



cutting through complexity™

TXU Europe Limited and certain subsidiaries (in administration/liquidation and/or under voluntary arrangements) ('the Companies')

Administrators' and Supervisors Progress Report to Creditors – see
the Notice on page 1

Prepared for the six month period to 8 July 2012

20 July 2012

| | |
|----------------------------|---|
| CVA | Company Voluntary Arrangement |
| EGO BV | Energy Group Overseas BV |
| EH3 | Energy Holdings (No 3) Limited |
| EY | Ernst & Young |
| Holding Companies | TXUEL and those of its subsidiaries for which CVAs were approved on 31 March 2005 |
| KPMG | KPMG LLP |
| Operating Companies | TXUEG and its subsidiaries |
| The Companies | The companies listed in Appendix 1 |
| TEG | The Energy Group Limited |
| TXUA | TXU Acquisitions Limited |
| TXUEG | TXU Europe Group plc |
| TXUEL Group | TXU Europe Limited and its subsidiaries |

**The contacts at KPMG
in connection with this
report are:**

Jim Tucker

Partner, London KPMG LLP

Tel: + 44 (0)20 7694 1812

Fax: + 44 (0)20 7694 3011

jim.tucker@kpmg.co.uk

John Milsom

Partner, London KPMG LLP

Tel: + 44 (0)20 7694 3096

Fax: + 44 (0)20 7694 3011

john.milsom@kpmg.co.uk

Jeremy Spratt

Partner, London KPMG LLP

Tel: + 44 (0)20 7694 3369

Fax: + 44 (0)20 7694 3011

jeremy.spratt@kpmg.co.uk

Paul Liversidge

Manager, London KPMG LLP

Tel: + 44 (0)20 7694 3312

Fax: + 44 (0)20 7694 3011

paul.liversidge@kpmg.co.uk

| | Page |
|---|-------------|
| Notice: About this report | 3 |
| Group structure | 4 |
| Introduction and summary update | 5 |
| Creditors and distributions | 7 |
| Appendices | 9 |
| 1. Statutory information for the Companies | 10 |
| 2. Details of Administrators' remuneration and summary receipts and payments accounts | 11 |

Notice: about this report

This report has been prepared by the Joint Administrators and Supervisors of TXUEL and the subsidiaries listed in Appendix 1 (together “the Companies”), solely to comply with their statutory duties to report to creditors under Rule 2.30 and Rule 1.26(2) of the Insolvency Rules 1986. Its purpose is to provide creditors with an update on the progress of the Administrations of the Companies for the six months to 8 July 2012 and to provide an update on the CVAs for the period ended 8 July 2012, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in TXUEL or any other company in the TXUEL Group.

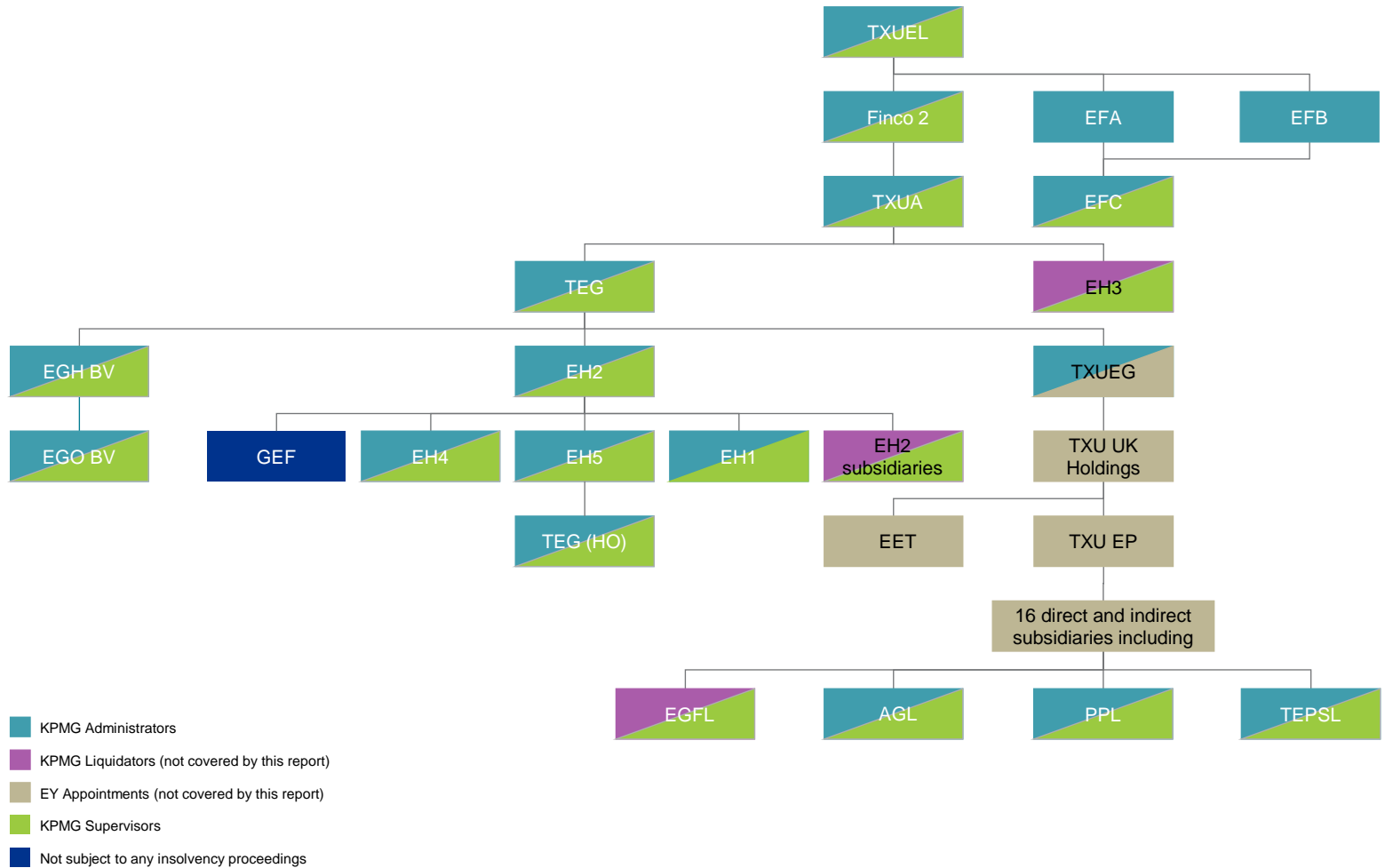
Any estimated outcomes for creditors included in this Report are illustrative only and cannot be relied upon as guidance to the actual outcomes for creditors.

Any person who chooses to rely on this Report for any purpose or in any context other than under Rule 2.30 and/or Rule 1.26(2) of the Insolvency Rules 1986 does so at their own risk. To the fullest extent permitted by law, the Administrators/Liquidators and Supervisors assume no responsibility and accept no liability in respect of this Report to any such person.

The appointments of the Joint Administrators/Liquidators and Supervisors are personal to them and, to the fullest extent permitted by law, KPMG LLP assumes no responsibility and accepts no liability to any person in respect of this Report or the conduct of the administrations/liquidations or CVAs.

John David Thomas Milsom, James Robert Tucker, Jeremy Simon Spratt and Richard Hill are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

Simplified group structure for the companies covered by this report



A blue trapezoidal graphic on the left side of the slide, containing the text 'Introduction and summary update'.

Introduction and summary update

Background

- This report covers the progress made in the Administrations and CVAs of those Companies listed in Appendix 1 for the six months since January 2012. The officeholders last updated creditors on key developments on 20 January 2012. A copy of that report can be found at www.txuinfo.co.uk.

Outstanding matters and recent developments

- As previously advised, TXUEG declared distributions in April 2008 and September 2009 to TEG, its sole shareholder, totalling £137 million (excluding interest). As TXUEG had paid 100 pence in the pound to all of its proven and admitted CVA creditors, it was unclear to the appointees of the Operating Companies how these distributions could be appropriately passed to TEG and as a result the funds were therefore placed in TXUEG's disputed claims account whilst the Administrators of TXUEG took advice on the matter. The TXUEG Administrators sought the specific consent of the High Court to pay the above surplus funds to TEG, as sole shareholder of TXUEG. The High Court did not accept the premise put forward by the Administrators; ruling that there were existing provisions and procedures under the UK Companies Act to validate and to enable the surplus payment to TEG.
- Following representations from the Administrators of TXUEL to the Administrators of TXUEG they took further technical and legal advice. They considered undertaking a capital reduction of TXUEG in order to facilitate the distribution of the funds to TEG. However, they were advised that the Operating Companies CVAs would require the approval of the High Court to amend the terms of the CVAs. Based on further advice received, the Administrators of the Operating Companies intend to place TXUEG into compulsory liquidation in order that the appointed liquidators can be empowered to deal with the surplus funds due to TEG. The compulsory liquidation procedure under the UK Companies Act enables the lawful distribution of surplus funds to shareholders. The Administrators of TXUEG have advised that court hearings have been scheduled for 6 August 2012. The court will consider three applications from the Administrators of TXUEG being an application to place TXUEG into liquidation, the release of the Administrators and for consent that the CVAs can be modified. The modification is required to effect the distributions to TEG. It is anticipated, if the applications are granted that the liquidators of TXUEG may be in a position to distribute a substantial part (approximately 90%) of the £137 million to TEG in September 2012 and a further distribution will then be made by the Holding Companies shortly thereafter.

Realisations and Distributions to creditors

- Realisations by Holding Companies are largely derived from distributions made by TXUEG. The Holding Companies have to date received £470 million from TXUEG.
- TEG is entitled to receive the £137 million (excluding interest) as mentioned above, this is currently held in the TXUEG disputed claims account. Once TXUEG has been placed into compulsory liquidation it is anticipated that a substantial part of the £137 million can be released to TEG which, following the expiry of all relevant notice periods should be in September 2012. TEG will also be due further funds from the final TXUEG liquidation distribution subject to the resolution of potential future industrial injury liabilities which TXU UK Limited may have in respect of asbestos related claims, the agreement of EY costs, and tax clearance. We understand the final TXUEG distribution may take place before the end of the year.

Realisations and Distributions to creditors (cont.)

- A fifth Holding Company distribution was paid on 30 June 2011 which bought the amount distributed by the Supervisors of the Holding Companies to external (non-group) creditors to £670 million. In the CVA proposal the estimated total distribution to external (non-group) creditors was £569 million and therefore the Administrators and Supervisors have achieved a significant improvement on this estimate, with further distributions of significant value still to be made.
- Details of the distributions paid to date and future estimated distributions assuming that TEG receives the surplus funds from TXUEG, are shown on page 8 of this report.

Creditors and distributions

Creditors and distributions

- Claims received and agreed or rejected pursuant to the CVA, their values as at 19 November 2002 and 7 January 2005 and the amounts distributed in respect of such claims are set out in the table below. The differences in the values of claims as at 19 November 2002 and 7 January 2005 relate to movements in foreign currency exchange rates and capitalised interest. Some claims are set at 19 November 2002 values because of their particular nature.

| Distributions, estimated future distributions and estimated outcome | | | | | | |
|---|------------------|----------------|---------------------------------------|--|--------------------------------|-------------------------|
| £m | 19 November 2002 | 7 January 2005 | Distributions paid prior to June 2011 | 5 th Distribution June 2011 | Estimated future distributions | Estimated total outcome |
| Agreed claims | | | | | | |
| EGO BV Bonds | 329.8 | 335.1 | 231.8 | 31.5 | 66.4 | 329.7 |
| EFC Bonds | 1,376.9 | 1,487.4 | 208.7 | 30.8 | 111.3 | 350.8 |
| Revolving Credit Facility | 693.5 | 825.6 | 108.5 | 15.8 | 58.9 | 183.2 |
| Holders of TXU Acquisitions Loan notes | 19.1 | 20.5 | 2.4 | 0.4 | 1.8 | 4.6 |
| Barcap Claim | 19.4 | 21.6 | 13.4 | 1.9 | 4.1 | 19.4 |
| TXU Europe Ltd other creditors | 111.2 | 120.6 | 16.6 | 2.4 | 7.7 | 26.7 |
| TXU Eastern Funding Company | 3.3 | 3.3 | - | - | - | - |
| TXU Acquisitions Ltd other creditors | 3.3 | 3.3 | 0.4 | 0.1 | 0.2 | 0.7 |
| The Energy Group Ltd other creditors | 3.3 | 3.3 | 0.1 | - | 0.3 | 0.4 |
| Energy Group Overseas BV other creditors | 3.3 | 3.3 | 0.1 | - | 0.3 | 0.4 |
| Energy Holdings (No2) Ltd other creditors | 6.7 | 6.7 | 1.5 | 0.2 | 1.8 | 3.5 |
| Energy Holdings (No 3) Ltd other creditors | 5.3 | 6.1 | 2.9 | 0.1 | - | 3.0 |
| Energy Holdings (No 5) Limited | 6.6 | 6.6 | 0.9 | 0.1 | 1.6 | 2.6 |
| Total | 2,581.7 | 2,843.4 | 587.3 | 83.3 | 254.4 | 925.0 |

We make the following observations in relation to the table above:

- The above estimated outcome is illustrative only and should not be relied upon as guidance as to the actual outcomes for creditors. Also, the EGO BV bonds may receive a total of 100p in the £ as a result of their claims at EGO BV, TXUEL and EH3. Similarly the Barcap claim may be paid in full as a result of its claims at EH3 and TXUEL.
- It is likely that there will be a number of future payments to creditors when funds are received by the Holding Companies from the Operating Companies and when the issues which remain to be dealt with within the TXUEL Group have been resolved.
- The Supervisors of the Operating Companies' CVAs continue to aim to conclude the majority of the outstanding issues as soon as practicably possible.

Appendix 1

Statutory information for the Companies

The contact address for JR Tucker, JDT Milsom, and JS Spratt is 8 Salisbury Square, London, EC4Y 8BB.

RJ Hill's contact address is 100 Temple Street, Bristol, BS1 6AG.

All administration orders were granted by the High Court in London.

During the administration any act required/ authorised under any enactment to be done by either/both administrators may be done by any person holding that office at that time.

| Name of company | Company number | Abbreviation | Administrators | Supervisors | Count number | Date of order |
|---------------------------------|--------------------|--------------|-------------------------|-------------------------|-----------------|------------------|
| TXU Europe Limited | 03505836 | TXUEL | JR Tucker JDT Milsom | JR Tucker JDT Milsom | No 7650 of 2002 | 19 November 2002 |
| TXU Acquisitions Limited | 03455523 | TXUAC | JR Tucker JDT Milsom | JR Tucker JDT Milsom | No 7652 of 2002 | 19 November 2002 |
| The Energy Group Limited | 03613919 | TEG | JR Tucker JDT Milsom | JR Tucker JDT Milsom | No 7649 of 2002 | 19 November 2002 |
| TXU Finance (No. 2) Limited | 03514100 | Finco2 | JR Tucker JDT Milsom | JR Tucker JDT Milsom | No 2758 of 2003 | 2 May 2003 |
| Energy Holdings (No.2) Limited | 02969102 | EH2 | JR Tucker JS Spratt | JR Tucker JS Spratt | No 2754 of 2003 | 2 May 2003 |
| Energy Holdings (No.4) Limited | 01468589 | EH4 | JR Tucker JS Spratt | JR Tucker JS Spratt | No 2755 of 2003 | 2 May 2003 |
| Energy Holdings (No.5) Limited | 00941665 | EH5 | JR Tucker JS Spratt | JR Tucker JS Spratt | No 2756 of 2003 | 2 May 2003 |
| TXU Eastern Funding Company | 03710529 | EFC | JR Tucker RJ Hill | JR Tucker JDT Milsom | No 1123 of 2004 | 3 November 2003 |
| TXU Eastern Finance (A) Limited | 03680673 | EFA | JR Tucker RJ Hill | n/a | No 1122 of 2004 | 3 November 2003 |
| TXU Eastern Finance (B) Limited | 03679711 | EFB | JR Tucker RJ Hill | n/a | No 1121 of 2004 | 3 November 2003 |
| Energy Group Overseas BV | 33296337 Amsterdam | EGOBV | JR Tucker JDT Milsom | JDT Milsom JR Tucker | No 7084 of 2003 | 20 November 2003 |
| Energy Group Holdings BV | 33296335 Amsterdam | EGHBV | JR Tucker JDT Milsom | JDT Milsom JR Tucker | No 7082 of 2003 | 20 November 2003 |
| Energy Holdings (No. 3) Ltd | 03257256 | EH3 | n/a | JR Tucker JS Spratt | n/a | n/a |
| TEG (Head Office) Ltd | 02259512 | TEG (HO) | n/a | JR Tucker JS Spratt | n/a | n/a |
| Energy Holdings (No. 1) Ltd | 03239971 | EH1 | n/a | JR Tucker JS Spratt | n/a | n/a |

Note: The Registered Offices for all the Companies except EGO BV and EGH BV are 8 Salisbury Square, London, EC4Y 8BB. The Registered Office for EGOBV and EGH BV is DeBoelelaan 7 Officia 1, 1033 HD, Amsterdam, Netherlands.

On 13 April 2010 an order was made in the High Court appointing James Robert Tucker as joint administrator and supervisor of Energy Group Overseas BV and Energy Group Holdings BV in place of Finbarr Thomas O'Connell, following Mr O'Connell's retirement from KPMG LLP. In accordance with the order, creditors and members were given notice of the order by advertisement in the London Gazette on 23 April 2010 and had 28 days from then to apply for the variation or discharge of the order should they have so wished.

Appendix 2

Details of Administrators' remuneration and
summary receipts and payments accounts

Office holders' remuneration from appointment for the Companies

Remuneration for the Initial Appointments covered by this report

| | TXUEL | | TXUA | | TEG | |
|--------------------------------------|--------|-------------|--------|-------------|-------|-------------|
| | Hrs | Cost (£000) | Hrs | Cost (£000) | Hrs | Cost (£000) |
| Total time spent to 30 June 2012 | 55,442 | 14,655 | 12,686 | 3,779 | 5,089 | 3,145 |
| Fees approved as at 1 October 2010 | - | 14,283 | - | 3,633 | - | 2,796 |
| Balance to be approved (£000) | | 372 | | 146 | | 349 |

Remuneration for subsequent appointments covered by this report

| £000 | Finco 2 | EH1 | EH2 | EH4 | EH5 | EGO BV | EGH BV |
|------------------------------------|----------|----------|-----------|----------|----------|-----------|----------|
| Total time spent to 30 June 2012 | 278 | 225 | 2,375 | 129 | 96 | 1,872 | 27 |
| Fees approved as at 1 October 2010 | 275 | 225 | 2,331 | 124 | 92 | 1,847 | 27 |
| Balance to be approved | 3 | - | 44 | 5 | 4 | 25 | - |

Remuneration for subsequent appointments covered by this report

| £000 | EFC | EFA | EFB |
|------------------------------------|-----------|----------|----------|
| Total time spent to 30 June 2012 | 199 | 6 | 6 |
| Fees approved as at 1 October 2010 | 182 | 6 | 6 |
| Balance to be approved | 17 | - | - |

Source: Office holders records.

- The above costs information is a summary of the information provided to the Creditors'/Liquidation Committees under Statement of Insolvency Practice No 9 ('SIP9'). The insolvency profession uses SIP9 as guidance on the remuneration of insolvency officeholders. The Committees have approved the costs for each of the companies. Full details of these costs are available, if requested.

Receipts and payments accounts

| TXUEL | | | | |
|---|---------------------------------------|--|---------------------------------------|--|
| £ | Administration | | CVA | |
| | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 19 Nov 02 to 8 Jul 12 | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| Receipts | | | | |
| ATL Intercompany debt | | 329,723,801 | | |
| Proceeds of settlement with TXU Corp (part C7 of CVA) | | 86,130,490 | | |
| £67 million swap proceeds from BTL CVA | | 66,536,520 | | |
| Release of LILO security | | 50,000,010 | | |
| Receipts from TXU Corp for onward transmission to direct claimants | | 39,965,744 | | |
| Interest received | 2,935 | 14,002,710 | | |
| PPA contribution ^(a) (paragraph C2.6.7, Operating Companies CVA) | | 11,499,000 | | |
| Litigation settlement proceeds | | 7,811,747 | | |
| Reimbursement of guarantee payments | | 8,451,168 | | |
| Receipt from disputed claims account | | 9,872,953 | | |
| Costs awarded | | 4,886,368 | | |
| Top up reserves held from TXU Corp proceeds | | 2,500,000 | | |
| Committee creditor and bond trustee costs recovery | | 2,498,218 | | |
| Reimbursement of legal and tax costs from TXU Corp settlement | | 695,553 | | |
| Sale of tax losses | | 359,633 | | |
| Other debtors | | 344,318 | | |
| Barking group relief receipts | | 1,640,644 | | |
| VAT refund (pre-appointment) | | 2,625 | | |
| Receipts from other companies to pay distributions ^(b) | | | | 213,414,438 |
| Transfer from administrator re direct claimants | | | | 39,965,744 |
| Transfer from administrator | | | | 476,256,025 |
| | 2,935 | 636,921,502 | NIL | 729,636,207 |

Notes: (a) PPA contributions are monies paid by certain PPA creditors, as part of the overall compromise, upon implementation of the BTL CVAs. See paragraph C2.6.7 of Operating Company CVA. When the ATL CVAs became effective in October 50% of this was paid to the Conduit Companies pro-rata to their claims against TXUEG.

(b) All distributions to banks and bonds were paid through TXUEL. Accordingly EFC, EGO BV and EH3 forwarded their payments to TXUEL for this purpose.

Source: Office holders records.

Receipts and payments accounts (cont.)

| TXUEL | | | | |
|---|---------------------------------------|--|---------------------------------------|--|
| £ | Administration | | CVA | |
| | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 19 Nov 02 to 8 Jul 12 | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| Payments | | | | |
| Transfer to Supervisor | | 476,256,025 | | |
| Allocation of TXU Corp settlement to other companies | | 50,303,340 | | |
| Transfer to Supervisor re direct claimants | | 39,965,744 | | |
| Legal fees | | 24,784,008 | | |
| Administrators' fees and expenses | | 14,581,753 | | |
| Payment to disputed claims account | | 9,695,249 | | |
| Reallocation of PPA contribution ^(a) | | 5,750,000 | | |
| VAT | (342) | | | |
| Payment of insurance refund to TXUEG from TXU Corp settlement | | 1,631,488 | | |
| Advisors' fees | | 6,062,510 | | |
| Other expenses | 20 | 2,026,052 | | |
| Bond trustee costs | | 893,198 | | |
| Payment to TXUAL for legal costs | | 680,553 | | |
| Irrecoverable VAT | | 748,268 | | |
| Group relief payment | | 24,219 | | |
| Un-recovered unfair prejudice costs | | 2,100,841 | | |
| Distributions of other company obligations ^(b) | | | | 213,414,438 |
| Distributions to external creditors | | | | 444,443,046 |
| Payments to direct claimants | | | | 39,965,744 |
| Net interest on disputed claims | | | | 5,386 |
| Distributions to connected companies | | | | 31,807,593 |
| | (322) | 635,503,248 | NIL | 729,636,207 |
| Balance as at 8 July 2012 | 3,257 | 1,418,254 | NIL | NIL |

Notes: (a) PPA contributions are monies paid by certain PPA creditors, as part of the overall compromise, upon implementation of the BTL CVAs. See paragraph C2.6.7 of Operating Company CVA. When the ATL CVAs became effective in October 50% of this was paid to the Conduit Companies pro-rata to their claims against TXUEG.

(b) All distributions to banks and bonds were paid through TXUEL. Accordingly EFC, EGO BV and EH3 forwarded their payments to TXUEL for this purpose.

Source: Office holders records.

Receipts and payments accounts (cont.)

| TXUA | | | | |
|---|---------------------------------------|--|---------------------------------------|--|
| £ | Administration | | CVA | |
| | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 19 Nov 02 to 8 Jul 12 | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| Receipts | | | | |
| ATL Intercompany debt | | 346,408,714 | | |
| Distributions from TXUEG CVA | | 161,356,218 | | |
| Tax equalisation receipts ^(c) (paragraph C7, Operating Company CVA) | | 35,000,000 | | |
| Reimbursement of investigation costs | | 14,300,000 | | |
| Release of credit derivatives ^(a) | | 11,355,551 | | |
| Proceeds of settlement with TXU Corp (Part C7 of CVA) | | 6,999,046 | | |
| Release of monies held in solicitors' trust accounts (advance distribution from TXUEG) | | 5,000,000 | | |
| Sale of intercompany debt owed by TXU Europe Group Plc (in administration) ^(a) | | 1,788,589 | | |
| Bank interest (gross) ^(b) | 3,221 | 3,020,905 | | |
| PPA contribution (paragraph C2.6.7, Operating Company CVA) | | 2,159,975 | | |
| Reimbursement of legal costs | | 680,553 | | |
| Receipts from disputed claims account | 18 | 528,861 | | |
| Proceeds from TOPrS settlement | | 98,333 | | |
| Tax refunds | | 88,500 | | |
| Other receipts | | 8,464 | | |
| Sale of tax losses | | 2,436,689 | | |
| Barking group relief | | 308,781 | | |
| Transfer from Administrator | | | | 535,725,092 |
| | 3,239 | 591,539,179 | NIL | 535,725,092 |

- Notes:
- (a) Of the £10,752,500 under the agreement for the sale of inter-company debt, £10,227,797 has been released following the first three distributions by TXUEG. The balance of £524,703 is secured in favour of certain counterparties.
 - (b) £1,327,598 of this figure relates to the proceeds of the sale of the inter-company debt of which approximately £839,840 has been released.
 - (c) TXUEG paid £28,957,112 to ATL companies for agreed tax equalisation. All of these funds were paid to TXUA to distribute to the other relevant companies. TXUA's share of this is £10,877,674. The balance has been reallocated to the other companies.

Source: Office holders records.

Receipts and payments accounts (cont.)

| TXUA | | | | |
|--|---------------------------------------|--|---------------------------------------|--|
| | Administration | | CVA | |
| | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 19 Nov 02 to 8 Jul 12 | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| £ | | | | |
| Payments | | | | |
| Transfer to Supervisor | | 535,725,092 | | |
| Tax equalisation payments ^(a) (paragraph C7, Operating Company CVA) | | 26,937,998 | | |
| Payment to BTL top-up creditors (paragraph C8, Operating Company CVA) | | 7,500,000 | | |
| TXUEG investigation costs (paragraph C4, Operating Company CVA) | | 6,800,000 | | |
| Repayment of advance distribution | | 5,000,000 | | |
| Administrators' fees and expenses | | 3,707,787 | | |
| Legal fees | (40,170) | 791,109 | | |
| Payment to disputed claims account | 896 | 658,950 | | |
| Group relief payments | | 677,100 | | |
| Professional fees | | 211,691 | | |
| Irrecoverable VAT | | 4,449 | | |
| Un-recovered unfair prejudice costs | | 1,786,709 | | |
| Other expenses | | 131,097 | | |
| Committee expenses | | 12,349 | | |
| Distributions to connected companies | | | | 532,632,479 |
| Distributions to external creditors | | | | 3,086,118 |
| Net interest on disputed claims | | | | 6,495 |
| | (39,274) | 589,944,331 | NIL | 535,725,092 |
| Balance as at 8 July 2012 | 42,513 | 1,594,848 | NIL | NIL |

Notes: (a) Of the £10,752,500 under the agreement for the sale of inter-company debt, £10,227,797 has been released following the first three distribution by TXUEG. The balance of £524,703 is secured in favour of certain counterparties.

Source: Office holders records.

Receipts and payments accounts (cont.)

| TEGL | | | | |
|---|------------------------------------|-------------------------------------|------------------------------------|-------------------------------------|
| £ | Administration | | CVA | |
| | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 19 Nov 02 to 8 Jul 12 | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| Receipts | | | | |
| Distribution from TXUEG CVA | | 82,383,455 | | |
| ATL Inter-company debt | | 57,044,815 | | |
| Tax equalisation receipts ^(a) (paragraph C7, Operating Company CVA) | | 17,492,794 | | |
| Proceeds of settlement with TXU Corp (part C7 of CVA) | | 3,573,495 | | |
| PPA contribution (paragraph C2.6.7, Operating Company CVA) | | 1,102,816 | | |
| Surrender of ACT | | 812,230 | | |
| Costs awarded (further allocation required) | | 769,043 | | |
| Interest received | 15,690 | 1,613,447 | | |
| Barking group relief | | 696,381 | | |
| Receipt from disputed claims account | | 165,374 | | |
| Proceeds from TOPrS settlement | | 50,253 | | |
| Transfer from administrator | | | | 152,069,593 |
| | 15,690 | 165,704,103 | NIL | 152,069,593 |
| Payments | | | | |
| Transfer to Supervisor | | 152,069,593 | | |
| Administrators' fees and expenses | | 2,840,812 | | |
| Legal fees (including reimbursement from other group companies and related irrecoverable VAT) | 81,752 | 738,905 | | |
| Interim funding | | 1,240,515 | | |
| Payment to disputed claims account | | 163,988 | | |
| Other professional fees | | 119,148 | | |
| Committee expenses | | 11,599 | | |
| Group relief payments | | 36,354 | | |
| Other expenses | | 3,442 | | |
| Un-recovered unfair prejudice costs | | 1,068,812 | | |
| Distributions to connected companies | | | | 151,907,260 |
| Distributions to external creditors | | | | 161,864 |
| Net interest on disputed claims | | | | 469 |
| | 81,752 | 158,293,168 | NIL | 152,069,593 |
| Balance as at 8 July 2012 | (66,062) | 7,410,935 | NIL | NIL |

Notes: (a) TXUEG paid £28,957,112 to ATL companies for agreed tax equalisation. All of these funds were paid to TXUA to distribute to the other relevant companies. TEGL's share of this was £5,553,801.

Source: Office holders records.

Receipts and payments accounts (cont.)

| EH2 | | | | |
|---|---------------------------------------|---------------------------------------|---------------------------------------|--|
| £ | Administration | | CVA | |
| | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 2 May 03 to 8 Jul 12 | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| Receipts | | | | |
| ATL Inter-company debt | | 238,928,109 | | |
| Shares and investments | | 204,920,635 | | |
| Share transfer premiums | | 440,258 | | |
| Bank interest | 3,804 | 450,059 | | |
| Receipts from disputed claims accounts | | 91 | | |
| Transfer to Supervisor | | | | 437,330,697 |
| | 3,804 | 444,739,152 | NIL | 437,330,697 |
| Payments | | | | |
| Transfer to Supervisor | | 437,330,697 | | |
| Share purchase consideration | | 1,926,141 | | |
| Administrators' fees and expenses | | 2,464,975 | | |
| Subsidiary liquidation costs | | 176,420 | | |
| Professional and advisors fees | | 74,022 | | |
| Irrecoverable VAT | | 611,794 | | |
| Legal fees (including reimbursement from other group companies) | | 365,325 | | |
| Other expenses | | 919 | | |
| Payments to disputed claims account | | 90 | | |
| Distributions to external creditors | | | | 1,806,162 |
| Distributions to connected companies | | | | 435,524,535 |
| | NIL | 442,950,383 | NIL | 437,330,697 |
| Balance as at 8 July 2012 | 3,804 | 1,788,769 | NIL | NIL |

Source: Office holders records.

Receipts and payments accounts (cont.)

| Finco 2 | | | | |
|---|---------------------------------------|---------------------------------------|---------------------------------------|--|
| £ | Administration | | CVA | |
| | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 2 May 03 to 8 Jul 12 | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| Receipts | | | | |
| ATL intercompany debt | | 309,774,871 | | |
| Proceeds of settlement with TXU Corp (part C7 of CVA) | | 10,091,019 | | |
| Interest received | 379 | 279,780 | | |
| Sale of tax loss | | 4,779,822 | | |
| Group relief receipts | | 3,297,134 | | |
| Receipt from disputed claims account | | 403 | | |
| Transfer from Administrator | | | | 326,871,521 |
| | 379 | 328,223,029 | NIL | 326,871,521 |
| Payments | | | | |
| Transfer to supervisor | | 326,871,521 | | |
| Administrators' fees and expenses | | 275,099 | | |
| Irrecoverable VAT | | 48,000 | | |
| Payment to disputed claims account | | 308 | | |
| Other expenses | | 302 | | |
| Un-recovered unfair prejudice costs | | 846,503 | | |
| Distribution to external creditors | | | | 208 |
| Distribution to connected companies | | | | 326,871,313 |
| | NIL | 328,041,733 | NIL | 326,871,521 |
| Balance as at 8 July 2012 | 379 | 181,296 | NIL | NIL |

Source: Office holders records.

Receipts and payments accounts (cont.)

| EH4 | | | | |
|--------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|
| | Administration | | CVA | |
| | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 2 May 03 to 8 Jul 12 | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| £ | | | | |
| Receipts | | | | |
| ATL intercompany debt | | 599,092,534 | | |
| Shares and investments | | 4,236,277 | | |
| Interest received | 385 | 121,868 | | |
| Corporation tax refund | | 480,170 | | |
| Receipt from disputed claims account | | 217 | | |
| Group relief receipts | | 291,798 | | |
| Transfer from Administrator | | | | 603,820,225 |
| | 385 | 604,222,864 | NIL | 603,820,225 |
| Payments | | | | |
| Transfer to supervisor | | 603,820,225 | | |
| Share transfer fee | | 53,000 | | |
| Administrators fees and expenses | | 140,617 | | |
| Irrecoverable VAT | | 24,590 | | |
| Payment to disputed claims account | | 215 | | |
| Other expenses | | 278 | | |
| Distribution to connected companies | | | | 603,820,225 |
| | NIL | 604,038,925 | NIL | 603,820,225 |
| Balance as at 8 July 2012 | 385 | 183,939 | NIL | NIL |

Source: Office holders records.

Receipts and payments accounts (cont.)

| EH5 | | | | |
|--------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|
| £ | Administration | | CVA | |
| | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 2 May 03 to 8 Jul 12 | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| Receipts | | | | |
| ATL intercompany debt | | 140,415,388 | | |
| Tax refunds | | 4,380,359 | | |
| Interest received | 152 | 851,889 | | |
| Shares and investments | | 2,662,845 | | |
| Receipt from disputed claims account | | 61 | | |
| Transfer from Administrator | | | | 144,699,794 |
| | 152 | 148,310,542 | NIL | 144,699,794 |
| Payments | | | | |
| Transfer to supervisor | | 144,699,794 | | |
| Surrender of ACT | | 2,465,941 | | |
| Group relief payments | | 672,320 | | |
| Administrators' fees and expenses | | 93,302 | | |
| Irrecoverable VAT | | 16,302 | | |
| Other expenses | | 302 | | |
| Payment to disputed claims account | | 60 | | |
| Share transfer premium | | 290,000 | | |
| Distributions to external creditors | | | | 950,956 |
| Distributions to connected companies | | | | 143,748,838 |
| | NIL | 148,238,021 | NIL | 144,699,794 |
| Balance as at 8 July 2012 | 152 | 72,521 | NIL | NIL |

Source: Office holders records.

Receipts and payments accounts (cont.)

| TXU Eastern Funding Company | | | | |
|---|---------------------------------------|---------------------------------------|---------------------------------------|--|
| | Administration | | CVA | |
| £ | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 3 Nov 03 to 8 Jul 12 | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| Receipts | | | | |
| Proceeds of settlement with TXU Corp (part C7 of CVA) | | 4,779,956 | | |
| Bank interest | 459 | 178,450 | | |
| Other income | | 275 | | |
| Barking group relief | | 1,092,322 | | |
| Receipt from disputed claims account | | 19,647 | | |
| Transfer from administrator | | | | 4,663,691 |
| | 459 | 6,070,650 | NIL | 4,663,691 |
| Payments | | | | |
| Transfer to supervisor | | 4,663,691 | | |
| Administrators fees and expenses | | 169,249 | | |
| Subsidiary liquidation costs | | 12,283 | | |
| Irrecoverable VAT | 900 | 104,248 | | |
| Legal fees | | 467,950 | | |
| Payment to disputed claims account | | 19,489 | | |
| Group relief payment | | 445 | | |
| Other expenses | 4,520 | 18,647 | | |
| Un-recovered unfair prejudice costs | | 400,975 | | |
| Distribution to external companies | | | | 4,663,646 |
| Net interest on disputed claims | | | | 45 |
| | 5,420 | 5,856,977 | NIL | 4,663,691 |
| Balance as at 8 July 2012 | (4,961) | 213,673 | NIL | NIL |

Source: Office holders records.

Receipts and payments accounts (cont.)

| TXU Eastern Finance (A) Limited and TXU Eastern Finance (B) Limited | | | | |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | EFA Administration | | EFB Administration | |
| | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 3 Nov 03 to 8 Jul 12 | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 3 Nov 03 to 8 Jul 12 |
| £ | | | | |
| Receipts | | | | |
| Loan from TXU Eastern Funding Company | | 1,705 | | 1,705 |
| | NIL | 1,705 | NIL | 1,705 |
| Payments | | | | |
| Statutory advertising | | 1,451 | | 1,451 |
| VAT | | 254 | | 254 |
| | NIL | 1,705 | NIL | 1,705 |
| Balance as at 8 July 2012 | NIL | NIL | NIL | NIL |

Source: Administrators' records.

Receipts and payments accounts (cont.)

| EGH BV | | | | |
|---------------------------------------|---------------------------------------|--|---------------------------------------|--|
| | Administration | | CVA | |
| | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 20 Nov 03 to 8 Jul 12 | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| £ | | | | |
| Receipts | | | | |
| Receipts from disputed claims account | | 12 | | |
| Inter-company receivables | | 36,429 | | |
| Interest received | | 354 | | |
| Receipt from administrator | | | | 31,257 |
| | NIL | 36,795 | NIL | 31,257 |
| Payments | | | | |
| Transfer to Supervisor | | 31,257 | | |
| Payment to disputed claims account | | 12 | | |
| Legal fees | | 4,964 | | |
| Irrecoverable VAT | | 296 | | |
| Other expenses | | 222 | | |
| Distributions to connected companies | | | | 31,257 |
| | NIL | 36,751 | NIL | 31,257 |
| Balance as at 8 July 2012 | NIL | 44 | NIL | NIL |

Source: Office holders records.

Receipts and payments accounts (cont.)

| EGO BV | | | | |
|--------------------------------------|---------------------------------------|--|---------------------------------------|--|
| £ | Administration | | CVA | |
| | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 20 Nov 03 to 8 Jul 12 | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| Receipts | | | | |
| ATL Inter-company debt | | 21,455,169 | | |
| Inter-company loan | | 1,622,359 | | |
| Receipt from disputed claims account | | 100,184 | | |
| Interest received | 114 | 401,239 | | |
| Barking group relief | | 366,939 | | |
| Other income | | 10,430 | | |
| Receipt from administrator | | | | 19,817,169 |
| | 114 | 23,956,320 | NIL | 19,817,169 |
| Payments | | | | |
| Transfer to supervisor | | 19,817,169 | | |
| Administrators' fees and expenses | | 1,814,280 | | |
| Subsidiary administration costs | | 22,436 | | |
| Legal fees | 3,618 | 1,364,295 | | |
| Irrecoverable VAT | 535 | 550,801 | | |
| Payment to disputed claims account | | 99,380 | | |
| Dutch tax payment | | 83,319 | | |
| Professional fees | 273 | 50,271 | | |
| Other expenses | 108 | 5,973 | | |
| Distributions to external creditors | | | | 15,284,806 |
| Distributions to connected companies | | | | 4,532,132 |
| Net interest on disputed claims | | | | 231 |
| | 4,534 | 23,807,924 | NIL | 19,817,169 |
| Balance as at 8 July 2012 | (4,420) | 148,396 | NIL | NIL |

Source: Office holders records.

Receipts and payments accounts (cont.)

| EH3 | | |
|---------------------------------------|---------------------------------------|--|
| | CVA | |
| £ | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| Receipts | | |
| Bank interest received | | |
| Receipts from disputed claims account | | |
| VAT refunds | | |
| TXUEL loan | | |
| Intercompany receipts | | |
| Receipts from administrator | | 361,785,144 |
| | NIL | 361,785,144 |
| Payments | | |
| Group relief payments | | |
| Administrators' fees and expenses | | |
| Transfer to supervisor | | |
| Payments to disputed claims account | | |
| VAT | | |
| Other costs | | 601,504 |
| Distributions to external creditors | | 207,728,553 |
| Distributions to connected companies | | 153,455,074 |
| Net interest paid on disputed claims | | 13 |
| | NIL | 361,785,144 |
| Balance as at 8 July 2012 | NIL | NIL |

Source: Office holders records.

Receipts and payments accounts (cont.)

| TEGHO | | |
|---------------------------------------|---------------------------------------|--|
| | CVA | |
| £ | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| Receipts | | |
| Bank interest received | | |
| Receipts from disputed claims account | | |
| VAT refunds | | |
| TXUEL loan | | |
| Intercompany receipts | | |
| Receipts from administrator | | 11,276,923 |
| | NIL | 11,276,923 |
| Payments | | |
| Group relief payments | | |
| Administrators' fees and expenses | | |
| Transfer to supervisor | | |
| Payments to disputed claims account | | |
| VAT | | |
| Other costs | | |
| Distributions to external creditors | | 34,982 |
| Distributions to connected companies | | 11,241,551 |
| Net interest paid on disputed claims | | 390 |
| | NIL | 11,276,923 |
| Balance as at 8 July 2012 | NIL | NIL |

Source: Office holders records.

Receipts and payments accounts (cont.)

| EH1 | | |
|---------------------------------------|---------------------------------------|--|
| | CVA | |
| £ | Six months 9 Jan 12 to 8 Jul 12 | Cumulative 31 Mar 05 to 8 Jul 12 |
| Receipts | | |
| Bank interest received | | |
| Receipts from disputed claims account | | |
| VAT refunds | | |
| TXUEL loan | | |
| Intercompany receipts | | |
| Receipts from administrator | | 8,371,210 |
| | NIL | 8,371,210 |
| Payments | | |
| Group relief payments | | |
| Administrators' fees and expenses | | |
| Transfer to supervisor | | |
| Payments to disputed claims account | | |
| VAT | | |
| Other costs | | |
| Distributions to external creditors | | |
| Distributions to connected companies | | 8,371,210 |
| Net interest paid on disputed claims | | |
| | NIL | 8,371,210 |
| Balance as at 8 July 2012 | NIL | NIL |

Source: Office holders records.



cutting through complexity™

© 2012 KPMG LLP, a UK limited liability partnership, is a subsidiary of KPMG Europe LLP and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (KPMG International), a Swiss entity. All rights reserved.

The KPMG name, logo and 'cutting through complexity' are registered trademarks or trademarks of KPMG International Cooperative (KPMG International).