

**TXU Europe Group plc and certain of its subsidiaries
(all in administration or liquidation and subject to a company voluntary arrangement)
(together known as “the BTL CVA Companies”)**

Fifth distribution and indicative future distribution timings

Date: 2 February 2007

This should be read in conjunction with the CVA proposals and the Explanatory Statement dated 10 January 2005 together with the Important Notice and assumptions contained therein.

In accordance with clause 21.8 of the CVA proposals, distributions are required to be made to CVA Creditors once £50 million or more becomes available across the BTL CVA Companies. As at the date of this notice the Office Holders of these entities are holding approximately £36.9 million which is available for distribution.

There are a number of issues which are very close to being resolved, which should result in further assets being realised and in the release of certain provisions, which will bring the total funds available for distribution past £50 million. However, some of these issues are likely to be unresolved at the time when £50 million of funds are available for distribution. If these issues are resolved prior to the dividend payment being made, it would result in greater funds being made available for the fifth distribution to CVA Creditors. Therefore, in accordance with clause 34.1 of the CVA proposals, the Office Holders have consulted with the creditors’ committee’s of the BTL CVA Companies and agreed that the CVA is modified such that, rather than a distribution being made at this time, that provided £50 million or more is available for distribution, March 2007 is used as the cut off date for asset realisations and reserve releases and that the fifth distribution is made during March 2007

The updated timetable is now expected to be as follows;

Actual first distribution	30 March 2005
Actual second distribution	2 August 2005
Actual third distribution	19 January 2006
Actual fourth distribution	20 July 2006
Anticipated fifth distribution	March 2007
Sixth distribution	September/October 2007

Please note that the above information is being provided for illustrative purposes only and may be subject to further updating, revision and/or amendment. No representation is made nor duty of care assumed by the Joint Administrators/Liquidators/Supervisors of the BTL CVA Companies in respect of the information above. If you or any other persons choose to rely on the contents of the information contained within this document you do so entirely at your own risk.

Please refer to Annex 9 of the Explanatory Statement which provides estimated outcomes for each of the CVA Companies. Revisions to these estimates may be added to the website, www.txuinfo.co.uk, from time to time.