately 1.3x over the 5 year period from 1 January 2015 to 31 December 2019 (assuming inflation of the dividend at the targeted rate). These net cash flows at Company level are after the application of cash flows at the project level in the portfolio to scheduled repayments of project level debt. Such repayments over the next five years amount in aggregate to approximately 0.4x the Company's target dividends over that period and, as investments in project company capital, can be expected to accrue to the Company's shareholders in the form of increases in NAV per share, in addition to the re-investment of cash surpluses expected after payment of the Company's target dividends.

The chart below sets out the currently expected profile of future cash flows to be received by the Group from the portfolio as at 31 December 2014 based on a "base case" performance level as well as how the portfolio value is expected to evolve over time using current forecasts and assumptions.

Illustration of long-term cash flows and portfolio NAV (including effect of re-investment of surplus cash flow)



1 The chart is illustrative only and is not a profit forecast. There can be no assurance that these levels of performance will be achieved. The actual cash generated by the portfolio and net asset valuations will be different, being the product of the actual performance outcome and changes in assumptions and market conditions. In particular, the chart assumes P50 "central estimate" generation in each year. In practice the weather is expected to vary period to period (both up and down from P50) resulting in years with higher and years with lower cash generation. This will vary the amount of cash available for re-investment by the Group in each year. The chart does not attempt to capture this variability, but rather is based on generation levels which may be expected to be the long-term average occurring in each year.

2 For the purposes of the illustration, it has been assumed that additional project level gearing will be introduced in due course to restore overall gearing on the portfolio to around the level in place at the time of the Company's launch; this would be effected through project financing of existing ungeared projects and/or through the acquisition of geared projects. It has also been assumed that the gearing level will gradually reduce thereafter as the project finance is repaid.

3 Portfolio valuation assumes a euro to sterling exchange rate of 1.29, a weighted average discount rate of 9.0% per annum, and power price forecasts derived from leading market experts. These and other assumptions and the valuation of the current portfolio may vary over time.

4 The cash flows and the valuation are from the portfolio of 29 investments as at 31 December 2014 and do not include other assets or liabilities of the Group.

5 Surplus cash flows arising from the difference between cash income, dividends and expenses are assumed to be reinvested in newly sourced assets at the end of each year and to earn a return of 9.5% before fund level expenses and management fees.

6 Asset lives assumed are in the main 25 years from start of operations. Where appropriate and where contractual arrangements and technology permit longer asset lives have been assumed in some limited cases.

2.8 Outlook

Portfolio

The Company's current portfolio of 29 projects is performing consistently with the Board's expectations without any material operating issues. The Board expects that TRIG will be able to continue its steady operating performance both for 2015 and in the longer term, supporting the payment of predictable long-term dividends as set out in the Company's Investment Policy. TRIG's diverse portfolio assists in smoothing out the short-run variability in production that is expected to be produced by intermittent generation infrastructure projects, which are subject to local and temporal meteorological conditions.

The reduction in power prices have been a key feature of the UK and European renewables market in 2014. In 2014 the impact on the Company's NAV from a reduction in forecast wholesale price curves has been significantly offset by a step-up in demand for renewables infrastructure which has had the effect of reducing the discount rate applicable to the current portfolio. In 2015 and beyond, while the possibility of further falls in wholesale power prices cannot be dismissed, there may be more upside potential for the portfolio if power prices recover over time. The timing and extent of changes to power prices will depend on a diverse range of factors. These may include UK and broader European GDP growth rates, geopolitical events, prevailing winter temperatures, the take-up of electric vehicles and further carbon reduction initiatives either reducing fossil fuel subsidies or increasing carbon pricing from today's relatively low levels.

In addition, the current lower levels of fossil fuel prices are expected to result in the deferral or cancellation of substantial investments in the extraction of harder-to-access fossil resources, including shale fuels. Meanwhile, lower power prices may result in a slower build-out of previously planned fossil-fuelled generation capacity. Over time, it can be expected that broader competition for coal or gas resources (still the mainstays of global electricity generation) will be seen from emerging markets and from mature economies such as Japan, Germany and France reducing their dependency on nuclear generation. This may have the effect of reversing the recent falls in energy prices.

Based on the current outlook for the portfolio and the markets in which it operates, the Board is confident that the current portfolio will continue to deliver the target returns of the Company. The Board and the Managers also seek opportunities to improve the performance ahead of target through the delivery of additional operational scale efficiencies and through prudent portfolio and financial management.

As noted in the Chairman's statement, the declared interim dividend of 3.08p with respect to the six months to 31 December 2014 is due to be paid on 31 March 2015, producing an aggregate annual dividend for 2014 of 6.08p. The Company targets a similar interim dividend of 3.08p for the six month period ending 30 June 2015 prior to the next annual inflation increase to the dividend which the Company targets for the following six months to 31 December 2015.

The Renewable Energy Infrastructure Market

The renewables market in the UK and Northern Europe has, in the difficult years economically since the beginning of the global recession in 2008, weathered storms remarkably well, in the face of government budget constraints, public concern about high energy prices and some aesthetic concerns regarding the deployment of infrastructure in new locations. Overall public support for further renewable deployment remains consistently robust, and the political impetus appears to be picking up again globally to further the deployment of clean energy both as economic powers such as the US and Germany recover, and as emerging economies such as India and China see the limitations of relying on fossil fuel generation to power their economic growth, with the accompanying impact on urban air quality and health. Recent indications of support from the US and China for a first-ever global agreement on de-carbonisation by the end of 2015 seem promising and may help reinforce the long-term renewables investment opportunity.

On energy security, renewables provide increased local or domestic sources of generation. However, as the volume of renewables capacity on the grid increases, further demands will be put on the market for back-up power to cater for the intermittency of renewable generation. TRIG sees this as being fulfilled in several ways: via the incentivisation of appropriate, mainly gas-fired, capacity (addressed in the UK by the Capacity Mechanism); by the increase in the integration of European power markets with the addition of significant new interconnection capacity (between the constituent parts of the British Isles as well as between the UK and the rest of Europe and across Europe) which will allow for some smoothing out of localised peaks and troughs in production; by the potential maturing and deployment of new non-intermittent renewable power technologies such as tidal lagoon generation; and finally through further improvements in power storage technology and costs which would allow intermittent sources of power to be dispatchable.

In the UK an important near-term matter potentially impacting on the sector is the General Election in May 2015. In spite of some early electoral posturing by the Conservative Party against further new onshore wind development in England, the Board notes that further large-scale renewable deployment is still a policy well-supported by the main parties and by the public at large.

Further evidence emanating from NASA (with 2014 being the hottest year on record) and the UN is also bringing decarbonisation back as a key global priority. Support for further renewables deployment can be seen in both the relatively negative public positioning of shale gas and nuclear in Europe and in the further public promotion of renewables, for example at the World Economic Forum in Davos.

In France, the Hollande government has been promoting new legislation to enable more efficient approvals of appropriate renewables development – including onshore wind. This is likely also to involve a shift from fixed feed-in tariff schemes (typically for 15 years with no power price risk) towards a mix of support scheme plus power price sales – so closer to the ROC-and-power-price model which the UK is moving away from. A more efficient framework for renewables development, if finalised, should provide a further boost to French renewables deployment as it seeks to reduce its reliance on nuclear power.

TRIG's Investment Pipeline and Acquisition Approach

InfraRed, as the Company's Investment Manager, continues to report strong prospective deal flow following the addition of 11 onshore wind and solar PV projects to the initial portfolio of 18 projects acquired at the Company's IPO.

The pipeline of new acquisitions includes both onshore wind and solar PV projects including some larger portfolio prospects. Several new changes are expected to be seen in the UK market in particular. With the impending end of ROC-based support for new large-scale (greater than 5MW) solar PV projects in the UK commissioned after March 2015, some reduction in the volume of new large-scale solar developments can be expected, compared to smaller sub-5MW projects. From April 2015 onwards, large-scale solar PV projects may initially be the main technology type competing for the annual support budget available under the new Contracts-for-Difference (CfD) arrangements. The fixed nature of 15 year support mechanism that CfDs offer auction winners may increase the optimal leverage in the capital structure, although this would still be moderate by infrastructure standards. New onshore wind projects will be able to be commissioned for a further two years under the existing ROC-based programme until March 2017, which may result in acceleration of projects where planning permission is available.

The Company is seeing opportunities for equity buyers to fund projects through construction. Given the standardisation and speed of construction in the solar PV market, the additional risk premium for this is small. On the onshore wind side, a number of recently constructed portfolios are also likely to become available.

TRIG's approach to acquisition will be to continue to focus on those specific opportunities across our technologies and markets which meet the Company's targets, rather than competing in all auctions. Larger scale portfolios should also be accessible with the increased flexibility afforded to TRIG through its Share Issuance Programme launched in December 2014 and through its enlarged revolving acquisition facility, and potentially working alongside major institutional investors in addressing the very largest portfolios. At this stage, TRIG will continue to focus on onshore wind and solar PV in the UK and Northern Europe which provide substantial opportunities for investment.

2.9 Ten Largest Investments

Set out below are the ten largest investments in the portfolio. As at 31 December 2014, the largest investment (the Hill of Towie Wind Farm) accounted for less than 10% of the portfolio by value (2013: 16%). In total, the 10 largest projects accounted for approximately 65% of the project portfolio by value (2013: 79%).

Project	Location	Type	% of project portfolio by value at 31 December 2014	% of project portfolio by value at 31 December 2013
Hill of Towie	Scotland	Wind	10%	16%
Green Hill	Scotland	Wind	9%	14%
Parley	England	Solar	8%	–
Earlseat	Scotland	Wind	8%	–
Egmere	England	Solar	7%	–
Stour Fields	England	Solar	5%	–
Altahullion	N. Ireland	Wind	5%	10%
Roos	England	Wind	5%	9%
Haut Languedoc	France	Wind	5%	8%
Grange	England	Wind	4%	6%
Total			**65%**	**79%**

Further information on each of these investments and on other investments in the portfolio are set out in Section 2.3.

Roos Wind Farm, Lincolnshire, England

2.10 RISKS AND RISK MANAGEMENT

RISKS AND UNCERTAINTIES

While there are a broad range of risk elements that may potentially impact on TRIG including ones relating to general macro-economic factors, there are three particular categories of variables that may be particularly relevant, given the nature of its business: (1) portfolio energy production; (2) electricity price movements; (3) levels of government support through renewables subsidies. TRIG's approach to risk is one of systematic assessment, on an investment project basis on acquisition, and as part of the overall portfolio management over time as external dynamics shift.

Major Risk Category	Key Mitigants
Portfolio electricity production	■ Established nature of onshore wind and solar PV technologies ■ Complementary seasonal bias of wind and solar production ■ Number and diversity of portfolio projects by generating technology, weather system and specific locality ■ Experience of RES as Operations Manager in monitoring and improving portfolio production ■ Diversity of underlying equipment manufacturers and O&M suppliers ■ Improvements in technology providing future opportunities for repowering and storage
Electricity prices	■ Approximately two-thirds of TRIG's current portfolio-level revenue is fixed-type in nature, without power price exposure ■ Electricity is sold into three distinct electricity markets (GB, Irish SEM and France) ■ Long-term nature of revenues and forward pricing mechanisms provides some protection against short-term fluctuations ■ Revenues from different projects shift towards greater power exposure at different times depending on support scheme, commissioning date and contractual arrangements ■ Recent falls in electricity prices provide upside opportunity from economic growth, increased carbon taxes, generation supply constraints or other factors that may cause prices to rebound ■ In the longer term, storage technologies may provide ability for renewables to become dispatchable and able to capture higher prevailing prices at times of higher demand
Government support for renewables	■ UK and Northern European economies expected to continue to demonstrate a robust approach to grandfathering commitments to existing installed capacity ■ Future subsidies generally tracking the fall in development costs of maturing technologies, providing appropriate public value-for-money ■ Recent emphasis on energy security as a key item on the public agenda, in light of both dwindling North Sea fossil fuel production and broader geopolitical concerns ■ Strong public and political momentum in TRIG's markets of focus towards maintaining a growth in the contribution of renewables towards long-term United Nations, European Union and national decarbonisation efforts.

Further comment on these categories is provided below:

Electricity Production

The Company has been structured to provide the Investment Manager with the flexibility to invest across a variety of markets and technologies, to enable diversification across weather systems, renewables technologies and regulatory regimes. Onshore wind and solar PV, the main focus, are well understood technologies, deployed extensively both in Europe and world-wide. This operating experience provides a sound basis on which to predict energy yield performance based on average long-term wind speed and solar irradiation data, as well as plant availability and maintenance costs, especially when these technologies are deployed in a large geographically diversified portfolio with an experienced Operations Manager.

Wind power and solar PV, while both termed "intermittent" sources of electricity, compared say to coal or gas whose energy outputs can be planned, in combination provide a smoothing effect, with solar more productive in the summer and wind more productive in the winter and with the absolute level of the two energy sources month by month being uncorrelated. In addition, solar provides greater predictability through the year, compensating for wind which is more variable in the short term. Wind also typically offers a slightly higher return on investment reflecting this variability.

The second element important for maintaining productivity is minimising operating downtime or maximising "availability". RES, as Operations Manager, has over 30 years' track record in both developing and managing renewables and has the experience of global operations, bringing considerable expertise both to the prediction of energy yields prior to acquiring assets, and to operation of assets in order to optimise energy production. This is done through careful planning and execution of project operations and prompt repair works both directly and through subcontractors. As onshore wind and solar PV are now well-proven technologies (with easy access to sites for maintenance compared to offshore wind), typical levels of availability in a given year are around 96% to 98%. Adjustments are made to TRIG's cash flow assumptions prior to the acquisition of an asset – for example a schedule of panel degradation over time for solar PV assets or higher planned maintenance costs for older wind assets.

Electricity Prices

In valuing the TRIG portfolio it is necessary to take a long-term view on electricity prices – particularly wholesale prices – which is done in consultation with independent energy price forecasters. It should be noted that TRIG is more concerned about long-term energy prices, as in the near term its revenues comprise a large proportion of subsidies together with power price agreements (PPAs) with fixed prices or price floors, as well as some fixed price feed-in tariffs (FITs).

In 2015, the portfolio expects to benefit from approximately two-thirds of its revenues coming from fixed PPAs, FITs, renewables obligation certificates and levy exemption certificates, i.e. revenue sources other than those based on electricity market prices. The new Contracts for Difference feed-in tariffs being established in the UK and available for future commissioned assets will likely lead to further security over the revenue stream as more assets are added which benefit from this regime, providing predetermined pricing for 15 years from commissioning.

In general the expectation is that in the long-term European energy wholesale prices will increase in real terms from current levels. While the fall in oil prices has influenced gas prices, it should be noted that oil is not in itself a significant feedstock for electricity production. Other factors have also contributed to lower recent power prices. These include the mild recent winters experienced in the UK and Northern Europe causing a build-up in gas supplies and the absence of major disruptions to European gas supply versus expectations earlier in 2014. While further power price falls cannot be excluded, there are upside opportunities should the market experience any reversal of the recent trend.

Higher wholesale power prices may arise from factors such as increases in demand for electrical power from growing economies, increases in carbon taxes following further international cooperation in decarbonisation initiatives, trends towards greater electrical usage in the transportation sector, the ongoing phasing out of heavily polluting coal-fired power stations and the net reduction in nuclear energy generation expected in the EU over the years ahead. With the potential for further progress in storage technologies, intermittent producers of electricity like wind and solar generation plants may become partially or wholly dispatchable, which can increase the average price received for power sales. This can reduce the impact in the Company's valuations of the "cannibalisation effect" (which takes into account the expectation that multiple weather-correlated renewable sources provide the grid with supply simultaneously, thereby reducing spot prices for power).

While greater network interconnections and coordination between EU regions can be expected, further convergence of wholesale or retail prices is expected to be gradual.

As TRIG's portfolio is split across several jurisdictions, the Company has the benefit of diversification across electricity markets. The Company further benefits from the experience of the Managers in evaluating different contract types – typically with major utilities – to provide appropriate exposure to, or in some cases protection from, predicted price movements.

Finally, the impact of future power prices can be smoothed out through the portfolio mix and growth strategy. The portfolio valuation is based on wholesale prices in three different European markets with differing future pricing dynamics. With different portfolio projects commissioned at different times in different support jurisdictions and technologies, the portfolio experiences a gradual transition from subsidy-based to power price-based exposure over time. Also, projects are purchased at different points in the power price "cycle", with the most recent power forecasts being incorporated for each acquisition, producing a cost-averaging effect. The Group may be expected to acquire some portfolio projects at times when the long-term power price forecasts utilised turn out to be relatively high, though these would be offset over time by projects purchased when the power forecasts turn out to have been at relatively low levels.

If materially lower long-term energy prices in our investment markets arise, a reduction in the valuation of the existing portfolio would be expected, although new assets may be available more cheaply. Forecasts for future energy prices evolve over time and whilst asset values may not directly follow any such re-forecast from selected third-party providers at any given time, shareholders should expect some variation in asset valuation from period to period, as and when a material movement from prior expectations is identified by the Investment Manager.

Government Support for Renewables

The fundamental challenges for the future of the EU energy market, in which renewables play an increasing part, remain in place. These challenges include the imperative of reducing carbon dioxide and other noxious emissions, the desire to improve energy security and the requirement to replace inefficient or aging energy infrastructure. The gradual emergence of local shale oil and gas opportunities may partially mitigate any reduction in North Sea oil and gas production, but the expectation is that governments will continue to require a significantly increased contribution by renewables technologies to meet the region's needs for energy security and carbon reduction.

Geographically, the Company focuses its investments on the UK and Northern Europe where there is a strong emphasis on delivering versus challenging renewable energy deployment targets for 2020, and showing consistency in grandfathering prior subsidy commitments to operating plants. For the longer term period to 2030, the EU and national requirements for renewables generation capacity are still under consideration. The United Nations-sponsored climate change discussions are expected to culminate in a worldwide agreement in Paris in December 2015 on longer-term decarbonisation goals. The current expectation is that the EU and national governments will maintain some policy flexibility by focusing on overall carbon reduction targets, to which renewables will be an important contributor.

Given that wind and solar PV are expected to deliver the majority of new EU renewables operating capacity in the medium term and with further efficiencies being achieved in the deployment of these technologies, it is expected that subsidy levels for newly developed projects will continue to be adjusted, as appropriate, downwards. As and when TRIG acquires assets, its pricing reflects the subsidy rate which the plant is entitled to, so that the impact of these adjusted rates is not expected to impact TRIG's commercial strategy, target returns, or opportunities for growth.

Other Risk Factors

There are a range of other risks, for example those that are more macroeconomic in nature, including the potential impact of material changes in market discount rates, inflation, interest rates, tax rates or exchange rates. The estimated impact of these on NAV, together with the impact of power price, energy yield and operating cost variability, is illustrated in the sensitivities section of the Company's portfolio valuation in Section 2.7.

The Company notes that a fiscal priority of governments around the world is to address tax base erosion and profit shifting, an initiative promoted by the Organisation for Economic Cooperation and Development (OECD) and endorsed by the G20. In December 2014 the OECD issued a consultation exercise relating to tax relief for interest deductions. The Company, through The Infrastructure Forum, is engaging with the OECD in respect of this consultation exercise on interest deductions and is generally monitoring its progress. If the recommendations are given legal effect, there could be some impact on the tax paid by the Group and on infrastructure projects generally.

In addition, there are other risks also regularly assessed by TRIG – including in the areas of operations, markets, liquidity, credit, counterparties and taxation, and these are set out in the following section on risk management.

Risk Management

Risk Management Framework

The Company has put a risk management framework in place covering all aspects of the Group's business. Given the nature of the Company (being an Investment Company where the Company outsources key services to the Investment Manager, Operations Manager and other service providers), reliance is placed on the Group's service providers' own systems and controls.

The identification, assessment and management of risk are integral elements of the Investment Manager's and the Operations Manager's work in both managing the existing portfolio and in transacting new investment opportunities. The Managers have established internal controls to manage these risks and they review and consider the Group's key risks with the Board on a quarterly basis. If a new risk arises or the likelihood of a risk occurring increases, a mitigation strategy is, where appropriate, developed and implemented together with enhanced monitoring by the Investment Manager and/or Operations Manager.

The Board's Management Engagement Committee also reviews the performance of the Investment Manager and Operations Manager (as well as all key service providers) annually and in particular this review includes a consideration of the Managers' internal controls and their effectiveness and the creation of a risk control matrix.

Given the limited number of expected disposals from the portfolio and the similar risk profile of the investments within the portfolio (i.e. they are all renewable energy infrastructure projects in the UK or Northern Europe with broadly similar contractual structures), the type and nature of the risks in the Group are not expected to change materially from period to period.

The following table summarises some important areas considered on a regular basis in the risk assessment process by risk category as set out in the Alternative Investment Fund Management Directive:-

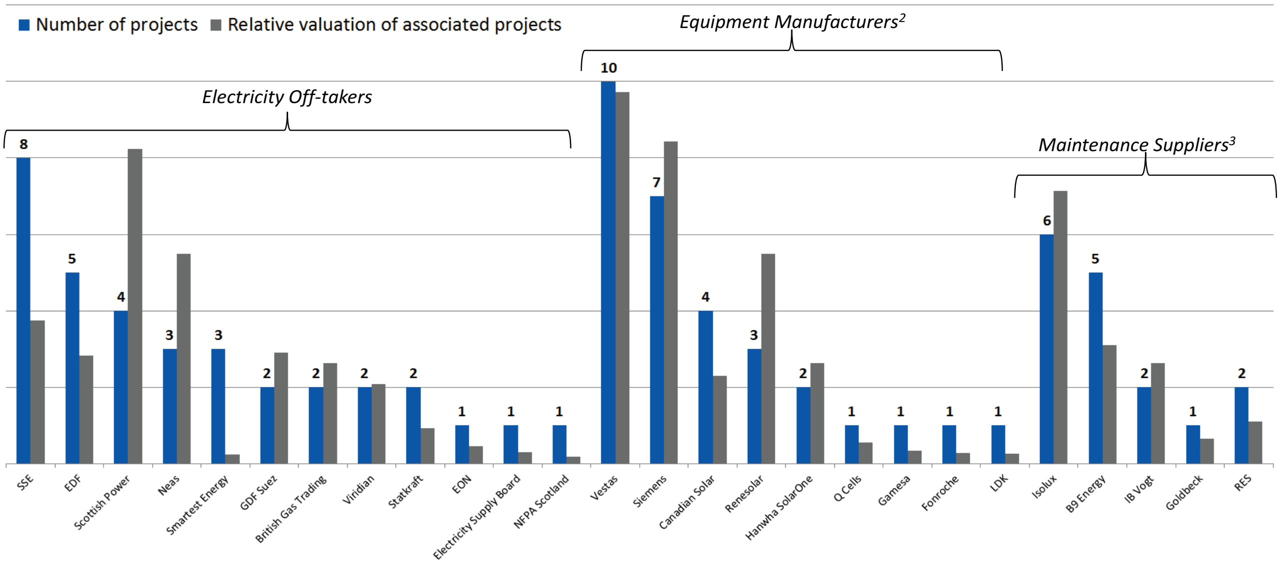
Category	Key Elements
Operational	Health and safety, risk of regulatory changes or breaches, fraud and management override, valuation error, political / regulatory changes, conflicts of interest, key man and service provider failure, breach of company policies or contractual covenants, energy yield, technology risk, project-level availability, project insurance, grid curtailment and outage, sub-contractor failure, tax
Liquidity	Fund-level portfolio liquidity, fund-raising, project-level liquidity and gearing
Counterparty	Contractual concentration
Credit	Risk of counterparty failure
Market	Power price, macro-economic (currency, interest rates, inflation), share price, competition
Tax	Withdrawal of tax relief on interest deductions and other tax risks

Counterparty Exposures

Given the importance of state subsidies for investment in renewables, TRIG has exposure to the creditworthiness of and policy commitments by national governments and is reliant on the consistency of government policy, for example "grandfathering" within the UK whereby renewables generators continue to receive the same level of subsidy, set upon commissioning, for the duration of the incentive. In addition, each project company enters into a commercial power purchase agreement (PPA) with a utility or energy trading company to enable them to sell the electricity generated and to receive the feed-in tariff or Renewables Obligation Certificate (ROC) subsidy payments. The project companies have entered into PPAs with a range of providers. Each project company enters into a contract for the maintenance of the plant. In the case of wind, this is usually with the turbine manufacturer. For both wind and solar segments, projects may also benefit from equipment provider warranties.

The chart below provides an analysis of the exposure to PPA counterparties, equipment providers and maintenance contractors as measured against the portfolio valuation and against the number of projects in which the counterparty is involved. No supplier or off-taker is currently involved in more than 50% of the projects by value or number (with the exception of RES, TRIG's Operations Manager, which has project asset management and/or maintenance roles in relation to a number of the projects in addition to the portfolio-level services it provides to TRIG). Some project companies have more than one counterparty in each category – where that is the case, the relative valuation of the associated project in the illustration below has been apportioned between the counterparties. Further acquisitions are likely to provide further diversity of counterparty exposures.

Illustration of the range of PPA counterparties, equipment manufacturers and maintenance suppliers as at 31 December 2014 by relative value of associated projects[1] and number of projects:



1 By value, as at 31 December 2014, using Directors' valuation. Some projects have more than one counterparty in a category, in which cases the valuation of the associated project is apportioned.

2 Equipment manufacturers generally also supply maintenance services.

3 Where separate from equipment manufacturers.

Source: InfraRed

2.11 Corporate Social Responsibility

Policy

The business of the Company is to make investments in renewable energy infrastructure assets.

As part of good practice and to mitigate risk, the Board has in place a set of Environmental, Social and Governance policies appropriate for a company investing in renewable energy infrastructure assets, which conform to current good practice in relation to corporate responsibility.

The Company's Environmental, Social and Governance ("ESG") policies cover:

- how the Company interacts with stakeholders, including shareholders;
- what ESG considerations need to be made before a new investment is acquired; and
- how the current portfolio is managed by the Investment Manager and Operations Manager to promote and achieve good ESG practices.

The Investment Manager is registered with the United Nations as agreeing to adopt and implement its Principles for Responsible Investment ("PRI") which are widely recognised and highly regarded around the world. The UN PRI can be summarised as follows:

- to incorporate ESG issues into investment analysis and decision-making;
- to be active owners and incorporate ESG issues into ownership policies and practices;
- to seek appropriate disclosures on ESG issues by the entities in which the investments are made;
- to promote acceptance and implementation of PRI within the investment industry; and
- to report on activities and progress towards implementing the PRI.

On the basis of the Managers' recommendations the Directors have considered the existing ESG policies relative to good industry practice as applicable to an infrastructure investment company and believe them to be current and appropriate.

The Board remains committed to high standards of corporate governance and keeps the Company's practices under review with respect to current best practice. Further details of how the Company complies with the various corporate governance standards are set out in the section on Corporate Governance and Regulatory Matters.

The Board wishes to be at the forefront of disclosure and reporting of the Company's performance and strategic intentions. The Board believes this is achieved by the communications as follows:

- annual report and accounts;
- interim statement and accounts;
- detailed presentations to accompany the results;
- announcements of all material acquisitions; and
- meetings with shareholders held by the Investment Manager and the Operations Manager

The Company's website (www.TRIG-Ltd.com) which includes the Company's prospectuses, financial disclosures and other announcements since launch provides further information on TRIG and its investments.

Disclosure of key sensitivities and risks has been developed by the Board working with the Managers. The level and type of disclosure has been developed and refined in order to assist in a full and fair analysis of the Company and its investments.

Performance

Given the nature of the Company's investment portfolio, its overall environmental contributions are substantial, with the portfolio as at 31 December 2014 capable of producing enough clean energy annually to power the equivalent of 230,000 homes in the UK, France and Ireland while avoiding the emission of 360,000 tonnes of CO_2 annually.

Performers at the "Guitares à travers chants" music festival supported by TRIG's Cuxac Cabardes project in France.

The integration of generating plants – whether wind or solar – into the landscape is optimised to seek the maximum renewable energy generation while minimising any local impacts through extensive consultation with statutory consultees, local authorities and the local communities. Engagement with stakeholders once assets become operational is maintained at the highest standards.

The Investment Manager, InfraRed, is a subscriber to the Principles for Responsible Investment (an initiative supported by the United Nations) and has established and documented environmental, social and governance policies. As Operations Manager, RES has responsibility for monitoring the operational performance of the asset portfolio as well as acting as the interface with underlying third party asset managers or O&M contractors and with local government and communities. With RES' long history of developing and operating assets in the renewable energy sector in the UK, France, Ireland as well as elsewhere in Europe, the US, Australia, and a range of other countries around the world, it has developed a reputation for establishing and maintaining best practices in ESG matters and has staff dedicated to support its operational management activities in these areas.

During the year, TRIG's portfolio companies continued to be active in local engagement activities, including hosting a number of education events for local schools and communities.

One example was at the Tallentire Wind Farm in Cumbria, England – a project newly acquired by TRIG in 2014. RES, as both the developer and Operations Manager to TRIG, launched and continues to maintain with TRIG's support an annual local community benefit fund for the lifetime of the wind farm, in association with the Cumbria Community Foundation. Funding is available to support the communities neighbouring the Tallentire Wind Farm (including Bridekirk, Blindcrake, Gilcrux and Plumbland).

The range of community activity supported by TRIG's portfolio of projects is diverse. For example at the largest project in the portfolio, Hill of Towie in Scotland, the community fund has contributed to the installation of solar panels on a local village hall, the rebuilding of the railway platform at Towiemore Station, an annual fireworks display, a playgroup, Christmas lights, a skate park and the refurbishment of a local youth café.

Two projects acquired by TRIG in 2014 operate RES' innovative Local Electricity Discount Scheme (LEDS). As the first scheme of its type in Scotland, qualifying local residents and businesses at Meikle Carewe Wind Farm in Aberdeenshire received a discount off their electricity bills, with further discount payments due each year during the wind farm's operational lifetime. An event was also run in the community to assist local people to reduce their bills even further.

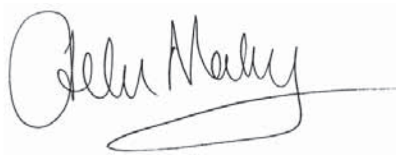
A RES Community Relations Manager with local residents at the Meikle Carewe LEDS launch event

Another community event was held at Haut Cabardès in France in September, where around 50 local residents learnt about the evolution of the wind farm. A similar presentation took place at Roussas-Claves. These events were well-received in the community and the local media.

Further support was provided for information panels and signage for the famous St James of Compostela pilgrimage route, which passes by the Haut Languedoc wind farm. This initiative is being undertaken in collaboration with the local tourist office, with the work expected to be completed in the first half of 2015.

In addition, the portfolio projects continued to provide support for events such as the “Guitares à travers chants”, a popular summer folk music festival near TRIG’s Cuxac Cabardes project as well as a mountain endurance sports event and the 26th edition of the Les Foulées de la Montagne Noire”, both in August 2014.

This Strategic Report is approved by the Board of Directors of The Renewables Infrastructure Group Limited



24 February 2015

Registered Office:
1 Le Truchot,
St Peter Port,
Guernsey,
Channel Islands
GY1 1WD

Section 3
Board of Directors

The TRIG Board as at 31 December 2014. From left to right: Jon Bridel, Shelagh Mason, Helen Mahy and Klaus Hammer.

Members of TRIG's Board of Directors, all of whom are non-executive and independent of the Managers, are listed below.

Helen Mahy *(Chairman, appointed 14 June 2013)*, aged 53, is an experienced chairman and non-executive director. Helen was Group Company Secretary and General Counsel of National Grid plc and was a member of its Executive Committee from September 2003 to January 2013 when she retired from National Grid plc. She has also been a non-executive director of Stagecoach Group plc since January 2010 and Chairman of its Health, Safety and Environment Committee. Helen is also Chairman of the board of Obelisk Legal Support Services Ltd. In October 2013, Helen was appointed to the boards of Bonheur ASA and Ganger Rolf ASA. Both companies are listed on the Oslo Stock Exchange. In July 2014 she was appointed to the Board of SVG Capital plc where she chairs the Remuneration and Nomination Committee. Helen is a resident of the UK.

Between 2003 and 2013, Helen headed up the Global Assurance function at National Grid plc, covering compliance and business conduct and ethics. She also chaired its Global Business Conduct Committee throughout this period. From 2003 to 2010 she headed National Grid's Risk Management function and from 2006 to 2012 had responsibility for its annual report. Helen was also non-executive director of Aga Rangemaster Group plc between March 2003 and December 2009. In 2005 and 2006, Helen sat on the General Management Committee of the Bar Council and chaired its Employed Barristers' Committee in 2006 and was a Director of Bar Services Company Ltd between January 2006 and February 2008. Helen was Chair of the General Counsel 100 Group in 2007.

Helen qualified as a barrister and was an Associate of the Chartered Insurance Institute. She also has Coaching Performance Excellence Accreditation and won the Institute of Company Secretaries and Administrators ''Company Secretary of the Year'' Award in 2011.

Jon Bridel *(Director, appointed 14 June 2013)*, aged 50, is currently a non-executive chairman or director of listed and unlisted companies comprised mainly of investment funds and investment managers. These include Alcentra European Floating Rate Income Fund Limited and Starwood European Real Estate Finance Limited which are both listed on the main market of the London Stock Exchange, as well as Altus Global Gold Limited, DP Aircraft I Limited, Aurora Russia Limited and Fair Oaks Income Fund Limited. He was previously Managing Director of Royal Bank of Canada's investment business in the Channel Islands. Prior to this, Jon served in senior management positions in the British Isles and Australia in banking, specialising in credit and in private businesses as chief financial officer. Graduating from the University of Durham with a degree of Master of Business Administration in 1988, Jon also holds qualifications from the Institute of Chartered Accountants in England and Wales where he is a Fellow, the Chartered Institute of Marketing and the Australian Institute of Company Directors. Jon is a member of the Chartered Institute of Marketing, the Institute of Directors and a Fellow of the Chartered Institute for Securities and Investment. Jon is a resident of Guernsey.

Shelagh Mason *(Director, appointed 14 June 2013)*, aged 55, is an English property solicitor with over 30 years of experience in commercial property. She retired as Senior Partner of Spicer and Partners Guernsey LLP on 30 November 2014 and has taken up the position of consultant with Collas Crill, specialising in English commercial property. Her last position in the United Kingdom was as a senior partner of Edge & Ellison. For two years until 2001, she was Chief Executive of a property development company active throughout the United Kingdom and the Channel Islands. Shelagh was a member of the board of directors of Standard Life Investments Property Income Trust, a property fund listed on the London Stock Exchange. She is also a director of Medicx Fund Limited, a main market listed investment company investing in primary healthcare facilities for 10 years until December 2014. She is also a non-executive director of the Channel Islands Property Fund Limited which is listed on the Channel Islands Securities Exchange and also holds other non-executive positions. She is a past Chairman of the Guernsey Branch of the Institute of Directors and a member of the Chamber of Commerce, the Guernsey International Legal Association and she also holds the IOD Company Direction Certificate and Diploma with distinction. Shelagh is a resident of Guernsey.

Klaus Hammer *(Director, appointed 1 March 2014)*, aged 59, is a graduate of the University of Hamburg and gained an MBA at IMD Lausanne. He was previously Chief Operating Officer of the global CCGT gas power plant business of EON, and also served on a variety of the boards including EON Värmekraft Sverige AB, Horizon Nuclear Power Ltd. and the UK Association of Electricity Producers. Prior to EON, which he joined in 2005, he spent 20 years with Royal Dutch Shell in a variety of roles in both Europe and Africa. Among his other current roles, he is a public member of Network Rail. Klaus is a resident of Germany.

Section 4
Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. The Companies (Guernsey) Law, 2008 requires the Directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the EU and applicable law.

The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Directors' Report and Corporate Governance Statement. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Directors' responsibility statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- the Chairman's Statement and Report of the Directors include a fair review of the development and performance of the business and the position of the Company and Group taken as a whole together with a description of the principal risks and uncertainties that it faces; and
- the annual report and financial statements when taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

Disclosure of information to the Auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and that each Director has taken all the steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

On behalf of the Board of Directors of The Renewables Infrastructure Group Limited

24 February 2015

Registered Office:
Le Truchot, St Peter Port, Guernsey, Channel Islands
GY1 1WD

The Directors present their report and accounts of the Company for the year to 31 December 2014.

Principal activity

The Company is a closed-ended Guernsey incorporated investment company, investing in and managing a portfolio of investments in renewable energy infrastructure project companies. Its shares have a premium listing on the Official List of the UK Listing Authority and are traded on the main market of the London Stock Exchange.

Results and distributions

The results for the year are summarised in the Operational and Financial Review and Valuation of the Group's Portfolio sections of the Strategic Report (Sections 2.6 and 2.7) and set out in detail in the audited financial statements.

Distributions and Share Capital

The Company declared two interim dividends for the year ended 31 December 2014 as follows:

- 3.0p per share declared 14 August 2014, to shareholders on the register as at 22 August 2014, paid on 30 September 2014, and
- 3.08p per share declared 12 February 2015, to shareholders on the register as at 20 February 2015, to be paid on 31 March 2015

With respect to the prior part-year of 2013 (in relation to the period following the IPO becoming effective on 29 July 2013 to 31 December 2013), the Company declared a dividend of 2.5p per share in February 2014 which was paid to shareholders in March 2014. The Company had one class of share capital, Ordinary Shares, in issue on 31 December 2014 (C Shares were issued and were converted to Ordinary Shares during 2014).

Shares in Issue

Ordinary Shares in issue have increased during the year from 310,000,000 to 415,475,783 as a result of further share issues, issue of shares to the Managers in lieu of fees pursuant to the Investment Management Agreement (in relation to InfraRed Capital Partners Limited) and the Operations Management Agreement (in relation to Renewable Energy Systems Limited) and take up of scrip shares in lieu of dividends.

Date	*Description*	*New Ordinary Shares Issued*	*Number of Shares in Issue*
31 December 2013	Opening Position	310,000,000	310,000,000
28 March 2014	Issue of shares to the Managers in lieu of fees relating to 2013	235,351	310,235,351
31 March 2014	Issue of scrip dividend shares in lieu of 2013 dividend	1,323,336	311,558,687
01 July 2014	Conversion of 66.2m C Shares to Ordinary Shares (£66.2m raised)	64,017,608	375,576,295
14 August 2014	Tap Issue (£38.6m raised)	36,738,423	412,314,718
26 September 2014	Issue of shares to the Managers in lieu of fees relating to 2014 Q1 and Q2	319,205	412,633,923
30 September 2014	Issue of scrip dividend shares in lieu of 2014 1st interim dividend	2,841,860	415,475,783
31 December 2014	Closing Position	415,475,783	415,475,783

Share Issues in the Year

The Company has had two equity fund raises during the year.

On 2 April 2014 the Company issued 66,154,395 C shares raising £64,831,307 after costs. These C Shares converted to Ordinary Shares on 1 July 2014 at a conversion rate of 0.9677. The Company used the proceeds to repay the balance drawn on the revolving acquisition facility and to fund further acquisitions.

On 11 August 2014 the Company issued 36,738,423 Ordinary Shares at a share price of 105p raising £38,163,756 after costs. The Company used the proceeds to repay the balance drawn on the revolving acquisition facility.

The Company has completed nine new acquisitions during the year at a cost of £178 million, funded by new equity share capital, use of the revolving acquisition facility and reinvestment of the Company's own surplus cash generated in the year.

Shares Issued to the Manager

The Managers are paid 20% of their annual management and advisory fees in shares. In relation to this, 235,351 shares were issued in March 2014 (152,978 to the Investment Manager and 82,373 to the Operations Manager) relating to fees for 2013. A further 319,205 shares were issued in September 2014 (207,483 to the Investment Manager and 111,722 to the Operations Manager) relating to fees for the first 6 months of 2014. Shares in lieu of fees relating to the second six months of 2014 (expected to be 431,070 shares in total – comprised of 280,196 to the Investment Manager and 150,874 to the Operations Manager) are to be issued in March 2015.

For the calculation of Net Asset Value (NAV) per share as at 31 December 2014 the shares earned by the Managers but not yet issued at that date have been included in the number of shares meaning that the Net Assets are divided by 415,906,853 shares to arrive at the NAV per share.

For the calculation of Earnings per Share (EPS) the shares earned by the Managers but not yet issued have been included in the calculation of the weighted average number of shares based upon them being issued at the end of the quarter in which the management fees were earned. The resulting weighted average shares in issue used to calculate EPS is 374,661,783.

As a result of the share issues during the year and the expected issuance to the Managers in March 2015, the number of shares in the Company held by the Investment Manager will be 640,657 and the number of shares held by the Operations Manager will be 15,223,844 shares (RES invested in 15,000,000 shares in the IPO (29 July 2013)).

Scrip Shares

The Directors were granted authority in June 2013 by the ordinary resolution of the Company's then sole shareholder to offer shareholders the right to receive further Ordinary Shares ("Scrip Shares") instead of cash in respect of all or part of any dividend that may be declared, with such authority expiring at the conclusion of the Company's fifth annual general meeting (in 2018).

The Board believes that it would be in the general interest of shareholders, who may be able to treat distributions of Scrip Shares as capital for tax purposes or who may otherwise wish to roll over their dividend entitlement into further investment in the Company, to have the option of electing to receive part or all of their dividends in the form of Scrip Shares. Shareholders who elect to take Scrip Shares instead of receiving cash dividends will increase their holdings without incurring dealing costs or stamp duty. The Company benefits from the retention of cash for further investment which would otherwise be paid out as dividend.

The scrip dividend alternative was offered to shareholders in relation to the interim dividends declared for the period ended 31 December 2013 and for the six months ended 30 June 2014. A scrip alternative will again be offered to shareholders for the dividend to be paid on 31 March 2015 relating to the six months ended 31 December 2014 and a scrip dividend circular will be published separately with details of this scrip dividend alternative. The Scrip Shares issued do not have any entitlement to the dividends paid in the same month and declared in the month before they are issued.

The take up of scrip dividends was 17.4% in relation to the dividend paid on 31 March 2014 and 23.9% in relation to the dividend paid on 30 September 2014.

Guernsey regulatory environment

As a Guernsey-registered closed-ended investment company, TRIG is subject to certain ongoing obligations to the Guernsey Financial Services Commission.

Directors

The Directors who held office during the period to 31 December 2014 were:

Helen Mahy
Jon Bridel
Klaus Hammer (appointed 1 March 2014)
Shelagh Mason

Biographical details of each of the Directors are shown on pages 58 and 59.

Investment Manager

InfraRed Capital Partners Limited (the "Investment Manager" or "InfraRed") acts as Investment Manager to the Group. A summary of the contract between the Company, its subsidiaries and InfraRed in respect of services provided is set out in Note 18 to the accounts.

InfraRed is an independent investment business, managing a range of infrastructure and real estate funds and investments with total equity under management of more than US$8 billion. InfraRed has staff of more than 120 employees and partners, based mainly in offices in London and with smaller offices in Paris, Hong Kong, New York, Seoul and Sydney.

Since 1998, the InfraRed Group (including predecessor organisations) has raised thirteen private institutional investment funds investing in infrastructure and real estate, in addition to TRIG and HICL Infrastructure Company Limited, a leading infrastructure fund launched in 2006 which is also listed on the London Stock Exchange. The infrastructure investment team within the InfraRed Group currently consists of over 50 investment professionals, all of whom have an infrastructure investment background and a broad range of relevant skills, including private equity, structured finance, construction, renewable energy and facilities management. The InfraRed Group has a long and successful proven track record in sourcing, structuring, acquiring, managing and financing infrastructure equity investments. It has been responsible for over 150 infrastructure equity investments for the InfraRed Group (including predecessor organisations) and its funds to date.

InfraRed was formerly called HSBC Specialist Fund Management Limited and was an indirect subsidiary of HSBC Holdings plc until the completion in April 2011 of a management buy-out by senior management. The HSBC Group retains a 19.9% interest in InfraRed. InfraRed Capital Partners Limited is authorised and regulated by the Financial Conduct Authority.

The Management Engagement Committee met in November 2014 to consider the performance of and services provided by InfraRed. This took the form of a written paper in which the Investment Manager explained its activities in the period and summarised its performance. The Committee discussed the paper with the Investment Manager. After careful consideration of InfraRed's performance, primarily in terms of advice, managing the portfolio, securing additional investments, and communicating effectively with stakeholders, the Committee recommended to the Board that it would be in the best interests of the Company that InfraRed continue on the agreed contractual terms.

Operations Manager

Renewable Energy Systems Limited (the "Operations Manager" or "RES") acts as Operations Manager to the Group. A summary of the contract between the Company, its subsidiaries and RES in respect of services provided is set out in Note 18 to the accounts.

RES is one of the world's leading renewable energy developers, with extensive experience in developing, financing, constructing and operating renewable energy infrastructure projects globally across a wide range of low carbon technologies including onshore wind and solar PV. RES has been at the forefront of wind energy development for over 30 years. Since incorporation, RES has developed and/or constructed more than 140 individual wind farms and PV parks around the world with a combined capacity of over 8,600 MW. RES' global headcount totals over 1,200 staff across six continents with head office in the UK and operations in 14 countries. RES, formerly a subsidiary of Sir Robert McAlpine group ("SRM"), a British family-owned firm with over 145 years of experience in construction and engineering, is now an entity under common control as SRM.

The Management Engagement Committee met in November 2014 to consider the performance of, and services provided by, RES. This took the form of a written paper in which the Operations Manager explained its activities in the period and summarised its performance. The Committee discussed the paper with the Operations Manager. After careful consideration of RES's performance, primarily in terms of its performance during and since the IPO in providing operations management services, supporting new investments and communicating effectively with stakeholders, the Committee recommended to the Board that it would be in the best interests of the Company that RES continue on the agreed contractual terms.

Broker, Administrator and Company Secretary

The Company's joint brokers during the year ended 31 December 2014 were Canaccord Genuity Limited and Jefferies International Limited.

The Company's Administrator and Company Secretary during the year was Dexion Capital (Guernsey) Limited.

Substantial interests in share capital

As at 24 February 2015, the Company has received notification in accordance with the Financial Conduct Authority's Disclosure and Transparency Rule 5 of the following interests in 5% or more of the Company's Ordinary Shares to which voting rights are attached:

	Number of Ordinary Shares Held	*Percentage Held*
Prudential plc group of companies	64,136,757	15.43%
Aberdeen Asset Managers Limited	22,556,138	5.43%
Investec Wealth & Investment Limited	21,363,305	5.14%

Donations

The Company made no political donations during the year.

Payment of suppliers

It is the policy of the Company to settle all suppliers in accordance with the terms and conditions of the relevant market in which it operates. Although no specific code or standard is followed, suppliers of goods and services are generally paid within 30 days of the date of any invoice. The Company has no trade creditors.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 11 to 35. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Operational and Financial Review section of the Strategic Report on pages 35 to 39. In addition, notes 1 to 4 to the Financial Statements include the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

The Group has the necessary financial resources to meet its obligations. The Group benefits from a range of long-term contracts with various major UK and European utilities and well-established suppliers across a range of infrastructure projects. In addition, it maintains a £120m revolving acquisition facility at the TRIG UK level guaranteed by the Company (including a working capital element of £10m) limited to 30% of Portfolio Value. The Group's project-level financing is non-recourse to the Company and is limited to 50% of Gross Portfolio Value. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they adopt the going concern basis of accounting in preparing the annual financial statements.

Share repurchases

No shares have been bought back in the period. The latest authority for the Company to make market purchases of Ordinary Shares was granted to the Directors on 29 April 2014 and expires on the date of the next Annual General Meeting. The Directors are proposing that their authority to buy back shares be renewed at the forthcoming Annual General Meeting.

Treasury shares

Section 315 of the Companies (Guernsey) Law, 2008 allows companies to hold shares acquired by market purchase as treasury shares, rather than having to cancel them. Up to 14.99% of the number of shares in issue at the date of the last AGM (29 April 2014) may be held in treasury and may be subsequently cancelled or sold for cash in the market. This gives the Company the ability to reissue shares quickly and cost efficiently, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base.

There are currently no shares held in treasury. The Board would only authorise the sale of shares from treasury at prices at or above the prevailing net asset value per share (plus costs of the relevant sale). If such a measure were to be implemented, this would result in a positive overall effect on the Company's net asset value. In the interests of all shareholders, the Board will keep the matter of treasury shares under review.

On behalf of the Board of Directors of The Renewables Infrastructure Group Limited

24 February 2015

Registered Office:
1 Le Truchot, St Peter Port, Guernsey, Channel Islands
GY1 1WD

Section 6
Corporate Governance Statement

Introduction

The Board recognises the importance of a strong corporate governance culture that meets the listing requirements. The Board has put in place a framework for corporate governance which it believes is appropriate for an investment company in line with the best practices in relation to matters affecting shareholders, communities, regulators and other stakeholders of the Company. With a range of relevant skills and experience, all Directors contribute to the Board discussions and debates on corporate governance. In particular, the Board believes in providing as much transparency for investors as is reasonably possible to ensure investors can clearly understand the prospects of the business and enhance liquidity of its shares while also preserving an appropriate level of commercial confidentiality.

AIFM Directive

The Alternative Investment Fund Managers Directive seeks to regulate alternative investment fund managers (in this paragraph, AIFM) and imposes obligations on managers who manage alternative investment funds (in this paragraph, AIF) in the EU or who market shares in such funds to EU investors. The Company is categorised as a self-managed Non EEA AIF for the purposes of the AIFM Directive. In order to maintain compliance with the AIFM Directive, the Company needs to comply with various organisational, operational and transparency obligations.

Association of Investment Companies

The Company is a member of the Association of Investment Companies (the "AIC") and has considered the principles and recommendations of the AIC Code of Corporate Governance (the "AIC Code") and has decided to follow the AIC's Corporate Governance Guide for Investment Companies (the "AIC Guide"). The Company has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except as set out below.

The UK Corporate Governance Code includes provisions relating to the role of the chief executive, executive directors' remuneration and the need for an internal audit function. For the reasons set out in the AIC Guide, and as explained in the UK Corporate Governance Code, the Board considers these provisions are not relevant to the position of the Company, as it has no executive directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions.

Guernsey regulatory environment

The Guernsey Financial Services Commission (the "Commission") issues a Finance Sector Code of Corporate Governance. The Code comprises Principles and Guidance, and provides a formal expression of good corporate practice against which shareholders, boards and the Commission can better assess the governance exercised over companies in Guernsey's finance sector.

The Commission recognises that the different nature, scale and complexity of specific businesses will lead to differing approaches to meeting the Code. Companies which report against the UK Corporate Governance Code or the AIC Code are also deemed to meet this code. The Directors have determined that the Company will continue as a Guernsey-registered closed-ended investment company.

Non-Mainstream Pooled Investments

On 1 January 2014 certain changes to the FCA rules relating to restrictions on the retail distribution of unregulated collective investment schemes and close substitutes came into effect.

As announced by the Company on 7 January 2014, following the receipt of legal advice the Board confirms that it conducts the Company's affairs, and intends to continue to conduct the Company's affairs, such that the Company would qualify for approval as an investment trust if it were resident in the United Kingdom. It is the Board's intention that the Company will continue to conduct its affairs in such a manner and that Independent Financial Advisers should therefore be able to recommend its Ordinary Shares to ordinary retail investors in accordance with the FCA's rules relating to non-mainstream investment products.

The Board

Disclosure under Principle 5 of the AIC Code

Following the appointment of a new director with effect from 1 March 2014 the Board consists of four non-executive Directors. In accordance with Principle 2 of the AIC Code all of the non-executives are independent of the Investment Manager. The Chairman, Helen Mahy, met the independence criteria of the AIC Code Principle 1 upon appointment and has continued to meet this condition throughout her term of service. Although not a requirement of the AIC Code, in accordance with guidance in Principle 1, the Board has a Senior Independent Director, Shelagh Mason, who was appointed as Senior Independent Director in 2013. Being non-executive Directors, none of the Directors has a service contract with the Company.

The Articles of Incorporation currently provide that at least one third of the Directors retire by rotation at each annual general meeting. If their number is not three or a multiple of three, the number nearest to, but not exceeding, one third, shall retire from office. In accordance with Principle 3 of the AIC Code, all 4 Directors intend to retire and offer themselves for re-election at the forthcoming Annual General Meeting on 6 May 2015.

The Board believes that long serving Directors should not be automatically prevented from forming part of an independent majority of the Board upon reaching nine years' service. In accordance with Principle 4 of the Code, if a Director has served more than nine years, the Board will consider the issue of independence carefully on an annual basis as part of the Board self-evaluation and will disclose its conclusions in the Directors' Report. As the Company was formed in 2013 no Director has yet served for nine years or more. A Director who retires at an annual general meeting may, if willing to act, be reappointed. The Directors are not subject to automatic re-appointment.

The Board believes that the balance of skills, gender, experience and knowledge of the current Board provides for a sound base from which the interests of investors will be served to a high standard, although as the Company grows, the Board may consider whether additional directors may be suitable. The Board has chosen to adopt a definitive policy with quantitative targets for Board diversity. The Company aspires to equal representation of men and women on the Board and from 1 March 2014 this was achieved. However, gender, knowledge, skills, experience, residency and governance credentials are all considered by the Nominations Committee when recommending appointments to the Board and in formulating succession plans. Notwithstanding this, the selection of the preferred individual to be invited to join the Board will always be based on merit.

The Board recommends the re-election of each Director and supporting biographies are disclosed on pages 58 to 59 of this annual report.

The Board is scheduled to meet at least four times a year and between these formal meetings there is regular contact with the Investment Manager and Operations Manager, the Secretary and the Company's Joint Brokers. The Directors are kept fully informed of investment and financial controls, and other matters that are relevant to the business of the Company that should be brought to the attention of the Directors. The Directors also have access, where necessary in the furtherance of their duties, to independent professional advice at the expense of the Company.

The attendance record of Directors for the period to 31 December 2014 is set out below:

	Quarterly Board meetings	*Audit Committee*	*Management Engagement Committee*	*Remuneration Committee*	*Nomination Committee*
Number of meetings	4	5	3	2	2
Meetings Attended:					
H Mahy	4	5	3	2	2
J Bridel	4	5	3	2	2
S Mason	4	5	3	2	2
K Hammer*	3	3	2	2	1

*Mr Klaus Hammer was appointed to the Board on 1 March 2014.

During the period a further twenty-five ad hoc Board/ Committee meetings were held in Guernsey to deal with matters substantially of an administrative nature and these were attended by those directors available.

The Board has a breadth of experience relevant to the Company and the Directors believe that any changes to the Board's composition can be managed without undue disruption.

The Board considers agenda items laid out in the notice and agenda of meeting which are circulated to the Board in advance of the meeting as part of the Board papers. Directors may request any agenda items to be added that they consider appropriate for Board discussion. Each Director is required to inform the Board of any potential or actual conflicts of interest prior to Board discussion.

The Board constantly considers the Company's strategy with regard to market conditions and feedback from shareholders received directly or from the Managers. The investment strategy, which was set out in the Company's IPO prospectus, is reviewed regularly with the Investment Manager. Board meetings include a review of investment performance and associated matters such as health and safety, marketing/investor relations, risk management, gearing, general administration and compliance, peer group information and industry issues.

Performance evaluation

The Board evaluates its performance and considers the tenure and independence of each Director on an annual basis. The annual evaluation for the period ended 31 December 2014 has been completed by the Chairman and took the form of a questionnaire completed by all of the Directors, including one to one interviews with each Director holding office as at 31 December 2014. For the evaluation of the Chairman, the Senior Independent Director discussed the results of a questionnaire with the Chairman following consultation with the other Directors. Actions which resulted include ensuring the Board receives regular feedback from investors as well as interacting with investors as appropriate and continuing to focus on risk management and controls. The Board will also continue to consider its composition and will review its advisers as appropriate in 2015. As part of the annual evaluation exercise, the independence of each Director has been considered and each has been confirmed as being independent of the Company.

The Board believes that the composition of the Board and its Committees reflected a suitable mix of skills and experience, and that the Board, as a whole, and its Committees functioned effectively during 2014 and since the launch of the Company in 2013.

Delegation of responsibilities

The Board has delegated the following areas of responsibility:

The day-to-day administration of the Company has been delegated to Dexion Capital (Guernsey) Limited in its capacity as Company Secretary and Administrator.

The Investment Manager has full discretion (within agreed parameters) to make investments in accordance with the Company's Investment Policy and has responsibility for financial administration and investor relations, in addition to advising the Board in relation to further capital raisings and the payment of dividends amongst other matters, subject to the overall supervision and oversight of the Board. Among the specific tasks of the Investment Manager are the overall financial management of the Company and existing portfolio as a whole, including the deployment of capital, management of the Group's debt facilities, hedging arrangements, the sourcing of new investments, preparing the semi-annual valuations, the statutory accounts, the management accounts, business plans, presenting results and information to shareholders, coordinating all corporate service providers to the Group and giving the Board general advice.

The Operations Manager is responsible for monitoring, evaluating and optimising technical and financial performance across the portfolio. The services provided by the Operations Manager include maintaining an overview of project operations and reporting on key performance measures, recommending and implementing strategy on management of the portfolio including energy sales agreements, insurance, maintenance and other areas requiring portfolio level decisions, maintaining and monitoring health and safety and operating risk management policies. The Operations Manager also works jointly with the Investment Manager on sourcing and transacting new business, providing assistance in due diligence of potential new acquisitions, refinancing of existing assets and investor relations. The Operations Manager does not participate in any investment decisions taken by or on behalf of the Company or undertake any other regulated activities for the purposes of the UK's Financial Services and Markets Act 2000.

Members of the Investment Manager's and/or the Operations Manager's teams are also appointed as directors of the Group's project companies and/or intermediate holding companies and as part of their role in managing the portfolio, they attend board meetings of these companies and make appropriate decisions. Material decisions are referred back to the TRIG's investment committee and/or advisory committee for consideration and determination, and the TRIG board is consulted on key matters relevant to TRIG's strategy, policies or overall performance, both on an ad hoc basis where required and during formal reporting sessions, including all matters outside the Managers' delegated authority.

Committees of the Board

The committees of the Board are the Audit Committee, the Remuneration Committee, the Nomination Committee, and a Management Engagement Committee. Terms of reference for each Committee have been approved by the Board.

The Chairman and members of each committee as at 31 December 2014 are as follows:

	Audit Committee	*Remuneration Committee*	*Nomination Committee*	*Management Engagement Committee*
Chairman	J Bridel	S Mason	H Mahy	H Mahy
Members	H Mahy	H Mahy	J Bridel	J Bridel
	S Mason	J Bridel	S Mason	S Mason
	K Hammer	K Hammer	K Hammer	K Hammer

Mr Klaus Hammer was appointed to the Audit Committee, the Remuneration Committee, the Nomination Committee and the Management Engagement Committee with effect from 1 March 2014.

Nomination Committee

The main terms of reference of the Committee are:

- regularly review the structure, size and composition required of the Board and make recommendations to the Board with regard to any changes (including skills, knowledge and experience in accordance with Principle 6 of the AIC Code);
- give full consideration to succession planning for directors taking into account the challenges and opportunities facing the Company; and
- be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise.

The Nomination Committee met twice during 2014 (including the meeting in January 2014 in relation to recruitment) and, as highlighted above, recommended the recruitment of one additional director to the Board in order to enhance the composition of the Board and facilitate succession planning. At the January 2014 meeting, the Nomination Committee recommended (and the Board subsequently approved) the election of Mr Klaus Hammer to the Board with effect from 1 March 2014. This appointment was made following a thorough process which involved the consideration of a large number of candidates with energy and/or renewables industry experience, with individual recommendations being put forward by a range of sources, including from professionals within the renewable energy sector. The Committee felt that given the broad range of candidates identified it was not necessary to appoint an external agency in respect of this process. The Board is currently composed of 50% male and 50% female directors.

Management Engagement Committee

The terms of reference of this committee are to review the relationships between the Company and its main service providers, including their performance, compliance with their contracts, and levels of fees paid. Recommendations from the Committee's review are given to the Board for consideration and action.

The Management Engagement Committee met three times in 2014 and developed a plan to review the performance of the key service providers to the Group and the Company. No material weaknesses were identified, some recommendations were conveyed to certain providers, and the recommendation to the Board was that the current arrangements are appropriate and provide good quality services and advice to the Company and the Group. It was resolved that the Committee would convene a planning meeting in August each year followed by a meeting in November of each year to review the Investment Manager and Operations Manager, and a meeting in February of each year to review the other service providers. The Managers were duly considered at the meeting of the Management Engagement Committee in November 2014 and no material issues were identified in connection with their respective appointments.

Details of the activities of the Remuneration Committee and the Audit Committee are set out in Section 7 and Section 8 respectively. All terms of reference for committees are available from the Company's website or Company Secretary upon request.

Relations with shareholders – AIC Code Principle 19

The Company welcomes the views of shareholders and places great importance on communication with its shareholders. The Investment Manager produces a regular factsheet which is available on the Company's website. Senior members of the Investment Manager and Operations Manager make themselves available, as practicable, to meet with principal shareholders and key sector analysts. Feedback from these meetings is provided to the Board on a regular basis. The Board is also kept fully informed of all relevant market commentary on the Company by the Company's Financial PR agency, as well as receiving relevant updates from the Managers and the Company's brokers.

The Company reports formally to shareholders twice a year and will hold an Annual General Meeting in Guernsey on 6 May 2015, at which members of the Board will be available to answer shareholder questions. In addition, Shareholders receive written communications from the Company either with documents enclosed or to notify them of new information available to view on the Company's website.

Results of Extraordinary and Annual General Meetings are announced by the Company promptly after the relevant meeting. Additionally, other notices and information are provided to Shareholders on an ongoing basis through the Company's website in order to assist in keeping Shareholders informed. The Secretary and Registrar monitor the voting of the Shareholders and proxy voting is taken into consideration when votes are cast at the Annual General Meeting.

Shareholders may contact the Board via the Company Secretary, whose contact details are found on page 110 of the report and accounts.

Haut Cabardes Wind Farm, Languedoc-Roussillon, France (Photo: Julia Rhodes)

Directors' Remuneration Report

The Remuneration Committee, chaired by Shelagh Mason and comprising all the Directors, operates within clearly defined terms of reference.

The terms of reference of the Committee are to determine and agree the Board policy for the remuneration of the Directors of the Company, including the approval of any ad-hoc payments in respect of additional corporate work required (e.g. for the work involved with the issue of prospectuses and equity fund raises).

Statement of the Chairman of the Remuneration Committee

As all Directors of the Company are non-executive they receive an annual fee appropriate for their responsibilities and time commitment but no other incentive programmes or performance-related emoluments.

During the year the Committee reviewed the remuneration levels appropriate for the Company and considered these alongside the levels set for other similar investment companies and recommended that an increase was appropriate for the Chairman of the Board to bring her remuneration into line with comparable investment companies and that a cost of living increase was appropriate for the other Directors.

The Remuneration Committee has recommended to the Board that an independent professional consultant is appointed during 2015 to review Directors' Remuneration and consider the appropriate levels to apply from 2016 onwards.

Remuneration Policy

All Directors of the Company are non-executive and as such there are:

- no service contracts with the Company;
- no long-term incentive schemes;
- no options or similar performance incentives; and
- no payments for loss of office unless approved by shareholder resolution

The Directors' remuneration shall:

- reflect the responsibility, experience, time commitment and position on the Board;
- allow the Chairman and Chairman of the Audit Committee to be remunerated in excess of the remaining board members to reflect their increased roles of responsibility and accountability;
- be paid quarterly in arrears;
- include remuneration for additional, specific corporate work which shall be carefully considered and only become due and payable on completion of that work; and
- be reviewed by an independent professional consultant with experience of Investment Companies and their fee structures, at least every three years.

The maximum annual limit of aggregate fees payable to the Directors set in the Articles of Incorporation is £250,000.

Remuneration Committee

The Remuneration Committee met twice during 2014 to consider the remuneration of the Directors for the year to 31 December 2015. As set out above, during the year the Committee, with assistance from the Managers, reviewed the Board performance and remuneration levels appropriate for the Company and considered these alongside the levels set for other similar investment companies and recommended that a one-off increase from 1 January 2015 was appropriate for the Chairman of the Board to align her remuneration closer to that of the comparator group and that a cost of living increase was appropriate for the other Directors.

For comparative purposes the table below sets out the Directors' remuneration approved and actually paid for the year to 31 December 2014 as well as proposed for the year ending 31 December 2015.

Director	*Role*	*Base remuneration proposed for 2015*	*Base remuneration paid 2014*	*Additional fees for fund raising in 2014*	*Total Directors remuneration in 2014*
Helen Mahy	Chairman	£55,000	£45,000	£10,000	£55,000
Jon Bridel	Audit Committee Chairman	£40,500	£40,000	£10,000	£50,000
Klaus Hammer[1]	Director	£35,500	£29,167	£10,000	£39,167
Shelagh Mason	Director	£35,500	£35,000	£10,000	£45,000
Total		£166,500	£149,167	£40,000	£189,167

1 Klaus Hammer was appointed on 1 March 2014 and was paid £29,167 in the year, being 10/12ths of the £35,000 agreed annual fee.

Where the Company requires directors to work on specific corporate actions such as further equity raisings, an additional fee will be appropriately determined. Additional fees payable to the Directors in 2014 relate to the two fund raising programmes launched in the year – in March 2014 the Company undertook a C Share issue (£66.2m was raised) and in December 2014 the Company established a Share Issuance Programme that would permit the Company to raise up to £250m over the period of 12 months from issue of the prospectus.

Directors are entitled to claim reasonable expenses which they incur attending meetings or otherwise in performance of their duties relating to the Company. The total amount of Directors' expenses paid for 2014 is £6,506.

The Board will seek approval at the AGM in May 2015 for both the Remuneration Policy and the annual Directors' fees for routine business for 2015 and fees for additional specific corporate actions, as set out above.

Directors' interests

The Directors of the Company on 31 December 2014, and their interests in the Ordinary Shares of the Company, are shown in the table below.

	31 December 2014 *Ordinary Shares*	**31 December 2013** *Ordinary Shares*
Helen Mahy[1]	58,636	45,000
Jon Bridel[1]	14,838	10,000
Klaus Hammer	4,838	–
Shelagh Mason	4,838	–

1 Jointly held with spouse

All of the holdings of the Directors and their families are beneficial. No changes to these holdings had been notified up to the date of this report.

Other Disclosures

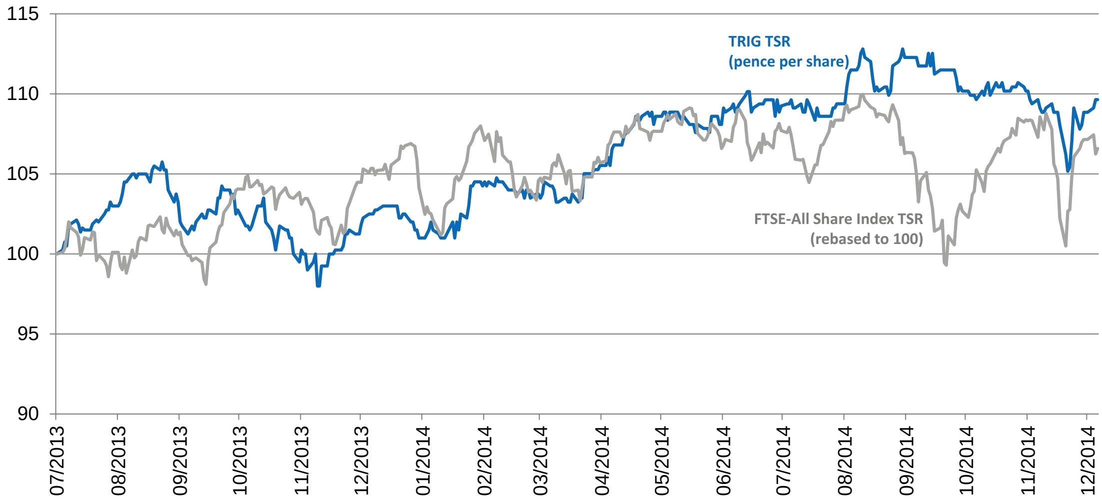
At the last AGM held on 29 April 2014 the following resolution including Directors Remuneration was approved:

Ordinary Resolution 1 – to receive and consider the audited accounts, the Directors' report, the Directors' remuneration and the Auditors' report for the period ending 31 December 2013 (including the annual remuneration of the Directors for the year ending 31 December 2014).

Votes in favour: 184,118,036 (99.97% of votes cast)
Votes against: 55,474 (0.03% of votes cast)
Votes withheld: 15,807,526

Performance Graph

In setting the Directors' remuneration, consideration is given to the size and performance of the Company. The graph below highlights the performance of the Company against the FTSE-All Share index (of which TRIG is a constituent) since IPO on a total return basis. In 2014, the Total Shareholder Return (on a share price basis) for the Company was 7.5% versus 1.2% for the FTSE-All Share Index. Over the period from the IPO in July 2013 to 31 December 2014 the Total Shareholder Return for the Company was 6.9% p.a. and for the FTSE-All Share it was 4.6% p.a.



Source: Thomson Reuters

Section 8
Audit Committee Report

The Audit Committee has been in operation since the inception of the Company. The Audit Committee, chaired by Jon Bridel, operates within clearly defined terms of reference and comprises all of the Directors. It met six times in 2014.

The duties of the Audit Committee include reviewing each of the annual and interim accounts, the valuation of the Group's investment portfolio, the system of internal controls, and the objectivity and terms of appointment of the auditors together, with their remuneration. It is also the formal forum through which the auditors report to the Board of Directors and it meets at least three times annually.

The main duties of the Audit Committee are:

- giving full consideration and recommending to the Board for approval the contents of the half year and annual financial statements and reviewing the external auditors' report thereon including consideration of whether the financial statements are overall fair, balanced and understandable;
- agreeing with the auditors the external audit plan including discussing with the external auditors the key risk areas within the financial statements;
- considering and understanding the key risks of misstatement of the financial statements and formulating an appropriate plan to review these and agreeing with the Managers their processes to manage these risk areas;
- reviewing the draft valuation of the Company's investments prepared by the Investment Manager and making a recommendation to the Board on the valuation;
- reviewing the scope, results, cost effectiveness, independence and objectivity of the external auditors as well as reviewing the effectiveness of the external audit process and making any recommendations to the Board for improvement of the audit process;
- reviewing and recommending to the Board for approval the audit, audit related and non-audit fees payable to the external auditors or their affiliated firms overseas and the terms of their engagement;
- reviewing the appropriateness of the Company's accounting policies;
- ensuring the standards and adequacy of the internal control systems; and
- reporting to the Board on how it has discharged its duties.

None of the members of the Audit Committee has any involvement in the preparation of the financial statements of the Company, as this has been contracted to the Investment Manager.

The Audit Committee meets the external auditors before and after their audit and has discussed with the auditors the scope of their annual audit work and also their audit findings. The auditors attend the Audit Committee meeting at which the annual and interim accounts are considered, and at which they have the opportunity to meet with the Committee without representatives of the Managers being present. The Audit Committee has direct access to the auditors and to key senior staff of the Investment Manager and it reports its findings and recommendations to the Board which retains the ultimate responsibility for the financial statements of the Company.

Significant Issues Considered

After discussion with both the Managers and the external auditors, the Audit Committee determined that the key risks of misstatement of the Company's financial statements related to:

- valuation of investments – key forecast assumptions;
- valuation of investments – valuation discount rates; and
- adoption of the recent Amendment to the Investment Entities Accounting Standard.

Valuation of Investments

As outlined in Note 13 to the Financial Statements, the total carrying value of the investments at fair value (excluding the fair value of TRIG UK) at 31 December 2014 was £472.9m. Market quotations are not available for these financial assets, and as such their valuation is undertaken using a discounted cash flow methodology. This requires a series of material judgements to be made as further explained in Note 4 to the Financial Statements.

The valuation process and methodology were discussed by the Audit Committee with the Investment Manager at the time of the interim review, in November 2014 prior to the year-end valuation process and again in February 2015 as part of the year-end sign off process. The Committee met with the auditors at the time at which the Audit Committee reviewed and agreed the auditors' Group audit plan and also at the conclusion of the audit of the financial statements and in particular discussed the valuation process. The Investment Manager carries out a valuation semi-annually and provides a detailed valuation report to the Company.

Valuation of Investments – key forecast assumptions

The Audit Committee considered in detail those assumptions that are subject to judgement that have a material impact on the valuation. The key assumptions are:

- *Power price assumptions*

  A significant proportion of the wind and solar projects' income streams are contracted subsidy streams and power income under long-term PPAs, some of which have fixed price mechanisms. However over time the proportion of power income that is fixed reduces and the proportion where the Company has exposure to wholesale electricity prices increases. Market participants expect electricity prices to increase in real terms (i.e. ahead of inflation) over the medium and long term. The Investment Manager considers the forecasts provided by expert energy advisors and then adopts a profile of assumed future power prices by jurisdiction. Further detail on the assumptions made in relation to power prices and other variables that may be expected to affect these are included in the Valuation section of the Strategic Report.

- *Macroeconomic assumptions*

  Macroeconomic assumptions include inflation, interest and tax rate assumptions. The Investment Manager's assumptions in this area are set out and explained in the Valuation section of the Strategic Report.

- *Other key income and costs assumptions*

  Other key assumptions include operating costs, facility energy generation levels and facility remaining operating life assumptions. These assumptions are updated semi-annually to reflect the recent actual results for each facility.

The Investment Manager has discussed and agreed the valuation assumptions with the Audit Committee. In relation to the key judgements underpinning the valuation the Investment Manager has provided sensitivities showing the impact of changing these assumptions and these have been reviewed by the Investment Manager and the Audit Committee.

Valuation of Investments – valuation discount rates

The discount rates adopted to determine the valuation are selected and recommended by the Investment Manager. The discount rate is applied to the expected future cash flows for each investment's financial forecasts derived adopting the assumptions explained above amongst others to arrive at a valuation (discounted cash flow valuation). The resulting valuation is sensitive to the discount rate selected. The Investment Manager is experienced and active in the area of valuing these investments and adopts discount rates reflecting their current extensive experience of the market. It is noted however that this requires subjective judgement and that there is a range of discount rates which could be applied. The discount rate assumptions and the sensitivity of the valuation of the investments to this discount rate are set out in the Valuation section of the Strategic Report.

The Audit Committee discussed with the Investment Manager the process adopted to arrive at the selected valuation discount rates (which includes comparison with other market transactions and an independent review of valuation discount rates in December 2014) and satisfied itself that the rates applied were appropriate. The external auditors explained the results of their review of the valuations, including their consideration of the Company's underlying cash flow projections, the economic assumptions and discount rates, to the Audit Committee. On the basis of their audit work there were no adjustments proposed that were material in the context of the financial statements as a whole.

Adoption of the recent Amendment to the Investment Entities Accounting Standard

The Company adopted the first investment entity amendment to IFRS 10 for the period ended 31 December 2013. This amendment requires the financial statements to include the investments at fair value rather than consolidating their results. The Directors and the Investment Manager agree that accounting for the investments at fair value results in more meaningful and useful financial statements. As explained in Note 2(c) to the accounts (page 85) the Directors are of the opinion that TRIG meets the requirements of an "Investment Entity".

In December 2014 the International Accounting Standards Board approved a further amendment to this standard (more fully described at Note 2(a) to the accounts) that clarifies the accounting treatment of subsidiaries of Investment Entities that are themselves Investment Entities. The result of this for the financial statements for the Group for the year ended 31 December 2014 is a change in presentation with the Company now accounting for its sole direct subsidiary, The Renewables Infrastructure Group (UK) Limited, at fair value rather than consolidating it as was done previously. A reconciliation between the two approaches is included within the financial review section of the Strategic Report to assist users of the accounts.

The Directors and the Investment Manager have discussed the adoption of IFRS 10 and the change brought about by the recent amendment to the standard and have agreed that its adoption is required. The external auditors have considered the revised accounting assumed and concur with the treatment.

Internal controls and Risk Management

The Board is responsible for the Company's system of internal control and for reviewing its effectiveness, and the Board has therefore established an ongoing process designed to meet the particular needs of the Company in managing the risks to which it is exposed.

The process is based on a risk-based approach to internal control through a matrix which identifies the key functions carried out by the Investment Manager, Operations Manager and other key service providers, the various activities undertaken within those functions, the risks associated with each activity and the controls employed to minimise and mitigate those risks. A scoring based on 1 to 5 for Likelihood and 1 to 5 for Impact is used and these are multiplied together to give a total score. Mitigation is considered on a scale of 1 to 5 and this leads to a residual risk rating being derived. The matrix is updated quarterly and the Board considers all material changes to the risk ratings and the action which has been, or is being, taken. By their nature, these procedures will provide a reasonable, but not absolute, assurance against material misstatement or loss.

At each Board meeting the Board also monitors the Group's investment performance and it reviews the Group's activities since the last Board meeting to ensure that the Investment Manager is adhering to the agreed investment policy and approved investment guidelines. The pipeline of new potential opportunities is considered and the prices paid for new investments during the quarter are also reviewed.

Further, at each Board meeting, the Board receives reports from the Company Secretary and Administrator in respect of compliance matters and duties performed by them on behalf of the Company.

The Board has considered the need for an internal audit function and it has decided that the systems and procedures employed by the Investment Manager, Operations Manager and the Secretary, including their own internal review processes and processes in place in relation to the Company provide sufficient assurance that a sound system of internal control, which safeguards the Company's assets, is maintained. An internal audit function specific to the Group is therefore considered unnecessary.

The Board recognises that these control systems can only be designed to manage rather than eliminate the risk of failure to achieve business objectives, and to provide reasonable, but not absolute, assurance against material misstatement or loss, and relies on the operating controls established by the Company's Administrator, the Investment Manager and the Operations Manager. The Board intends to consider on a periodic basis whether further third party assurance is appropriate but only in a specific context.

The Investment Manager prepares management accounts and updates business forecasts on a quarterly basis, which allow the Board to assess the Company's activities and review its performance. The Board and the Investment Manager have agreed clearly defined investment criteria, return targets, risk appetite, and exposure limits. Reports on these performance measures, coupled with cash projections and investment valuations, are submitted to the Board at each quarterly meeting.

Appointment of the external auditors

Deloitte LLP was appointed to be external auditors for the TRIG Group on 19 September 2013 following a competitive tendering process. This process involved a review of the audit proposals and interviewing and challenging of each firm.

The objectivity of the external auditors is reviewed by the Audit Committee which also reviews the terms under which the external auditors may be appointed to perform non-audit services. The Audit Committee reviews the scope and results of the audit, its cost effectiveness and the independence and objectivity of the auditors, with particular regard to any non-audit work that the auditor may undertake. In order to safeguard auditor independence and objectivity, the Audit Committee ensures that any other advisory and/or consulting services provided by the external auditors do not conflict with their statutory audit responsibilities.

Advisory and/or consulting services generally only covers reviews of interim financial statements, tax compliance and capital raising work. Any non-audit services conducted by the external auditors outside of these areas which are above £20,000 in aggregate in any period require the consent of the Audit Committee before being initiated. The external auditor may not undertake any work for the Company in respect of the following matters – preparation of the financial statements, valuations used in financial statements, provision of investment advice, taking management decisions or advocacy work in adversarial situations.

The Committee reviews the scope and results of the audit, its cost effectiveness and the independence and objectivity of the auditors, with particular regard to the level of non-audit fees. Total fees paid amounted to £235,900 for the period ended 31 December 2014 of which £72,700 related to audit and audit related services to the Company and its subsidiary, TRIG UK, £155,400 related to audit of the Group's project subsidiaries and other audit related services and £7,800 was in respect of taxation advice.

Notwithstanding such services the Audit Committee considers Deloitte LLP to be independent of the Company and that the provision of such non-audit services is not a threat to the objectivity and independence of the conduct of the audit.

To fulfil its responsibility regarding the independence of the external auditors, the Audit Committee considered:

- changes in audit personnel in the audit plan for the current period;
- a report from the external auditors describing their arrangements to identify, report and manage any conflicts of interest; and
- the extent of non-audit services provided by the external auditors.

To assess the effectiveness of the external audit process, the Audit Committee reviewed:

- the external auditor's fulfilment of the agreed audit plan and variations from it;
- reports highlighting the major issues that arose during the course of the audit; and
- the effectiveness and independence of the external auditors having considered the degree of diligence and professional scepticism demonstrated by them.

The Audit Committee has noted the revisions to the UK Corporate Governance Code introduced by the Financial Reporting Council in September 2012 and the AIC Code of Corporate Governance issued in February 2013 and in particular the recommendation, in each, to put the external audit out to tender every 5 – 10 years. This is the second year of Deloitte appointment as the Company's auditors. The Audit Committee is satisfied with Deloitte's effectiveness and independence as auditor having considered the degree of diligence and professional scepticism demonstrated by them. As such, the Committee has not considered it necessary during this period to conduct a tender process for the appointment of its auditors for the year ended 31 December 2015.

The Audit Committee continues to monitor the proposed changes by the European Union/UK Competition Commission in respect of auditor services and retendering, which remain a work in progress.

The Committee intends to conduct a full review of Deloitte following the issue of these financial statements as it did in 2014 to ensure that the Committee considers all aspects of the auditors' service and performance. The outcome of the review in April 2014 was positive and led to no material concerns over the performance of the auditor.

Having satisfied itself that the external auditors remain independent and effective, the Audit Committee has recommended to the Board that Deloitte LLP be reappointed as auditor for the period ending 31 December 2015.

Independent Auditors' Report to the Members of The Renewables Infrastructure Group Limited

Opinion on financial statements of The Renewables Infrastructure Group Limited	In our opinion the financial statements: ■ give a true and fair view of the state of the company's affairs as at 31 December 2014 and of the company's profit for the year then ended; ■ have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and ■ have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008. The financial statements comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement, and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.
Going concern	We have reviewed the directors' statement contained within the Report of Directors that the company is a going concern. We confirm that: ■ we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and ■ we have not identified any material uncertainties that may cast significant doubt on the company's ability to continue as a going concern. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.
Our assessment of risks of material misstatement	The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. The Audit Committee has requested that while not required under International Standards on Auditing (UK and Ireland), we include in our report any significant findings in respect of these assessed risks of material misstatement.

Assessment of the valuation of investments	
Risk description	The company's investments held at fair value comprise investments in intermediate holding companies and equity and subordinated debt interests in wind farm and solar park projects for which there is no liquid market and which are valued on a discounted cash flow basis. The valuation of £412.9 million at 31 December 2014 requires significant judgements in respect of the forecast cash flows and discount rates applied. The judgements in respect of forecast cash flows include assumptions around future energy yields, power prices, inflation, tax rates, exchange rates and operating costs.

How the scope of our audit responded to the risk	Our audit is directed to considering the evidence available to support these assumptions and the sensitivity of the valuation to reasonably possible changes in these assumptions. We critically assessed these assumptions and the fund valuation model in which they are applied in determining the fair value as described in note 4 to the financial statements. Our audit procedures included: ■ understanding and reviewing the internal controls around updates to the valuation model used at 31 December 2014; ■ reviewing the independent advice received by the company in respect of energy yields, power prices and discount rates and meeting with those advisers where appropriate to understand the methodology used and challenge key assumptions; ■ reviewing the share purchase agreements for any newly acquired assets in order to confirm the acquisition cost and the nature and amount of any deferred consideration; ■ using macroeconomic data (including inflation and tax rate forecasts) and observable market data to benchmark key assumptions and discount rates; ■ testing the incorporation of the assumptions into the valuation model and the correct application of the selected discount rates; ■ reviewing cash flow projections, focusing on changes since the previous reporting date or the date of acquisition for current period assets acquired, corroborating any contracted revenues and costs and comparison against actual historical results for the underlying investments; and ■ reviewing the adequacy of the disclosures made in the financial statements.
Findings	We concur with management's judgements and are satisfied that the key assumptions adopted fall within an acceptable range and that the fund valuation model has correctly calculated the discounted cash flows using the assumed discount rates. Using macroeconomic data (including inflation and tax rate forecasts) and other observable market data to benchmark the key assumptions and discount rates, we concluded that in aggregate the assumptions are within the acceptable range of reasonably possible alternatives and none of the assumptions tested individually fell outside the acceptable threshold.

Revenue recognition	
Risk description	There is a risk of fraud in revenue recognition and we evaluate which revenues or assertions give rise to such risks. The company's revenue comprises aggregate interest of £19.2 million (December 2013: £6.5 million) earned from its investments and there is a risk that revenue may be recognised prematurely or that accrued interest and dividend income is double counted as both a receivable and within the investment valuation through inclusion in the cash flow forecasts underlying that valuation. Further details are provided in note 2(h) to the financial statements.
How the scope of our audit responded to the risk	We have performed detailed testing of interest income through review of the underlying loan agreements and recalculation of interest due, testing the cash receipts to bank statements: and considering specifically the timing of recognition and consistency with the cash flow forecasts underlying the valuation models for each project. In addition, we have also evaluated the design and implementation of controls around the recognition of revenue.

Findings	Based on our audit procedures performed, we have not identified any misstatements, double counting of revenue, significant deficiencies in the design and implementation of controls around the recognition of revenue or revenue recognised in the incorrect period.
	Last year our report included one other risk which is not included in our report this year. This was whether the company met the definition of an Investment Entity under accounting standards and was entitled to apply the Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) Standards ('IES') and account for all of its investments in subsidiaries at fair value. Given there has been no change in the fund's circumstances over the past year, this is no longer a risk that required a significant allocation of our resources. IES were amended during 2014 and it was clarified that the company's immediate subsidiary, The Renewables Infrastructure Group UK Limited, should be carried at fair value and no longer consolidated – the consequences of this change are set out in Note 22. The description of risks above should be read in conjunction with the significant issues considered by the Audit Committee discussed on page 72. Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.
Our application of materiality	We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work. We determined materiality for the company to be £8.5 million (2013: £6.0 million), which is below 2% (2013: 2%) of shareholders' equity. A lower materiality threshold of £0.9 million (2013: £0.2 million) has been applied to those account balances which are not directly associated with the investment valuation. The lower level of materiality has been determined based on approximately 5% of profit before tax excluding valuation gains (2013: approximately 5%). We consider it appropriate to test balances such as interest income, dividend income, administrative expenses and associated working capital balances using a lower materiality threshold, as these balances impact the net income available to support distributions to shareholders. We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £166,000 (2013: £120,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.
An overview of the scope of our audit	Although its subsidiaries comprise a number of individual legal entities, because these are managed on a portfolio basis from a single location, the company has been treated as having only one component, which is audited to the materiality set out above.
Matters on which we are required to report by exception	
Adequacy of explanations received and accounting records	Under the Companies (Guernsey) Law, 2008 we are required to report to you if, in our opinion: ■ we have not received all the information and explanations we require for our audit; or ■ proper accounting records have not been kept by the parent company; or the financial statements are not in agreement with the accounting records. We have nothing to report in respect of these matters.

Our duty to read other information in the Annual Report	Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is: ■ materially inconsistent with the information in the audited financial statements; or ■ apparently materially incorrect based on, or materially inconsistent with, our knowledge of the company acquired in the course of performing our audit; or ■ otherwise misleading. In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed. We confirm that we have not identified any such inconsistencies or misleading statements.
Respective responsibilities of directors and auditor	As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. We also comply with International Standard on Quality Control 1 (UK and Ireland). Our audit methodology and tools aim to ensure that our quality control procedures are effective, understood and applied. Our quality controls and systems include our dedicated professional standards review team, and independent partner reviews. This report is made solely to the company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and/or those further matters we have expressly agreed to report to them on in our engagement letter and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.
Scope of the audit of the financial statements	An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

David Becker
for and on behalf of Deloitte LLP
Chartered Accountants and Recognised Auditor
Guernsey, Channel Islands

24 February 2015

Income statement

For the year ended 31 December 2014

	Note	Year ended 31 December 2014 *£'000's*	Period ended 31 December 2013[1] Restated* *£'000's*
Total operating income	6	23,121	12,154
Fund expenses	7	(832)	(365)
Acquisition costs		–	(1,507)
Operating profit for the period		22,289	10,282
Finance and other income	8	1,008	25
Profit before tax		23,297	10,307
Income tax credit/(expense)	9	–	–
Profit for the period	10	23,297	10,307
Attributable to:			
Equity holders of the parent		23,297	10,307
		23,297	10,307
Ordinary shares earnings per share (pence)	10	6.2	3.4

1 The comparative income statement covers the period from 30 May 2013 (the date of incorporation) to 31 December 2013, although the initial portfolio was not acquired until shortly after the IPO on 29 July 2013.

* Comparative information, including relevant Notes, has been restated as a result of the IASB's issuance of Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28). The narrow-scope amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investments in Associates and Joint Ventures introduce clarifications to the requirements when accounting for investment entities. See Note 2(a) for details.

All results are derived from continuing operations.

There is no other comprehensive income or expense apart from those disclosed above and consequently a statement of comprehensive income has not been prepared.

Balance sheet

As at 31 December 2014

	Note	As at 31 December 2014 £'000's	As at 31 December 2013 Restated* £'000's
Non-current assets			
Investments at fair value through profit or loss	13	412,449	311,953
Total non-current assets		412,449	311,953
Current assets			
Other receivables	14	1,300	244
Cash and cash equivalents	15	12,425	2,898
Total current assets		13,725	3,142
Total assets		426,174	315,095
Current liabilities			
Other payables	16	(493)	(231)
Total current liabilities		(493)	(231)
Total liabilities		(493)	(231)
Net assets	12	425,681	314,864
Equity			
Share premium	17	411,768	304,324
Other reserves	17	428	233
Retained reserves	17	13,485	10,307
Total equity attributable to owners of the parent	12	425,681	314,864
Net assets per Ordinary Share (pence)	12	102.4	101.5

* Comparative information, including relevant Notes, has been restated as a result of the IASB's issuance of Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28). The narrow-scope amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investments in Associates and Joint Ventures introduce clarifications to the requirements when accounting for investment entities. See Note 2(a) for details.

The accompanying Notes are an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 24 February 2015 and signed on its behalf by:

Jon Bridel
Director

Helen Mahy
Director

Statement of changes in shareholders' equity

For the year ended 31 December 2014

For the year ended 31 December 2014

	Share premium £'000's	Other reserves £'000's	Retained reserves £'000's	Total equity £'000's
Shareholders' equity at beginning of period	304,324	233	10,307	314,864
Profit for the year	–	–	23,297	23,297
Dividends paid	–	–	(15,820)	(15,820)
Scrip shares issued in lieu of dividend	4,299	–	(4,299)	–
Ordinary Shares issued	104,730	–	–	104,730
Costs of Ordinary Shares issued	(2,135)	–	–	(2,135)
Ordinary Shares issued in period in lieu of Management Fees, earned in 2013[1]	233	(233)	–	–
Ordinary Shares issued in period in lieu of Management Fees, earned in H1 2014[2]	317	–	–	317
Ordinary Shares to be issued in lieu of Management Fees, earned in H2 2014[3]	–	428	–	428
Shareholders' equity at end of period	411,768	428	13,485	425,681

For the period 30 May 2013 to 31 December 2013*

	Share premium £'000s	Other reserves £'000s	Retained reserves £'000s	Total equity £'000s
Shareholders' equity at beginning of period	–	–	–	–
Profit for the period	–	–	10,307	10,307
Ordinary Shares issued	310,100	–	–	310,100
Costs of Ordinary Shares issued	(5,776)	–	–	(5,776)
Ordinary Shares to be in in lieu of Management Fees, earned in 2013[1]		233	–	233
Shareholders' equity at end of period	304,324	233	10,307	314,864

In line with the Investment Management Agreement and the Operations Management Agreement, 20 per cent. of the management fees are to be settled in Ordinary Shares.

1 The £232,997 transfer between reserves represents the 235,351 shares that relate to management fees earned in the five months to 31 December 2013 and were recognised in other reserves at 31 December 2013, and were issued to the Managers during the year, with the balance being transferred to share premium reserves, on 3 March 2014.

2 The £316,971 addition to the share premium reserve represents the 319,206 shares that relate to management fees earned in the six months to 30 June 2014 and were issued to the Managers on 30 September 2014.

3 As at 31 December 2014, 431,070 shares equating to £428,054, based on a Net Asset Value ex dividend of 99.3 pence per share (the Net Asset Value at 31 December 2014 of 102.4 pence per share less the interim dividend of 3.08 pence per share) were due but had not been issued. The Company intends to issue these shares to the Managers around 31 March 2015.

* Comparative information, including relevant Notes, has been restated as a result of the IASB's issuance of Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28). The narrow-scope amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investments in Associates and Joint Ventures introduce clarifications to the requirements when accounting for investment entities. It is worth noting there has been no quantitative impact to the statement of changes in shareholders' equity as a result. Further detail of the amendment can be found in Note 2(a).

Cash flow statement

For the year ended 31 December 2014

	Note	Year ended 31 December 2014 £'000's	Period ended 31 December 2013[1] Restated* £'000's
Cash flows from operating activities			
Profit before tax	10	23,297	10,307
Adjustments for:			
Gains on investments	6, 13	(4,004)	(5,690)
Investment income	6, 13	(19,117)	(6,464)
Acquisition costs		–	1,507
Movement in other reserves relating to Manager shares		195	233
Accrued share issue costs		(337)	–
Finance and other income	8	(1,008)	(25)
Operating cash flow before changes in working capital		(974)	(132)
Changes in working capital:			
(Increase)/Decrease in receivables		(226)	(243)
(Decrease)/Increase in payables		262	230
Cash flow from operations		(938)	(145)
Interest received from investments	13	25,574	–
Interest income		25	25
Net cash from operating activities		24,661	(120)
Cash flows from investing activities			
Purchases of investments	13	(102,949)	(299,799)
Acquisition costs		–	(1,507)
Net cash used in investing activities		(102,949)	(301,306)
Cash flows from financing activities			
Proceeds from issue of share capital during period		105,280	310,100
Costs in relation to issue of shares		(1,798)	(5,776)
Dividends paid to shareholders	11	(15,820)	–
Net cash from financing activities		87,662	304,324
Net increase in cash and cash equivalents		9,374	2,898
Cash and cash equivalents at beginning of period	15	2,898	–
Exchange gains on cash	8	153	–
Cash and cash equivalents at end of period	15	12,425	2,898

1 The comparative cash flow statement covers the period from 30 May 2013 (the date of incorporation) to 31 December 2013, although the initial portfolio was not acquired until shortly after the IPO on 29 July 2013.

* Comparative information, including relevant Notes, has been restated as a result of the IASB's issuance of Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28). The narrow-scope amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investments in Associates and Joint Ventures introduce clarifications to the requirements when accounting for investment entities. See Note 2(a) for details.

The accompanying Notes are an integral part of these financial statements.

Notes to the consolidated financial statements

For the year ended 31 December 2014

1. General information

The Renewables Infrastructure Group Limited ("TRIG" or the "Company") is a closed ended investment company incorporated in Guernsey under Section 20 of the Companies (Guernsey) Law, 2008. The shares are publically traded on the London Stock Exchange under a premium listing. Through its single, direct subsidiary, The Renewables Infrastructure Group (UK) Limited ("TRIG UK"), TRIG invests in operational renewable energy generation projects, predominantly in onshore wind and solar PV segments, across the United Kingdom and Northern Europe. The Company, TRIG UK and its portfolio of investments are known as the "Group".

These financial statements are for the year ended 31 December 2014 and comprise only the results of the Company as all of its subsidiaries are measured at fair value following the amendment of IFRS 10 as explained below in Note 2(a).

2. Key accounting policies

(a) Basis of preparation

The financial statements were approved and authorised for issue by the Board of Directors on 24 February 2015.

The financial statements, which give a true and fair view, have been prepared in compliance with the Companies (Guernsey) Law, 2008 and in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") using the historical cost basis, except that the financial instruments classified at fair value through profit or loss are stated at their fair values and that the Company has applied the amendment to IFRS 10, see Note 2(a) below, that has not yet been adopted by the EU. Apart from the change as described below, all other accounting policies have been applied consistently in these financial statements.

The financial statements are presented in sterling, which is the Company's functional currency. Foreign operations are included in accordance with the policies set out in Note 2.

Following the meeting of the International Accounting Standards Board ("IASB") in October 2014, Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28) was issued in December 2014 stating that investment entities should measure all of their subsidiaries that are themselves investment entities at fair value. The implication of this change is that The Renewables Infrastructure Group (UK) Limited ("TRIG UK"), the Company's single, direct subsidiary through which investments are purchased, which was previously consolidated on a line-by-line basis into the Company's financial statements, will be measured at fair value. Whilst this change does not affect Group Net Assets, TRIG UK's cash, debt and working capital balances are now included in the fair value of investments as opposed to the Group's current assets. The financial statements and notes for the comparative period ended 31 December 2013 have therefore been restated applying the amended standard. The quantitative impact of the amendment on the comparative figures is shown in Note 22.

The preparation of financial statements in conformity with IFRS as adopted by the EU, requires the Directors to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Note 3 shows critical accounting judgements, estimates and assumptions.

(b) Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 11 to 35. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Financial Results on pages 35 to 39. In addition, Notes 1 to 4 of the financial statements include the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

2. Key accounting policies *(continued)*

(b) Going concern *(continued)*

The Group has a range of long-term contracts with various major UK and European utilities and well-established suppliers across a range of infrastructure projects. In addition, it maintains a prudent level of leverage (with a maximum limit of 30% of portfolio value). The Group's project-level financing is non-recourse to the Company and is limited to 50% of Gross Portfolio Value. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they adopt the going concern basis of accounting in preparing the annual financial statements.

New standards early adopted for the current period

The Group has early adopted the following standards:

- Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities
- Amendments to IAS 32 Offsetting financial assets and financial liabilities
- Amendments to IAS 36 Recoverable Amount Disclosures for Non-Financial
- Amendments to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting
- IFRIC Interpretation 21 Levies

Standards not yet applied

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers

The Directors do not expect that the adoption of the Standards and Interpretations listed above will have a material impact on the financial statements of the Company in future periods, although IFRS 9 will impact both the measurement and disclosures of financial instruments.

Beyond the information above, it is not practicable to provide a reasonable estimate of the effect of these standards until a detailed review has been completed.

(c) Basis of consolidation

The Company has adopted IFRS 10 'Consolidated Financial Statements'. IFRS 10 supersedes IAS 27 'Consolidated and Separate Financial Statements". The IASB issued an amendment to IFRS 10, 'Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)', effective from 1 January 2014, which was early-adopted in the Group's financial statements for the period ended 31 December 2013. Following the IASB's meeting in October 2014, Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28) was issued in December 2014 stating that investment entities should measure at fair value all of their subsidiaries that are themselves investment entities.

The Directors believe that it is appropriate to continue to account for the investments at fair value, and that accounting for the investments at fair value is relevant to the investor, where consolidating them would not be. Applying the amendment, IFRS 10 no longer permits the consolidation of TRIG UK, the Company's sole, direct subsidiary that carries out investment activities and incurs overheads and borrowings on behalf of the Group, and this is now carried at fair value. The Directors have provided an alternative presentation of the Company's results in the Strategic Report on pages 35 to 39, prepared under the "Expanded basis", which includes the consolidation of TRIG UK.

2. KEY ACCOUNTING POLICIES *(continued)*

(c) Basis of consolidation *(continued)*

The financial statements comprise the results of the Company only, as its single, direct subsidiary is an investment entity itself under IFRS 10 and is therefore held at fair value, as are all other group subsidiaries. Subsidiaries are those entities controlled by the Company. The Company has control of an investee, when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee as defined in IFRS 10 'Consolidated Financial Statements'.

An entity shall consider all facts and circumstances when assessing whether it is an investment entity, including its purpose and design. Under the definition of an investment entity, as set out in paragraph 27 in the standard, the entity must satisfy all three of the following tests:

I. Obtains funds from one or more investors for the purpose of providing those investors with investment management services; and

II. Commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both (including having an exit strategy for investments); and

III. Measure and evaluate the performance of substantially all of its investments on a fair value basis.

The three essential criteria met by the Company are:

I. Typically, an investment entity would have several investors who pool their funds to gain access to investment management services and investment opportunities that they might not have had access to individually. Investing in renewable energy infrastructure, as per the Company's investment policy, would be considered an investment that is not generally available to individual investors due the high capital costs, large barriers to entry and other regulatory issues. The Company, being listed on the London Stock Exchange main market, obtains funds from a diverse group of external shareholders.

II. The Company invests funds solely for returns from capital appreciation and investment income.

III. The Company elects to measure and evaluate the performance of all of its subsidiaries on a fair value basis because using fair value results in more relevant information than, for example, consolidating its subsidiaries or using the equity method for its interests in associates or joint ventures. This is supported by investor presentations, information contained in the initial offer prospectus and the Company fact sheet. Investor focus is on the fair value of the portfolio and investors will continue to challenge and assess discount rates applied to the underlying investment cash flows vis-à-vis revenue and expenses of the project entities. In addition, the Company reports fair value information internally to the entity's key management personnel (as defined in IAS 24), who use fair value as the primary measurement attribute to evaluate the performance of substantially all of its investments and to make investment decisions.

Characteristics of an investment entity

In assessing whether the Company meets the definition of an investment entity, it should consider whether it has the following typical characteristics of an investment entity:

- it has more than one investment;
- it has more than one investor;
- it has investors that are not related parties of the entity; and
- it has ownership interests in the form of equity or similar interests.

The Directors are of the opinion that the Company has all the typical characteristics of an investment entity and meets the definition in the standard.

2. KEY ACCOUNTING POLICIES *(continued)*

(d) Financial instruments

Financial assets and liabilities are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights to the cash flows from the instrument expire or the asset is transferred and the transfer qualifies for derecognition in accordance with IAS 39 'Financial instruments: Recognition and measurement'.

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value including directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Investments in equity and debt securities

Investments in the equity and loanstock of entities engaged in renewable energy activities are designated at fair value through profit or loss.

The Group manages these investments and makes purchase and sale decisions based on their fair value.

The initial difference between the transaction price and the fair value, derived from using the discounted cash flows methodology at the date of acquisition, is recognised only when observable market data indicates there is a change in a factor that market participants would consider in setting the price of that investment. After initial recognition, investments at fair value through profit or loss are measured at fair value with changes recognised in the income statement.

The Directors consider the equity and loanstock to share the same investment characteristics and risks and they are therefore treated as a single unit of account for valuation purposes and a single class for disclosure purposes.

(e) Impairment

Financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognised in the income statement. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in the income statement.

(f) Share capital and share premium

Ordinary Shares are classified as equity. Costs directly attributable to the issue of new shares or associated with the establishment of the Company that would otherwise have been avoided are written-off against the value of the ordinary share premium.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash balances, deposits held on call with banks and other short-term, highly liquid investments with original maturities of three months or less. Bank overdrafts that are repayable on demand are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

(h) Investment income

Income from investments relates solely to returns from the Company's single, direct subsidiary, TRIG UK. This is recognised when the right to receive interest income is determined on an accruals basis and dividends when these are received.

2. KEY ACCOUNTING POLICIES *(continued)*

(i) Income tax

Under the current system of taxation in Guernsey, the Company is exempt from paying taxes on income, profits or capital gains.

(j) Foreign exchange gains and losses

Transactions entered into by the Company in a currency other than its functional currency are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in the income statement.

(k) Segmental reporting

The Chief Operating Decision Maker (the "CODM") is of the opinion that the Group is engaged in a single segment of business, being investment in renewable infrastructure to generate investment returns while preserving capital. The financial information used by the CODM to allocate resources and manage the Group presents the business as a single segment comprising a homogeneous portfolio.

(l) Fund expenses

All expenses are accounted for on an accruals basis. The Company's investment management and administration fees (refer to Note 7), finance costs and all other expenses are charged through the income statement.

(m) Acquisition costs

In line with IFRS 3 (Revised), acquisition costs are expensed to the income statement as incurred.

(n) Dividends

Dividends are recognised when they become legally payable. In the case of interim dividends, this is when they are paid. For scrip dividends, where the Company issues shares with an equal value to the cash dividend amount as an alternative to the cash dividend, a credit to equity is recognised when the shares are issued.

(o) Statement of compliance

Pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987 the Company is a Registered Closed-Ended Investment Scheme. As an authorised scheme, the Company is subject to certain on-going obligations to the Guernsey Financial Services Commission.

(p) Share-based payments

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at that date the entity obtains the goods or the counterparty renders the service.

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions in certain circumstances that affect reported amounts. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are outlined below.

Investments at fair value through profit or loss

IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Board base the fair value of the investments on information received from the Investment Manager. Fair value is calculated on an ungeared, discounted cash flow basis.

3. Critical accounting judgements, estimates and assumptions *(continued)*

Fair values for those investments for which a market quote is not available are determined using the income approach, which discounts the expected cash flows at the appropriate rate. In determining the discount rate, regard is had to relevant long-term government bond yields, specific risks associated with the technology (on-shore wind and solar) and geographic location of the underlying investment, and the evidence of recent transactions. The investments at fair value through profit or loss, whose fair values include the use of level 3 inputs, are valued by discounting future cash flows from investments in both equity (dividends and equity redemptions) and subordinated loans (interest and repayments) to the Group at an appropriate discount rate.

The weighted average discount rate applied in the December 2014 valuation was 9.0% (2013: 9.8%). The discount rate is considered one of the most significant unobservable inputs through which an increase or decrease would have a material impact on the fair value of the investments at fair value through profit or loss.

The other material impacts on the measurement of fair value is the forward looking power price curve and energy yields which are further discussed in Note 4 under sensitivities.

By virtue of the Company's status as an investment fund, and in conjunction with IFRS 10 and specifically the Amendments to IFRS 10 for Investment Entities as described in Note 2, investments are designated upon initial recognition to be accounted for at fair value through profit or loss.

The Directors consider that the carrying value amounts of financial assets and financial liabilities recorded at amortised cost in the financial statement are approximately equal to their fair values.

4. Financial instruments

Financial risk management

The objective of the Group's financial risk management is to manage and control the risk exposures of its investment portfolio. The Board of Directors has overall responsibility for overseeing the management of financial risks, however the review and management of financial risks are delegated to the Investment Manager, which has documented procedures designed to identify, monitor and manage the financial risks to which the Group is exposed. Note 4 presents information about the Group's exposure to financial risks, its objectives, policies and processes for managing risk and the Group's management of its financial resources.

Through its single, direct subsidiary, TRIG UK, the Company invests in a portfolio of investments predominantly in the subordinated loanstock and ordinary equity of project finance companies. These companies are structured at the outset to minimise financial risks where possible, and the Investment Manager primarily focuses their risk management on the direct financial risks of acquiring and holding the portfolio but continues to monitor the indirect financial risks of the underlying projects through representation, where appropriate, on the Boards of the project companies, and the receipt of regular financial and operational performance reports.

Interest rate risk

The Group invests in subordinated loanstock of project companies, usually with fixed interest rate coupons. The portfolio's cash flows are continually monitored and reforecast, both over the near future and the long-term, to analyse the cash flow returns from investments. The Group may use borrowings to finance the acquisition of investments and the forecasts are used to monitor the impact of changes in borrowing rates against cash flow returns from investments as increases in borrowing rates will reduce net interest margins.

The Group's policy is to ensure that interest rates are sufficiently hedged to protect the Group's net interest margins from significant fluctuations when entering into material medium/long-term borrowings. This includes engaging in interest rate swaps or other interest rate derivative contracts.

The Company has an indirect exposure to changes in interest rates through its investment in project companies, which are financed by senior debt. Senior debt financing of project companies is generally either through floating rate debt, fixed rate bonds or index linked bonds. Where senior debt is floating rate, the projects typically have similar length hedging arrangements in place, which are monitored by the project companies' managers, finance parties and boards of directors.

4. Financial instruments *(continued)*

Inflation risk

The Group's project companies are generally structured so that contractual income and costs are either wholly or partially linked to specific inflation, where possible, to minimise the risks of mismatch between income and costs due to movements in inflation indexes. The Group's overall cash flows vary with inflation, although they are not directly correlated as not all flows are indexed. The effects of these inflation changes do not always immediately flow through to the Group's cash flows, particularly where a project's loanstock debt carries a fixed coupon and the inflation changes flow through by way of changes to dividends in future periods. The sensitivity of the portfolio valuation is shown further on in Note 4.

Market risk

Returns from the Group's investments are affected by the price at which the investments are acquired. The value of these investments will be a function of the discounted value of their expected future cash flows, and as such will vary with, inter alia, movements in interest rates, market prices and the competition for such assets.

Currency risk

The projects, in which the Group invests, all conduct their business and pay interest, dividends and principal in sterling, with the exception of the euro-denominated investments which comprise 13.5% (2013: 18.2%) of the portfolio by value. The sensitivity of the portfolio valuation is shown in Note 4.

The Group monitors its foreign exchange exposures using its near-term and long-term cash flow forecasts. Its policy is to use foreign exchange hedging to provide protection to the level of sterling distributions that the Company aims to pay over the medium-term, where considered appropriate. This may involve the use of forward exchange.

Credit risk

Credit risk is the risk that a counterparty of the Group will be unable or unwilling to meet a commitment that it has entered into with the Group.

The credit standing of subcontractors is reviewed, and the risk of default estimated for each significant counterparty position. Monitoring is on-going, and period end positions are reported to the Board on a quarterly basis. The Group's largest credit risk exposure to a project at 31 December 2014 was to the Hill of Towie project, representing 9.5% (2013: 15.9%) of the portfolio by value, and the largest subcontractor counterparty risk exposure was to Vestas who provided turbine maintenance services in respect of 32.4% of the portfolio by value. At 31 December 2013, the largest subcontractor counterparty risk exposure was to Siemens who provided turbine maintenance services in respect of 44.5% of the portfolio by value.

The Group's investments enter into Power Price Agreements ("PPA") contracts with a range of providers through which electricity is sold. The largest PPA provider to the portfolio at 31 December 2014 was Scottish Power, who provided PPAs to projects in respect of 27.4% (2013: 46.3%) of the portfolio by value.

At 31 December 2014, there were no loans and other receivables considered impaired for the Group.

The Group's maximum exposure to credit risk over financial assets is the carrying value of those assets in the balance sheet. The Group does not hold any collateral as security.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient financial resources and liquidity to meets its liabilities when due. The Group ensures it maintains adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group's investments are predominantly funded by share capital and medium-term debt funding.

The Group's investments are generally in private companies, in which there is no listed market and therefore such investment would take time to realise, and there is no assurance that the valuations placed on the investments would be achieved from any such sale process.

4. FINANCIAL INSTRUMENTS *(continued)*

The Group's investments have borrowings which rank senior and have priority over the Group's own investments into the companies. This senior debt is structured such that, under normal operating conditions, it will be repaid within the expected life of the projects. Debt raised by the investment companies from third parties is without recourse to the Group.

At 31 December 2014, the Company itself did not have any outstanding debt. The Group's revolving acquisition facility is held at TRIG UK, the Company's single, direct subsidiary, and is guaranteed by the Company. The facility is in place until February 2017. The debt outstanding at 31 December 2014 is intended to be repaid by subsequent share issues.

Capital management

TRIG UK, the Company's single, direct subsidiary, entered into an £80m revolving acquisition facility on 20 February 2014, and on 3 February 2015, the Group increased the facility amount to £120m. TRIG UK had drawn £60.1m acquisition facility debt at 31 December 2014. Further equity raisings are considered when drawings are at an appropriate level. The proceeds from the share issues are used to repay debt and to fund future investment commitments.

The Group makes prudent use of its leverage. Under the investment policy, borrowings, including any financial guarantees to support outstanding subscription obligations but excluding internal Group borrowings of the Group's underlying investments, are limited to 30% of the portfolio value.

From time to time, the Company issues its own shares to the market; the timing of these purchases depends on market prices.

In order to assist in the narrowing of any discount to the Net Asset Value at which the Ordinary Shares may trade, from time to time the Company may at the sole discretion of the Directors:

- make market purchases of up to 14.99% per annum of its issued Ordinary Shares; and
- make tender offers for the Ordinary Shares.

There were no changes in the Group's approach to capital management during the year.

Fair value estimation

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments:

Non-derivative financial instruments

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses the income approach, which discounts the expected cash flows attributable to each asset at an appropriate rate to arrive at fair values. In determining the discount rate, regard is had to relevant long-term government bond yields, the specific risks of each investment and the evidence of recent transactions.

Derivative financial instruments

The fair value of financial instruments inputs other than quoted prices traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. Note 2 discloses the methods used in determining fair values on a specific asset/liability basis. Where applicable, further information about the assumptions used in determining fair value is disclosed in the notes specific to that asset or liability.

4. FINANCIAL INSTRUMENTS *(continued)*

Classification of financial instruments

	31 December 2014 *£'000s*	31 December 2013 Restated *£'000s*
Financial assets		
Designated at fair value through profit or loss:		
Investments	412,449	311,953
Other financial assets	844	–
Financial assets at fair value	413,293	311,953
At amortised cost:		
Other receivables	456	244
Cash and cash equivalents	12,425	2,898
Financial assets at amortised cost	12,881	3,142
Financial liabilities		
At amortised cost:		
Other payables	493	231
Financial liabilities at amortised cost	493	231

The Directors believe that the carrying values of all financial instruments are not materially different to their fair values.

Fair value hierarchy

The fair value hierarchy is defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	As at 31 December 2014			
	Level 1 *£'000's*	Level 2 *£'000's*	Level 3 *£'000's*	Total *£'000's*
Investments at fair value through profit or loss	–	–	412,449	412,449
Other financial assets	–	844	–	844
	–	844	412,449	413,293
Other financial liabilities	–	–	–	–
	–	–	–	–

4. Financial instruments *(continued)*

	As at 31 December 2013 (Restated)			
	Level 1 *£'000's*	Level 2 *£'000's*	Level 3 *£'000's*	Total *£'000's*
Investments at fair value through profit or loss	–	–	311,953	311,953
Other financial assets	–	–	–	–
	–	–	311,953	311,953
Other financial liabilities	–	–	–	–
	–	–	–	–

Investments at fair value through profit or loss comprise the fair value of the investment portfolio, on which the sensitivity analysis is calculated, and the fair value of TRIG UK, the Company's single, direct subsidiary being its cash, working capital and debt balances.

	31 December 2014 *£'000's*	31 December 2013 Restated *£'000's*
Portfolio value	472,870	299,792[1]
TRIG UK		
Cash	454	13,298
Working capital	(2,041)	(1,137)
Debt	(58,834)[2]	–
	(60,421)	12,161
Investments at fair value through profit or loss	412,449	311,953

1 At 31 December 2013, the fair market value of the Group's investments was £299.8m which excluded the deferred funding obligation of £0.8m that the Group was expected to contribute to the Marvel Farms Solar Park. After adding back the funding obligation, the value of the portfolio was £300.6m as noted in the sensitivities below.

2 Debt arrangement costs of £1,312k have been netted off the £60,146k debt drawn by TRIG UK

Other financial assets represent the fair value of foreign exchange forward agreements in place at the year end.

Level 2

Valuation methodology

Fair value is based on price quotations from financial institutions active in the relevant market. The key inputs to the discounted cash flow methodology used to derive fair value include foreign currency exchange rates and foreign currency forward curves. Valuations are performed on a six monthly basis every June and December for all financial assets and all financial liabilities.

Level 3

Valuation methodology

The Directors have satisfied themselves as to the methodology used, the discount rates and key assumptions applied, and the valuation. All investments are at fair value through profit or loss and are valued using a discounted cash flow methodology.

4. FINANCIAL INSTRUMENTS *(continued)*

Economic assumptions

The Investment Manager has carried out fair market valuations of the investments as at 31 December 2014. The Directors have satisfied themselves as to the methodology used, the discount rates applied, and the valuation.

The following economic assumptions were used in the discounted cash flow valuations at:

	31 December 2014	31 December 2013
UK inflation rates	2.75%	2.75%
Ireland and France inflation rates	2.00%	2.00%
UK, Ireland and France deposit interest rates	1.00% to 31 March 2019, 3.00% thereafter	1.00% to 31 March 2018, 3.50% thereafter
UK corporation tax rate	21.00% to 31 March 2015, 20.00% thereafter	21.00%
France corporation tax rate	33.3% + 1.1% above €763,000 threshold	33.3% + 1.1% above €763,000 threshold
Ireland corporation tax rate	12.5% active rate, 25% passive rate	12.5% active rate, 25% passive rate
Euro/sterling exchange rate	1.2874	1.2046

Discount Rates

The discount rates used for valuing each renewable infrastructure investment are based on the appropriate long term government bond yield and a risk premium. The risk premium takes into account risks and opportunities associated with the project earnings.

The weighted average portfolio valuation discount rate used for valuing the projects in the portfolio is 9.0% (2013: 9.8%).

A change to the weighted average rate of 9.0% (2013: 9.8%) by plus or minus 0.5% has the following effect on the valuation.

Discount Rate	-0.5% change	Total Portfolio Value	+0.5% change
Directors' valuation - Dec 2014	**+£19.1m**	**£472.9m**	**(£17.9m)**
Directors' valuation - Dec 2013	+£11.8m	£300.6m	(£11.0m)

Power Price

The power price forecasts are based on the base case assumptions from the valuation date and throughout the operating life of the portfolio. The base case power pricing is based on the current forecast real price reference curve data provided by a leading power price forecaster, adjusted to reflect the value the market will place on such generation in an arm's length transaction.

A change in the forecast electricity price assumptions by plus or minus 10% has the following effect on the valuation.

Power Price	-10% change	Total Portfolio Value	+10% change
Directors' valuation - Dec 2014	**(£37.8m)**	**£472.9m**	**+£37.1m**
Directors' valuation - Dec 2013	(£24.3m)	£300.6m	+£24.3m

Energy Yield

The portfolio's aggregate production outcome for a 10 year period would be expected to fall somewhere between a P90 10 year exceedance (downside case) and a P10 10 year exceedance (upside case).

The effect of a P90 10 year exceedance and of a P10 10 year exceedance, applied to all future years, would have the following effect on the valuation.

4. Financial instruments *(continued)*

Energy Yield	P90 10 year exceedance	Total Portfolio Value	P10 10 year exceedance
Directors' valuation - Dec 2014	**(£58.7m)**	**£472.9m**	**+£57.7m**
Directors' valuation - Dec 2013	(£37.0m)	£300.6m	+£36.6m

Inflation Rates

The portfolio valuation assumes long-term inflation of 2.75% per annum for UK investments (based on the RPI), and 2.00% per annum for France and Republic of Ireland investments (based on the CPI).

Inflation Rates	-0.5% change	Total Portfolio Value	+0.5% change
Directors' valuation - Dec 2014	**(£19.8m)**	**£472.9m**	**+£21.8m**
Directors' valuation - Dec 2013	(£14.5m)	£300.6m	+£16.1m

Operating Costs

The table below shows the sensitivity of the portfolio to changes in operating costs by plus or minus 10% at project company level.

Operating Costs	-10% change	Total Portfolio Value	+10% change
Directors' valuation - Dec 2014	**+£15.2m**	**£472.9m**	**(£15.3m)**
Directors' valuation - Dec 2013	+£9.3m	£300.6m	(£9.3m)

Currency Rates

The spot rate used for the 31 December 2014 valuation, from euro to sterling, was 1.2874 (2013: 1.2046).

A change to this currency rate by plus or minus 10% has the following effect on the valuation.

Currency Rates	-10% change	Total Portfolio Value	+10% change
Directors' valuation - Dec 2014	**(£3.9m)**	**£472.9m**	**+£3.9m**
Directors' valuation - Dec 2013	(£8.9m)	£300.6m	+£8.9m

Tax Rates

The UK corporation tax assumption for the portfolio valuation was 21%, reducing to 20% from 1 April 2015 (2013: 21%).

The UK Government has enacted a reduction in the rate of corporation tax to 20% from 1 April 2015.

5. Segment reporting

The Chief Operating Decision Maker (the "CODM") is of the opinion that the Group is engaged in a single segment of business, being investment in renewable infrastructure to generate investment returns while preserving capital. The financial information used by the CODM to allocate resources and manage the Group presents the business as a single segment comprising a homogeneous portfolio.

6. TOTAL OPERATING INCOME

	For year ended 31 December 2014 Total *£'000s*	For period ended 31 December 2013 Restated Total *£'000s*
Interest income	19,117	6,464
Gains on investments	4,004	5,690
	23,121	12,154

On the Expanded basis, which includes TRIG UK, the Company's single, direct subsidiary, that the Directors consider to be an extension of the Company's investment activity, total operating income is £30,076k (2013: £15,167k). The reconciliation from the IFRS basis to the Expanded basis is shown in Section 2.6 of the Strategic Report on page 36.

7. FUND EXPENSES

	For year ended 31 December 2014 Total *£'000s*	For period ended 31 December 2013 Restated Total *£'000s*
Fees payable to the Company's auditors for the audit of the Group accounts	40	30
Investment and management fees (Note 18)	200	85
Directors' fees (Note 18)	149	66
Other costs	443	184
	832	365

In addition to the above, £163k (2013: £117k) was paid to Deloitte LLP (the Company's auditor) in respect of audit services provided to unconsolidated subsidiaries and therefore is not included within fund expenses above and £25k (2013: £Nil) was paid to Deloitte LLP in respect of other non-audit services provided, pursuant to legislation.

On the Expanded basis, fund expenses are £4,791k (2013: £1,676k); the difference being the costs incurred within TRIG UK, the Company's single, direct subsidiary. The reconciliation from the IFRS basis to the Expanded basis is shown in Section 2.6 of the Strategic Report on page 36.

The Company had no employees during the current or prior period. The Company employs the Investment Manager and the Operations Manager to manage the portfolio, the Company and its subsidiaries, on its behalf.

8. Finance and other income

	For year ended 31 December 2014 Total £'000s	For period ended 31 December 2013 Restated Total £'000s
Interest income:		
Interest on bank deposits	28	25
Total finance income	28	25
Gain on foreign exchange:		
Realised gain on settlement of FX forwards	153	–
Fair value movement of FX forward contracts	844	–
Other foreign exchange movements	(17)	–
Total gain on foreign exchange	980	–
Finance and similar income	1,008	25

On the Expanded basis, finance income is £34k (2013: £27k) and finance costs are £1,699k (2013: £6k); the difference being the Group's acquisition facility costs which are incurred within TRIG UK, the Company's single, direct subsidiary. These costs are shown in Section 2.6 of the Strategic Report on page 36.

The gain on foreign exchange on the Expanded basis is £1,174k (2013: £Nil). The reconciliation from the IFRS basis to the Expanded basis, which includes the FX gain realised within TRIG UK, the Company's single, direct subsidiary, is shown in Section 2.6 of the Strategic Report on page 36.

9. Income tax

Under the current system of taxation in Guernsey, the Company is exempt from paying taxes on income, profits or capital gains. Therefore, income from investments is not subject to any further tax in Guernsey, although these investments will bear tax in the individual jurisdictions in which they operate.

10. Earnings per share

Earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of Ordinary Shares in issue during the period.

	31 December 2014 '000's	31 December 2013 '000's
Profit attributable to equity holders of the Company	£23,297	£10,307
Weighted average number of Ordinary Shares in issue	374,662	302,363
Earnings per Ordinary Share (pence)	6.2	3.4

Further details of shares issued in the period are set out in Note 17.

11. DIVIDENDS

	31 December 2014 £'000s	31 December 2013 £'000s
Amounts recognised as distributions to equity holders during the year:		
Interim dividend for the period ended 31 December 2013 of 2.5 pence per share, paid 31 March 2014[1]	7,750	–
Interim dividend for the period ended 30 June 2014 of 3.0 pence per share, paid 30 September 2014[2]	12,369	–
	20,119	–
Dividends settled as a scrip dividend alternative	4,299	–
Dividends settled in cash	15,820	–
	20,119	–

1 Settled £6,402k in cash and £1,348k as a scrip dividend alternative

2 Settled £9,418k in cash and £2,951k as a scrip dividend alternative

On 12 February 2015 (see Note 21), the Company declared an interim dividend of 3.08 pence per share for the period 1 July 2014 to 31 December 2014. The total dividend, £12,796,654, payable on 31 March 2015, is based on a record date of 20 February 2015 and the number of shares in issue at that time being 415,475,783.

12. NET ASSETS PER ORDINARY SHARE

	31 December 2014 '000's	31 December 2013 '000's
Shareholders' equity at balance sheet date	£425,681	£314,864
Number of shares at balance sheet date, including management shares accrued but not yet issued	415,907	310,235
Net Assets per Ordinary Share at balance sheet date	**102.4**	**101.5**

In line with the Investment Management Agreement and the Operations Management Agreement, 20 per cent of the Group's management fees are to be settled in Ordinary Shares. Shares are issued to the Investment Manager and the Operations Manager twice a year in arrears, usually in March and September for the half year ending December and June, respectively.

As at 31 December 2014, 431,070 shares equating to £428,054, based on a Net Asset Value ex dividend of 99.3 pence per share (the Net Asset Value at 31 December 2014 of 102.4 pence per share less the interim dividend of 3.08 pence per share) were due but had not been issued. The Company intends to issue these shares around 31 March 2015.

As at 31 December 2013, 235,351 shares equating to £232,997, based on a Net Asset Value ex dividend of 99.0 pence per share (the Net Asset Value at 31 December 2013 of 101.5 pence per share less the interim dividend of 2.5 pence per share) were due but had not been issued. The Company issued these shares on 3 March 2014.

12. Net assets per Ordinary Share *(continued)*

In view of this, the denominator in the above Net assets per Ordinary Share calculation is as follows;

	31 December 2014 *'000's*	31 December 2013 *'000's*
Ordinary Shares in issue at balance sheet date	415,476	310,000
Number of shares to be issued in lieu of Management fees	431	235
Total number of shares used in Net Assets per Ordinary Share calculation	**415,907**	**310,235**

13. Investments at fair value through profit or loss

Investments at fair value through profit or loss is the sum of the portfolio valuation and the carrying amount of TRIG UK, the Company's single, direct subsidiary.

	31 December 2014 *£'000s*	31 December 2013 Restated *£'000s*
Brought forward	311,953	–
Investments	102,949	299,799
Distributions received	(25,574)	–
Interest income	19,117	6,464
Gains on valuation	4,004	5,690
Carried forward	412,449	311,953

The following information is non-statutory. It provides additional information to users of the financial statements, splitting the fair value movements between the investment portfolio and TRIG UK, the Company's single, direct subsidiary that was previously consolidated, before the recent amendment to IFRS 10.

	31 December 2014 *£'000s*	31 December 2013 Restated *£'000s*
Fair value of investment portfolio		
Brought forward value of investment portfolio	299,792	–
Investments	177,661	297,843
Distributions received	(35,345)	(13,218)
Interest income	9,023	3,393
Dividend income	11,035	–
Gains on valuation	10,704	11,774
Carried forward value of investment portfolio	472,870	299,792
Fair value of TRIG UK		
Brought forward value of TRIG UK	12,161	–
Cash movement	(12,844)	13,298
Working capital movement	(904)	(1,137)
Debt movement	(58,834)[1]	–
Carried forward value of TRIG UK	(60,421)	12,161
Total investments at fair value through profit or loss	412,449	311,953

1 Debt arrangement costs of £1,312k have been netted off the £60,146k debt drawn by TRIG UK

13. Investments at fair value through profit or loss *(continued)*

The gains on investment are unrealised.

Investments are generally restricted on their ability to transfer funds to the Company under the terms of their senior funding arrangements for that investment. Significant restrictions include:

- Historic and projected debt service and loan life cover ratios exceed a given threshold;
- Required cash reserve account levels are met;
- Senior lenders have agreed the current financial model that forecasts the economic performance of the project company;
- Project company is in compliance with the terms of its senior funding arrangements; and
- Senior lenders have approved the annual budget for the company.

All of the projects met their debt service covenants during the year.

13. Investments at fair value through profit or loss *(continued)*

Details of investments recognised at fair value through profit or loss were as follows:

		31 December 2014		31 December 2013	
Investments (project name)	**Country**	**Equity**	**Subordinated loanstock**	**Equity**	**Subordinated loanstock**
TRIG UK	UK	100%	100%	100%	100%
Roos	UK	100%	100%	100%	100%
The Grange	UK	100%	100%	100%	100%
Hill of Towie	UK	100%	100%	100%	100%
Green Hill	UK	100%	100%	100%	100%
Forss	UK	100%	100%	100%	100%
Altahullion	UK	100%	100%	100%	100%
Lendrums Bridge	UK	100%	100%	100%	100%
Lough Hill	UK	100%	100%	100%	100%
Milane Hill	Republic of Ireland	100%	100%	100%	100%
Beennageeha	Republic of Ireland	100%	100%	100%	100%
Haut Languedoc	France	100%	100%	100%	100%
Haut Cabardes	France	100%	100%	100%	100%
Cuxac Cabardes	France	100%	100%	100%	100%
Roussas-Claves	France	100%	100%	100%	100%
Puits Castan	France	100%	100%	100%	100%
Churchtown	UK	100%	100%	100%	100%
East Langford	UK	100%	100%	100%	100%
Manor Farm	UK	100%	100%	100%	100%
Parsonage	UK	100%	100%	100%	100%
Marvel Farms	UK	100%	100%	100%	100%
Tamar Heights	UK	100%	100%	–	–
Stour Fields	UK	100%	100%	–	–
Meikle Carewe	UK	100%	100%	–	–
Tallentire	UK	100%	100%	–	–
Parley	UK	100%	100%	–	–
Egmere	UK	100%	100%	–	–
Penare	UK	100%	100%	–	–
Earlseat	UK	100%	100%	–	–
Taurbeg	Republic of Ireland	100%	100%	–	–

In March 2014, 100% interests were acquired in Tamar Heights and Stour Fields for an aggregate consideration of £36.3m. In June 2014, 100% interests were acquired in Meikle Carewe and Tallentire for an aggregate consideration of £19.1m from the Company's Operations Manager, Renewable Energy Systems Limited ("RES"). In August 2014, 100% interests were acquired in Parley, Egmere and Penare for an aggregate consideration of £76.1m. In November 2014, a 100% interest was acquired in Earlseat for consideration of £32.5m from its Investment Manager, InfraRed Capital Partners Limited ("InfraRed"). Also in November 2014, a 100% interest was acquired in Taurbeg for consideration of €17.3m from RES. The investments were all acquired through the Company's single, direct subsidiary, TRIG UK. The acquisitions were funded through £103.0m of share capital raised by the Company, £60.1m from TRIG UK's acquisition facility, £13.4m of distributions from existing investments and £3.3m of cash brought forward at 31 December 2013.

Further detail of acquisitions made in the year can be found in Section 2.6 of the Strategic Report.

14. OTHER RECEIVABLES

	31 December 2014 £'000's	31 December 2013 Restated £'000's
Other debtors	456	244
Fair value of forward FX contracts	844	–
	1,300	244

The Company has entered into forward foreign currency contracts to hedge the expected euro distributions for the next 18 months. In addition, the Company has placed further hedges (sell euros / buy sterling) to reach a position where approximately 50% of the valuation of euro-denominated assets is hedged, providing a partial offset to foreign exchange movements in the portfolio value relating to such assets.

The following table details the forward foreign currency contracts outstanding as at 31 December 2014. The total euro balance hedged at 31 December 2014 was €39.9m.

		31 December 2014		
	Average exchange rate	Foreign currency €'000's	Notional value £'000's	Fair value £'000's
Less than 3 months	1.2552	10,000	7,958	172
3 to 6 months	1.2388	6,350	5,208	252
6 to 12 months	1.2490	16,850	13,448	302
Greater than 12 months	1.2447	6,700	5,383	118
				844

No forward foreign currency contracts had been entered into at 31 December 2013.

On the Expanded basis, which includes balances carried in TRIG UK, the Company's single, direct subsidiary, other receivables are £880k (2013: £59k). The reconciliation from the IFRS basis to the Expanded basis is shown in Section 2.6 of the Strategic Report on page 38.

15. CASH AND CASH EQUIVALENTS

	31 December 2014 £'000's	31 December 2013 Restated £'000's
Bank balances	12,425	2,898
Cash and cash equivalents	12,425	2,898

On the Expanded basis, which includes balances carried in TRIG UK, cash is £12,879k (2013: £16,196k). The reconciliation from the IFRS basis to the Expanded basis is shown in Section 2.6 of the Strategic Report on page 38.

16. OTHER PAYABLES

	31 December 2014 £'000's	31 December 2013 Restated £'000's
Management fees	50	50
Other payables	443	181
	493	231

On the Expanded basis, trade and other payables are £60,948k (2013: £1,183k); the differences being £60,146k drawn down from the Group's acquisition facility which is carried at TRIG UK, the Company's single, direct subsidiary, and other payables balances carried in TRIG UK. The reconciliation from the IFRS basis to the Expanded basis is shown in Section 2.6 of the Strategic Report on page 38.

17. Share capital and reserves

	Ordinary Shares 31 December 2014 *'000's*	Ordinary Shares 31 December 2013 *'000's*
Opening balance	310,000	–
Issued at IPO	–	300,000
Issued for cash	100,757	10,000
Issued as a scrip dividend alternative	4,165	–
Issued in lieu of management fees	554	–
Issued at 31 December – fully paid	415,476	310,000

The Company had two equity fund raises during the year.

On 2 April 2014, the Company issued 66,154,395 C Shares raising £64,831,307 after costs. These C Shares converted to 64,017,608 Ordinary Shares on 1 July 2014 at a conversion rate of 0.9677. The Company used the proceeds to repay the balance drawn on the revolving acquisition facility and to fund further acquisitions.

On 11 August 2014, the Company issued 36,738,423 Ordinary Shares at a share price of 105p raising £38,163,756 after costs. The Company used the proceeds to repay the balance drawn on the revolving acquisition facility.

The holders of the 415,475,783 (2013: 310,000,000) Ordinary Shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. The Company shares are issued at nil par value.

Share premium

	31 December 2014 *£'000s*	31 December 2013 *£'000s*
Opening balance	304,324	–
Ordinary Shares issued	109,579	310,100
Cost of Ordinary Shares issued	(2,135)	(5,776)
Closing balance	411,768	304,324

Other reserves

	31 December 2014 *£'000s*	31 December 2013 *£'000s*
Opening balance	233	–
Shares to be issued in lieu of management fees incurred in 2013 (Note 18)	–	233
Shares to be issued in lieu of management fees incurred in H1 2014 (Note 18)	317	–
Shares to be issued in lieu of management fees incurred in H2 2014 (Note 18)	428	–
Shares issued in the year, transferred to share premium	(550)	–
Closing balance	428	233

Retained reserves

Retained reserves comprise retained earnings, as detailed in the statement of changes in shareholders' equity.

18. RELATED PARTY AND KEY ADVISOR TRANSACTIONS

Loans to related parties:

	31 December 2014 '000's	31 December 2013 '000's
Short-term receivable from TRIG UK	12	15,000
Short-term balance outstanding from TRIG UK, in relation to Management fees to be settled in shares	428	233
Long-term loan to TRIG UK	265,540	198,709
	265,980	213,942

During the year, interest totalling £19,117k (2013: £6,464k) was earned in respect of the long-term interest-bearing loan between the Company and its single, direct subsidiary, TRIG UK, of which £Nil (2013: £6,464k) was receivable at the balance sheet date.

Key advisor transactions

The Investment Manager to the Group (InfraRed Capital Partners Limited) is appointed by the Investment Management Agreement, dated 5 July 2013 and which was amended to accommodate AIFMD requirements on 11 June 2014, which may be terminated by either party giving not less than 12 months' written notice, no earlier than the fourth anniversary of admission to the London Stock Exchange on 29 July 2013. The Investment Manager is entitled to 65 per cent of the aggregate management fee (see below), payable quarterly in arrears. The Operations Manager to the Group (Renewable Energy Systems Limited) is appointed by the Operations Management Agreement dated 5 July 2013 and which was amended to accommodate AIFMD requirements on 11 June 2014, which may be terminated by either party giving not less than 12 months' written notice, no earlier than the fourth anniversary of admission to the London Stock Exchange on 29 July 2013. The Operations Manager is entitled to 35 per cent of the aggregate management fee (see below), payable quarterly in arrears.

The aggregate management fee payable to the Investment Manager and the Operations Manager is 1 per cent of the Adjusted Portfolio Value in respect of the first £1 billion of the Adjusted Portfolio Value, and 0.8 per cent in respect of the Adjusted Portfolio Value in excess of £1 billion. These fees are payable by TRIG UK, the Company's single, direct subsidiary, less the proportion that relates solely to the Company, the advisory fees, which are payable by the Company.

The advisory fees payable to the Investment Manager and the Operations Manager in respect of the advisory services they provide to the Company are £130k per annum and £70k per annum, respectively. The Investment Manager advisory fee charged to the income statement for the year was £130k (2013: £56k), of which £33k (2013: £33k) remained payable in cash at the balance sheet date. The Operations Manager advisory fee charged to the income statement for the year was £70k (2013: £30k), of which £18k (2013: £18k) remained payable in cash at the balance sheet date.

The Investment Manager management fee charged to TRIG UK for the year was £2,357k (2013: £723k), of which £613k (2013: £351k) remained payable in cash at the balance sheet date. The Operations Manager management fee charged to TRIG UK for the year was £1,270k (2013: £389k), of which £330k (2013: £189k) remained payable in cash at the balance sheet date.

In addition, the Operations Manager received £1,767k (2013: £876k) for services in relation to Asset Management and other services provided to project companies within the investment portfolio, and £19k (2013: £Nil) for additional advisory services provided to TRIG UK, neither of which are consolidated in these financial statements.

In line with the Investment Management Agreement and the Operations Management Agreement, 20 per cent of the Group's aggregate management fees are to be settled in Ordinary Shares. The shares issued to the Managers by the Company relate to amounts due to the Managers by TRIG UK. Accordingly, TRIG UK reimburses the Company for the shares issued.

18. Related party and key advisor transactions *(continued)*

As at 31 December 2013, 235,351 shares equating to £232,997, based on a Net Asset Value ex dividend of 99.0 pence per share (the Net Asset Value at 31 December 2013 of 101.5 pence per share less the interim dividend of 2.5 pence per share) were due, in respect of management fees earned in 2013, but had not been issued. The Company issued these shares on 3 March 2014.

On 30 September 2014, the Company issued 319,206 shares, equating to £316,971, based on a Net Asset Value ex dividend of 99.3 pence per share (the Net Asset Value at 30 June 2014 of 102.3 pence per share less the interim dividend of 3.00 pence per share), in respect of management fees earned in H1 2014.

As at 31 December 2014, 431,070 shares equating to £428,054, based on a Net Asset Value ex dividend of 99.3 pence per share (the Net Asset Value at 31 December 2014 of 102.4 pence per share less the interim dividend of 3.08 pence per share) were due, in respect of management fees earned in H2 2014, but had not been issued. The Company intends to issue these shares around 31 March 2015.

During the year, assets were purchased from a fund managed by the Investment Manager and the Operations Manager for aggregate consideration of £32.5m (2013: £22.2m), being the Earlseat wind farm, and £32.8m (2013: £254.3m), being the Meikle Carewe, Tallentire and Taurbeg wind farms, respectively.

The Directors of the Company received fees for their services. Further details are provided in the Directors' Remuneration Report on page 70. Total fees for the Directors for the period were £149,167 (2013: £66,082). Directors' expenses of £6,506 (2013: £1,058) were also paid in the period.

All of the above transactions were undertaken on an arm's length basis.

19. Guarantees and other commitments

As at 31 December 2014, the Company and or TRIG UK, its single, direct subsidiary, had provided £11.6m (2013: £10.8m) in guarantees to the projects in the TRIG portfolio.

The Company also guarantees the revolving acquisition facility, entered into by TRIG UK, which it may use to acquire further investments.

20. Contingent consideration

The Group has performance-related contingent consideration obligations of up to £17.6m (2013: £Nil) relating to acquisitions completed prior to 31 December 2014. These payments depend on the performance of certain wind farms and solar parks and other contracted enhancements. The payments, if triggered, would be due between 2015 and 2017. The valuation of the investments in the portfolio does not assume that these enhancements are achieved. If further payments do become due they would be expected to be offset by an improvement in investment. The arrangements are generally two way in that if performance is below base case levels some refund of consideration may become due.

21. Events after the balance sheet date

On 3 February 2015, the Group extended its revolving acquisition facility limit to £120m, from £80m.

On 12 February 2015, the Company declared an interim dividend of 3.08 pence per share for the period 1 July 2014 to 31 December 2014. The total dividend, £12,796,654, payable on 31 March 2015, is based on a record date of 20 February 2015 and the number of shares in issue at that time being 415,475,783.

There are no other events after the balance sheet date, which are required to be disclosed.

22. CHANGE IN ACCOUNTING POLICY

Following the IASB's meeting in October 2014, Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28) was issued in December 2014 stating that investment entities should fair value measure all of their subsidiaries that are themselves investment entities. The implication of this change is that The Renewables Infrastructure Group (UK) Limited ("TRIG UK"), the Company's single, direct subsidiary through which investments are purchased, which was previously consolidated on a line-by-line basis into the Company's financial statements, will be measured at fair value. Whilst this change does not affect Group Net Assets, TRIG UK's cash, debt and working capital balances are now included in the fair value of investments as opposed to the Group's current assets.

The following tables illustrate the quantitative impact of the amendment on the income statement, balance sheet and cash flow statement for the period ended 31 December 2013.

Income statement

	As reported at 31 December 2013 Total *£'000's*	Adjustments Total *£'000's*	Period ended 31 December 2013 Restated Total *£'000's*
Total operating income	15,167	(3,013)	12,154
Fund expenses	(1,676)	1,311	(365)
Acquisition costs	(3,205)	1,698	(1,507)
Operating profit for the period	10,286	(4)	10,282
Finance costs	(6)	6	–
Finance income	27	(2)	25
Profit before tax	10,307	–	10,307
Income tax credit/(expense)	–	–	–
Profit for the period	10,307	–	10,307
Earnings per share (pence)	3.4		3.4

The removal of TRIG UK's costs, including overheads, management fees and acquisition costs, from the income statement is offset by the reduction in operating income. There is no change to profit for the period or earnings per share as a result of the amended standard.

22. Change in accounting policy (continued)

Balance sheet

	As reported at 31 December 2013 £'000's	Adjustments £'000's	As at 31 December 2013 Restated £'000's
Non-current assets			
Investments at fair value through profit or loss	299,792	12,161	311,953
Total non-current assets	299,792	12,161	311,953
Current assets			
Other receivables	59	185	244
Cash and cash equivalents	16,196	(13,298)	2,898
Total current assets	16,255	(13,113)	3,142
Total assets	316,047	(952)	315,095
Current liabilities			
Other payables	(1,183)	952	(231)
Total current liabilities	(1,183)	952	(231)
Total liabilities	(1,183)	952	(231)
Net assets	314,864	–	314,864
Net assets per Ordinary Share (pence)	101.5		101.5

As previously stated, the amendment to IFRS 10 does not change Group Net Assets. The adjustments all relate to including TRIG UK's cash and working capital balances in investments, rather than consolidating on a line-by-line basis. The increase in investments at fair value through profit or loss, and the resulting decrease in cash and working capital balances can be summarised as;

		£'000's
Investments at FVTPL, as reported at 31 December 2013		299,792
TRIG UK balances		
Cash	13,298	
Receivables	48	
Intercompany balance, payable from TRIG UK	(233)	
Payables	(952)	12,161
Investments at FVTPL, restated		311,953

22. CHANGE IN ACCOUNTING POLICY *(CONTINUED)*

Cash flow statement

	As reported at 31 December 2013 £'000's	Adjustments £'000's	Period ended 31 December 2013 Restated £'000's
Cash flows from operating activities			
Profit before tax	10,307	–	10,307
Adjustments for:			
Investment income	(3,393)	(3,071)	(6,464)
Gains on investments	(11,774)	6,084	(5,690)
Acquisition costs	3,205	(1,698)	1,507
Management fees settled in shares	233	–	233
Interest payable and similar charges	6	(6)	–
Interest income	(27)	2	(25)
Operating cash flow before changes in working capital	(1,443)	1,311	(132)
Changes in working capital:			
(Increase)/Decrease in receivables	(59)	(184)	(243)
(Decrease)/Increase in payables	1,183	(953)	230
Cash flow from operations	(319)	174	(145)
Cash received from investments	13,218	(13,218)	–
Fees and other operating income	21	4	25
Net cash from operating activities	12,920	(13,040)	(120)
Cash flows from investing activities			
Purchases of investments	(297,843)	(1,956)	(299,799)
Acquisition costs	(3,205)	1,698	(1,507)
Net cash used in investing activities	(301,048)	(258)	(301,306)
Cash flows from financing activities			
Proceeds from issue of share capital during period	310,100	–	310,100
Costs in relation to issue of shares	(5,776)	–	(5,776)
Net cash from financing activities	304,324	–	304,324
Net increase in cash and cash equivalents	16,196	(13,298)	2,898
Cash and cash equivalents at beginning of period	–	–	–
Exchange gains on cash	–	–	–
Cash and cash equivalents at end of period	16,196	(13,298)	2,898

The most significant difference arises because none of the £13.2m cash received from the investments was passed up from TRIG UK to TRIG at 31 December 2013. Other differences relate to expenses incurred by TRIG UK and movements in TRIG UK's working capital that are now excluded from the restated numbers.

23. Subsidiaries

As a result of applying Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) and Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28) (see Note 2(a)), all subsidiaries are held at fair value as opposed to being consolidated on a line-by-line basis. The following subsidiaries have not been consolidated in these Financial Statements;

Name	Country	Ownership Interest
The Renewables Infrastructure Group (UK) Limited	UK	100%
Roos Energy Limited	UK	100%
Grange Renewable Energy Limited	UK	100%
Hill of Towie Limited	UK	100%
Green Hill Energy Limited	UK	100%
RES Wind Farm Holdings Limited	UK	100%
Forss Wind Farm Limited	UK	100%
Altahullion Wind Farm Limited	UK	100%
Lendrum's Bridge Wind Farm Limited	UK	100%
Lendrum's Bridge (Holdings) Limited	UK	100%
Lough Hill Wind Farm Limited	UK	100%
MHB Wind Farms Limited	Republic of Ireland	100%
MHB Wind Farms (Holdings) Limited	Republic of Ireland	100%
The Renewables Infrastructure Group (France) SAS	France	100%
CEPE de Haut Languedoc SARL	France	100%
CEPE du Haut Cabardes SARL	France	100%
CEPE de Cuxac SARL	France	100%
CEPE des Claves SARL	France	100%
CEPE de Puits Castan SARL	France	100%
European Investments (SCEL) Limited	UK	100%
European Investments (Cornwall) Limited	UK	100%
Churchtown Farm Solar Limited	UK	100%
East Langford Solar Limited	UK	100%
Manor Farm Solar Limited	UK	100%
European Investments Solar Holdings Limited	UK	100%
Sunsave 12 (Derriton Fields) Limited	UK	100%
Sunsave 25 (Wix Lodge Farm) Limited	UK	100%
Parley Court Solar Park Limited	UK	100%
Egmere Airfield Solar Park Limited	UK	100%
Penare Farm Solar Park Limited	UK	100%
European Investments (Earlseat) Limited	UK	100%
Earlseat Wind Farm Limited	UK	100%
European Investments Solar Holdings 2 Limited	UK	100%
BKS Energy Limited	UK	100%
Hazel Renewables Limited	UK	100%
MC Power Limited	UK	100%
Tallentire Energy Limited	UK	100%
Taurbeg Limited	Republic of Ireland	100%

Directors and Advisors

Directors
Helen Mahy (Chairman)
Jonathan (Jon) Bridel
Shelagh Mason
Klaus Hammer (from 1 March 2014)

Registrar
Capita Registrars (Guernsey) Limited
Mont Crevelt House
Bulwer Avenue
St. Sampson
Guernsey GY2 4LH

Administrator to Company, Designated Manager, Company Secretary and Registered Office
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+44 1481 743 940

Investment Manager
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12 Charles II Street
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Operations Manager
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Kings Langley
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Financial PR
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UK Transfer Agent
Capita Registrars
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Beckenham
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St Peter Port
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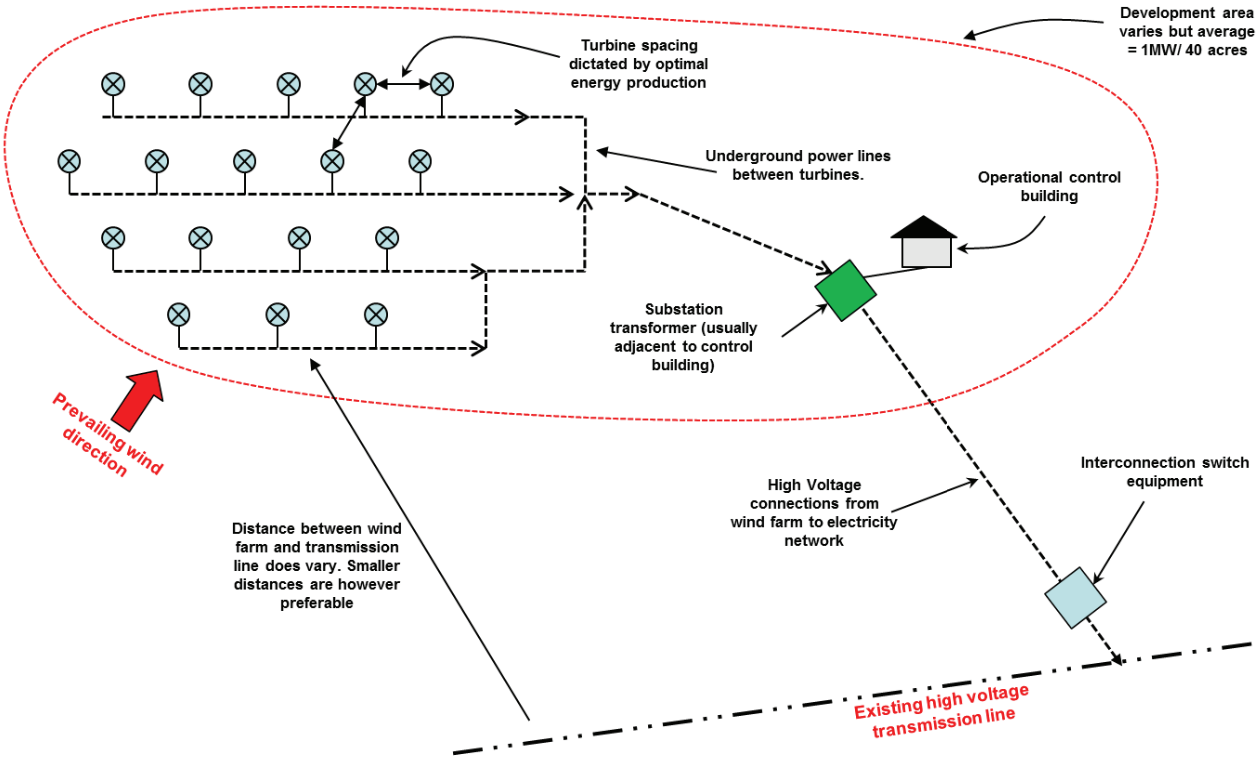
Brokers
Canaccord Genuity Limited
9th Floor
88 Wood Street
London EC2V 7QR

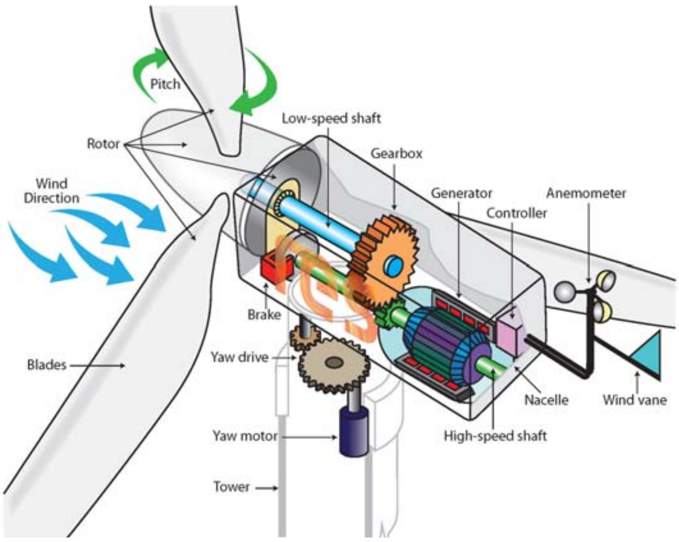
Jefferies Hoare Govett
Vintners Place
68 Upper Thames Street
London EC4V 3BJ

How does a Wind Farm work?

Typical site interaction



Workings of a wind turbine



How a wind turbine works

The turbine control system senses when the wind is blowing and makes sure the rotor is always facing into the wind.

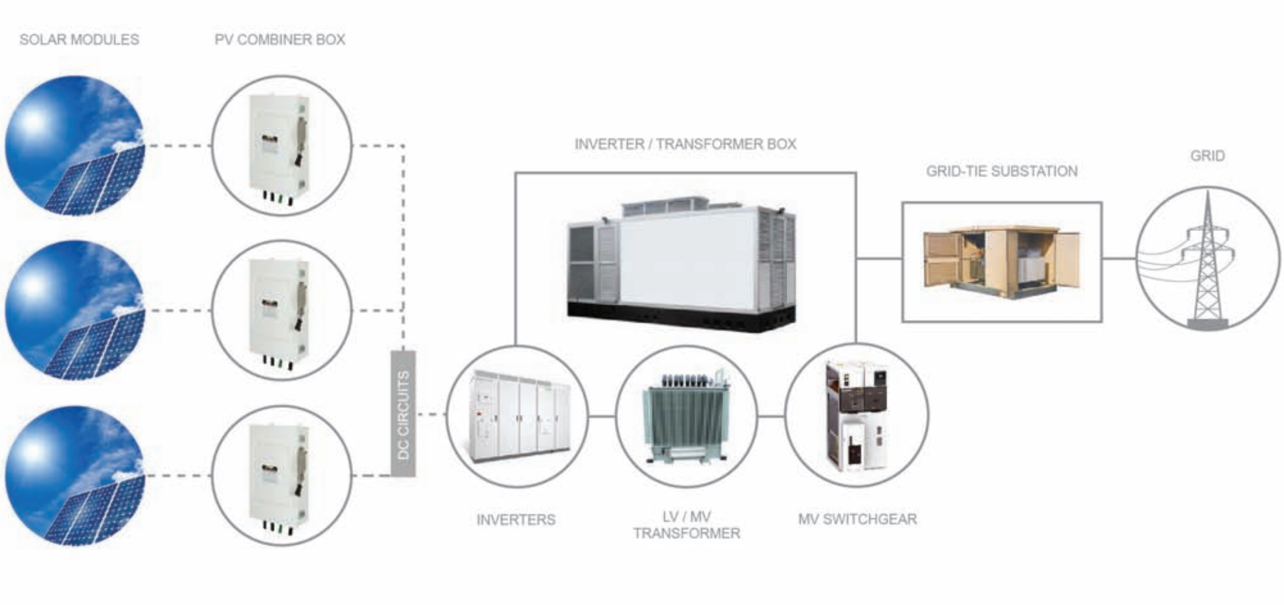
As the wind increases in speed the rotor blades generate lift which turns the rotor, and in higher wind speeds the blades pitch to control the power.

The low speed rotation (15rpm) is transferred from the rotor along the main shaft through a gearbox into a high speed generator (1500rpm) to produce electricity.

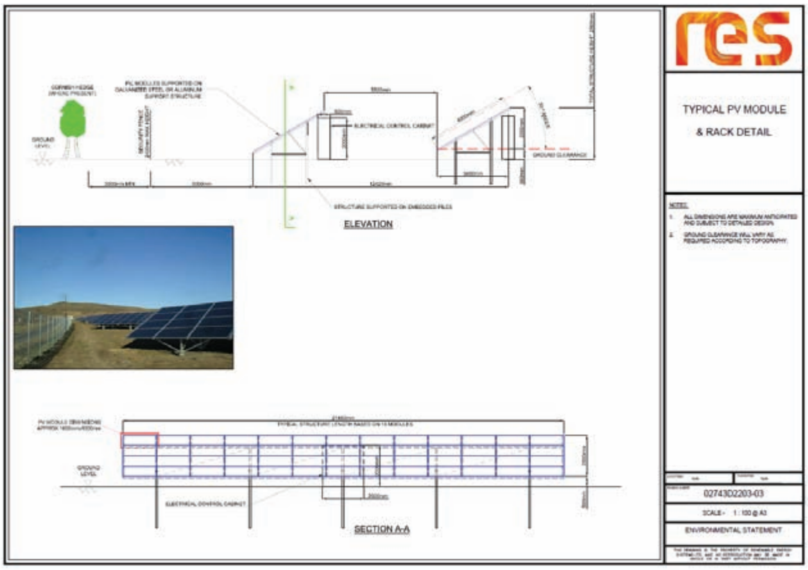
The electricity is transmitted through cables down the tower into a transformer where the voltage "steps-up" to be distributed onto the transmission grid and exported to homes and businesses.

How does a Solar Park work?

Typical site interaction



Workings of a solar panel



How a solar array works

When sunlight lands on the photo-voltaic panels, photons are excited in the panels which generate electricity in the form of direct current (DC) electricity.

This DC electricity is then converted to alternating current (AC) electricity in the inverter, before being "stepped-up" and distributed onto the transmission grid and exported to homes and business.

Key Company Data

Company name	The Renewables Infrastructure Group Limited
Registered address	1 Le Truchot St Peter Port GY1 1WD Guernsey
Listing	London Stock Exchange – Premium Listing (TRIG)
Ticker symbol	TRIG
SEDOL	BBHX2H9
Index inclusion	FTSE All-Share, FTSE SmallCap
Company year end	31 December
Dividend payments	March and September
Investment Manager ("IM")	InfraRed Capital Partners Limited
Operations Manager ("OM")	Renewable Energy Systems Limited
Company Secretary and Administrator	Dexion Capital (Guernsey) Limited
Shareholders' funds	£425.7 million as at 31 December 2014
Market capitalisation	£432.1 million as at 31 December 2014
Management fees	➤ 1.0% per annum of the Adjusted Portfolio Value1 of the investments up to £1.0bn (with 0.2% of this paid in shares), falling to 0.8% per annum for investments above £1.0bn (with no element paid in shares on the excess). Fees are split between the Investment Manager (65%) and the Operations Manager (35%) ➤ No performance or acquisitions fees
ISA, PEP and SIPP status	The Ordinary Shares are eligible for inclusion in PEPs and ISAs (subject to applicable subscription limits) provided that they have been acquired by purchase in the market, and they are permissible assets for SIPPs
NMPI status	Following the receipt of legal advice, the Board confirms that it conducts the Company's affairs, and intends to continue to conduct the Company's affairs, such that the Company would qualify for approval as an investment trust if it were resident in the United Kingdom. It is the Board's intention that the Company will continue to conduct its affairs in such a manner and that IFAs should therefore be able to recommend its Ordinary Shares to ordinary retail investors in accordance with the FCA's rules relating to non-mainstream investment products
FATCA	The Company has registered for FATCA and has a GIIN number J0L1NL.99999.SL.831
Investment policy	The Company's investment policy is set out on pages 28 and 29 and can also be found on the Company's website
Website	www.trig-ltd.com

Notes:

1. Adjusted Gross Asset Value means fair market value, without deductions for borrowed money or other liabilities or accruals, and including outstanding subscription obligations

The Renewables Infrastructure Group

A leading London-listed renewable energy infrastructure investment company

Unique combination of experienced managers

- InfraRed Capital Partners as Investment Manager
- Renewable Energy Systems as Operations Manager

Targeting an attractive, sustainable yield for investors

- Annualised 6.16p dividend increasing with inflation*
- NAV upside potential through re-investment of cash surpluses
- Long-term total return of 8% to 9%

A diversified portfolio of 29 projects at 31 December 2014

- Investing in well-established technologies – onshore wind and solar photovoltaics (PV)
- Active in the UK, Ireland and France – markets with commitment to renewables
- Operational performance since IPO in line with expectations
- Powering the equivalent of 230,000 homes
- Avoiding emission of 360,000 tonnes of CO_2 annually

Long-term portfolio growth through acquisitions

- 57% increase in portfolio value during 2014
- Further enhancing diversification, scale and liquidity

*Based on 3.08p dividend per ordinary share declared for six months to 31 December 2014

The Renewables Infrastructure Group

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