



**TXU Europe Group and certain subsidiaries (In  
Administration and subject to a Company Voluntary  
Arrangement)**

Administrators' Progress Report to creditors for the six month period from 28 July 2010  
to 27 January 2011  
Supervisors' Progress Report to creditors for the twelve month period from 28 January  
2010 to 27 January 2011

10 February 2011

## Abbreviations

<b>BTL</b>	Below The Line i.e., Group or one of its subsidiary companies
<b>BVAG</b>	Braunschweiger Versorgungs AG
<b>CVA</b>	Company Voluntary Arrangement
<b>CVA Companies</b>	Those companies listed in Appendix C that are the subject of a CVA which came into effect on 28 January 2005
<b>CVA Proposal Documents</b>	The Introductory Letter, CVA document and the Explanatory Statement issued on 10 January 2005
<b>ECTRL</b>	Enron Capital & Trade Resources Limited
<b>EEH</b>	Eastern Electricity Holdings Limited (in Administration)
<b>EET</b>	TXU Europe Energy Trading Limited (in Administration)
<b>EET BV</b>	TXU Europe Energy Trading BV
<b>EET Italia</b>	TXU Europe Energy Trading (Italia) SpA. (in Liquidation)
<b>EH3</b>	Energy Holdings (No.3) Limited (in Liquidation)
<b>EH6</b>	Energy Holdings (No.6) Limited (in Administration)
<b>ENK</b>	Eastern Norge Kobbelv AS
<b>ENS</b>	Eastern Norge Svartisen AS
<b>Ernst &amp; Young CVA Companies</b>	Those companies listed in Appendix C that are under the heading Ernst & Young CVA Companies
<b>German Finance BV</b>	TXU Europe German Finance BV (in Liquidation)
<b>Group</b>	TXU Europe Group plc (in Administration)
<b>Holding Companies</b>	TXU companies located above Group within the corporate structure
<b>KPMG</b>	KPMG LLP
<b>KPMG CVA Companies</b>	Those companies listed in Appendix C that are under the heading KPMG CVA Companies
<b>KTH</b>	Kroll Talbot Hughes LLP
<b>Nedalo</b>	Nedalo UK Limited
<b>Nedalo BV</b>	TXU Europe Energy Trading (Nederland) BV (in Liquidation)
<b>Office Holders</b>	Administrators or Liquidators of each CVA Company
<b>TEG</b>	The Energy Group Limited

**the Administrators**

Alan Bloom and Roy Bailey of Ernst & Young, together with John Milsom and James Tucker of KPMG in respect of Group; Alan Bloom, and Roy Bailey of Ernst & Young in respect of TXU UK; Alan Bloom, and Roy Bailey of Ernst & Young in respect of EET; and Alan Bloom and Roy Bailey of Ernst & Young in respect of TXU Power, EEH, EH6 and UKH

**the Companies**

Collectively: Group, TXU UK, EET, TXU Power, UKH, EEH and EH6

**the rules**

The Insolvency Rules 1986 (as amended)

**the Supervisors**

The Joint Supervisors of the CVA Companies

**TXU Power**

TXU Europe Power Limited (in Administration)

**TXU UK**

TXU UK Limited (in Administration)

**UKH**

TXU (UK) Holdings Limited (in Administration)

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# 1. Introduction

## 1.1 Basis of preparation

This report has been prepared by the Administrators of the Companies to comply with their statutory duty to report to creditors under Rule 2.30 of the rules, as amended by the High Court Order of 24 May 2005. This report provides details of progress in the administrations during the six month period to 27 January 2011.

This report also provides an update for CVA Companies' creditors on the progress and developments since 28 January 2010 (in accordance with Rule 1.26 of the rules) and should be read in conjunction with our previous update reports.

We draw your attention to the contents of the 'Important Notice' on page 1 of the Explanatory Statement dated 10 January 2005. There are numerous caveats and disclaimers in that document in particular in the area of estimated outcomes. The comments therein should be regarded as extending to this document also.

Other than for any statutory duty owed by the Administrators to provide a progress report to creditors, none of the Administrators, Ernst & Young, KPMG, their partners, members, employees, professional advisers or agents accept any liability or assume any duty of care to any third party (whether it is an assignee or successor of another third party or otherwise) in respect of this report, and any such party who receives a copy of this report, whether from Ernst & Young, KPMG or any other source, shall have no right of recourse against Ernst & Young, KPMG, its partners, members, employees, professional advisers or agents.

## 1.2 Background/summary update

The High Court appointed the Administrators to Group, TXU UK and EET on 19 November 2002, with the exception of Christopher Hughes of KTH who was appointed Conflict's Administrator of TXU UK on 11 March 2004. The High Court subsequently appointed Administrators to TXU Power and UKH on 17 February and 27 August 2003 respectively. The EEH and EH6 appointments were made on 18 September 2003.

Following the successful progress of the CVAs and the payment in full of all known TXU UK creditors, it was decided that the Conflicts Administrator's role had come to an end and pursuant to a High Court application by the TXU UK Administrators, the Court ordered that Christopher Hughes be removed from office as Conflicts Administrator. On 26 March 2010, Gareth Hughes was removed as Administrator of TXU UK and EET as his specific roles had similarly come to an end.

On 28 January 2005 the creditors of the CVA Companies approved the voluntary arrangements for the 28 companies outlined in Appendix C. As previously reported the CVAs represent a 'package deal' for the resolution of all disputed claims between CVA Companies and between Holding Companies and the creditors' claims against CVA Companies. This process was implemented to enable the cash already realised, and the cash from any future realisations, to be distributed to the creditors of the CVA Companies as quickly as possible, without the risk of protracted litigation to resolve the various disputed matters. Detailed information on this and other relevant matters is included in the Explanatory Statement which was forwarded to creditors on or around 10 January 2005.

Copies of the CVA Proposal Documents and other important updates are available at [www.txuinfo.co.uk](http://www.txuinfo.co.uk). Further reference to the progress and major developments in the CVAs are summarised in section 3 of this report.

As creditors are aware, in accordance with clause 21.8 of the CVA Proposal Documents, a seventh distribution was paid on 23 September 2009. The Supervisors are currently unsure as to when they will be in a position to pay an eighth and final distribution and conclude the administrations and CVA's of the Companies, in accordance with clause 36 and Part F paragraph 5 of the CVA document and Explanatory Statement ('Termination of the CVA's'). This is due to the uncertainty around a small number of personal injury claims being received by the TXU UK Supervisors and its consequential 'knock on' affect on the Companies. Legal advice is currently being sought which should provide a better understanding of the cash flow distribution positions between the Companies and the options available to pay the eighth distribution.

As none of the seven Administration Companies (defined as the Companies in the Abbreviations) have been placed into liquidation (and are unlikely currently to be placed into liquidation), the intended closure process for the Companies will be by an application to the High Court to discharge the Administration Orders, following which the respective companies are likely to be dissolved. In accordance with clause 36.2 of the CVA document, it should be noted that the obligations of the respective CVA company shall terminate on the date on which each of the Office Holders gives notice to the CVA creditors that all Disputed Claims (as defined in the CVA Proposal Documents), have been finally adjudicated and the distribution to CVA Creditors of all assets available for distribution to them, in accordance with the CVA's (save for clause 36.4 of the CVA document which deals with sums considered uneconomical to distribute), has been completed.

The historic and future distribution timetable is detailed below:

- |                                  |                   |
|----------------------------------|-------------------|
| ▶ Actual first distribution      | 30 March 2005     |
| ▶ Actual second distribution     | 2 August 2005     |
| ▶ Actual third distribution      | 19 January 2006   |
| ▶ Actual fourth distribution     | 20 July 2006      |
| ▶ Actual fifth distribution      | 30 March 2007     |
| ▶ Actual sixth distribution      | 2 April 2008      |
| ▶ Actual seventh distribution    | 23 September 2009 |
| ▶ Anticipated final distribution | Currently unknown |

Appendix B of this report includes a schedule of the cumulative seventh distribution dividend percentages.

CVA distributions totalling approximately £2.2bn have been made to date.

As creditors will know, in our August 2010 report we anticipated paying the eighth and final distribution in Q4 2010. The recovery of certain remaining assets and resolution of certain other matters including disputed claims (specifically in relation to contingent asbestos claims in TXU UK) has meant that the distribution date was unavoidably delayed. As reported, we are seeking legal advice as to the closure processes referred to above in light of the ongoing potential claims in TXU UK and consequently, the options available to pay the eighth and final distribution.

## 2. Administration progress

### 2.1 Update on matters since previous reports

The Office Holders of each CVA Company have continued to perform the functions required by them in accordance with their duties and powers. These are principally implementing the terms of the CVAs, realising the remaining assets referred to in the Chairman's report dated 28 January 2005 and resolving issues with outstanding creditors' claims.

Attached at Appendix A are receipts and payments accounts for the seven administration companies for the six months to 27 January 2011 and the seven CVA Companies for the twelve months to 27 January 2011.

Specific commentary on the progress of certain matters is included below.

#### 2.1.1 Assets and asset reserves

Work has continued since our previous report dated 10 August 2010 in respect of the recovery of all unrealised assets with a view to resolving all remaining matters prior to the eighth and final distribution to creditors.

### 2.2 Overseas assets

#### 2.2.1 EET BV

Most of EET BV's assets have now been realised and realisations to date from this asset total €54.3m (£52.4m) across all of Group, EET and TXU UK claims.

It is estimated that future realisations of between €0.6m and €6.0m may be received by EET BV. The realisations are not expected in the near future and therefore, it is the Administrators' intention to sell this claim.

#### 2.2.2 BVAG

The Administrators continue liaising with the German and Dutch tax authorities in order to obtain final clearance to close the tax files of the companies in the BVAG structure. The companies currently hold approximately €13m and expected liabilities of €1m are expected in relation to outstanding tax liabilities in Germany. Once the clearance has been received and the final liabilities settled, the remaining cash will be available to repay to EET in respect of the €360m interest bearing loan between EET and Nedalo BV.

The Administrators expect clearance to be received prior to the final distribution.



## 2.3 Other assets

Since the seventh distribution we have been able to realise (or release provisions against) assets totalling £21.3m. A breakdown of these amounts is shown below.

Summary of assets realised	Cash release for benefit of all creditors (£m)
Realised assets	14.6
Release of creditor claim provisions and fixed reserve	6.7
	<b>21.3</b>

The outstanding assets to be realised, total approximately £16m on a realistic basis and claims to release the reserves and interest total £20m. This figure has reduced from £30m since the Administrators last report as it is not expected that the £10m reserved for claims against TXU UK will be released.

## 2.4 Tax

As previously reported, in preparation for the closure of the CVA's and Administrations, the Administrators wrote to the Inspector of Taxes to request that no further corporation tax returns need to be completed up to 31 December 2009 and that the CVA's and Administrations can be concluded without filing these returns. A response was received from the Inspector of Taxes on 10 August 2009 confirming that there were no objections.

The Administrators contacted the Inspector of Taxes and extended the clearance to the end of Q2 2010. The EY tax team are liaising with the Inspector of Taxes to extend this clearance to the end of Q4 2011.

## 2.5 Administrators' time costs

As at the date of this report, Ernst & Young Administrators' fees of approximately £42.4m plus VAT and disbursements across the seven administrations have been billed. Fees have been billed in accordance with the rates and approval mechanism agreed by the Creditors' Committees and subsequently amended by the CVA document.

The KPMG Administrators' of Group have incurred fees of approximately £14m plus VAT and disbursements, as at 27 July 2010, which, as with the Ernst & Young Administrators' fees, have been billed in accordance with the rates and approval mechanism agreed by the Creditors' Committees and subsequently amended by the CVA document.

## 2.6 Creditors' committees

The Administrators continue to report to the Creditors' Committees on all matters of importance in relation to the Administrations of the Companies.

## 3. CVA developments

### 3.1 CVA progress

As reported above, the seventh distribution to CVA Companies' creditors took place on 23 September 2009, when £2.2m of cash was distributed to creditors and a further £0.1m was to be paid into the Claim's Reserve in relation to disputed claims.

On 23 September 2009, a second distribution amounting to £79.0m was declared by the CVA Supervisor of Group to TEG being Group's sole shareholder. The distribution to the shareholder being possible as a result of Group's creditors having now received distributions totalling 100p in the £. These monies are currently being held in a reserve account, along with £58.9m declared on 2 April 2008, pending a proposed High Court application to clarify the position as to whether the payment can be made pursuant to the terms of the CVA or whether consideration needs to be made to Group's distributable reserves in accordance with the meaning of the Companies Act 2006.

Detailed at Appendix A is a table showing the dividend outcome following the seventh distribution.

The Administrators are currently unable to estimate when they will be in a position to pay an eighth and final distribution. It is expected that £41m of assets are expected to be available for distribution due to the final realisation of assets and the release of reserves.

### 3.2 Summary of assets, reserves and liabilities

#### 3.2.1 Assets and asset reserves

With regard to the CVA closure comments in section 1.2 of this report, creditors should be aware that pursuant to clause 36.5 of the CVA document, if any amount relating to a Disputed Claim is held in a Reserve Fund at the date of termination, then the CVA Supervisor shall retain the residual power to agree or reject such a claim in accordance with the Dispute Resolution Procedure, and if the CVA Claim becomes an Allowed Claim, the relevant CVA creditor shall (subject to any order of the Court), be entitled to payment from the Reserve Fund and the relevant Office Holder shall have the powers to pay such amount to the CVA Supervisor to enable him to make the distribution notwithstanding the termination of the CVA.

#### 3.2.2 Liabilities

Total claims currently stand at £2,106.6m, with agreed claims of £2,076.6m and disputed claims and general provisions against unsecured claims of £30m. The end position estimates stand at £2,076.6m on both a realistic and pessimistic basis, which compares to £2,197m and £2,461m respectively, as per the CVA Proposal Documents.

Work has continued since our previous report dated 10 August 2010 in respect of the TXU UK personal injury creditor claims and the recovery of all unrealised assets with a view to resolving all remaining matters prior to the eighth and final distribution to creditors. It should be noted that, with the exceptions of the TXU UK CVA Creditor claims, all other external creditor claims have been adjudicated upon.

Below is a table summarising the current position of external unsecured creditors in relation to allowed and disputed claims and a current estimate of the final end position on a realistic and pessimistic basis.

	Actual allowed claims (£m)	Current disputed claims (£m)	Distribution total claims (£m)	Current end realistic (£m)	Position estimates pessimistic (£m)
Group	465.0	10.0	475.0	475.0	475.0
EET	1,144.6	10.0	1,154.6	1,154.6	1,154.6
TXU UK	50.8	10.0	60.8	60.8	60.8
TXU Power	94.0	-	94.0	94.0	94.0
Other Ernst & Young Companies	125.1	-	125.1	125.1	125.1
Other KPMG Companies	197.1	-	197.1	197.1	197.1
	<b>2,076.6</b>	<b>30.0</b>	<b>2,106.6</b>	<b>2,076.6</b>	<b>2,076.6</b>

As previously reported, as part of the CVA process, the TXU UK Supervisors have been finalising a small number of asbestos related personal injury claims in accordance with the CVA claim's admittance and distributions procedure. These claims have arisen in respect of liabilities relating to the former electricity operations of Eastern Electricity Limited (previously known as the Eastern Electricity Board), which were transferred on 1 October 2001 to TXU UK pursuant to the Eastern Electricity Limited Transfer Scheme. The methodology for dealing with the claims, pursuant to the termination process of the CVAs (clause 36.2 of the CVA Proposals Documents as outlined earlier in this report), is currently under review as part of the closure process.

### 3.2.3 Supervisors' fees

In accordance with the CVA Terms, the Supervisors' fees in relation to Group, EET and TXU UK are approved by their respective Creditors' Committees. The Supervisors' fees in relation to the remainder of the Ernst & Young CVA Companies are approved by the EET Creditors' Committee. Across the seven administration CVA Companies, the fees billed to date are approximately £3.9m plus VAT and disbursements.

## Appendix A Administrators' and Supervisors' receipts and payments for the period 27 January 2011

<b>TXU EUROPE GROUP PLC</b>				
£	Administration six months 28/07/10 to 27/01/11	Administration cumulative 19/11/02 to 27/01/11	CVA twelve months 28/01/10 to 27/01/11	CVA cumulative 28/01/05 to 27/01/11
<b>Receipts</b>				
Bank and other interest	336,532	28,350,281		
Book debts		1,285,730		
Call receipts		1,218,303,218.63		279,181,077
Cash on appointment		19,584,847		
Contribution to costs		50,108		
Distribution from Nedalo BV		2,563,995.78		
Escrow top-up receipts				416,813
Group relief		10,950,464		
Receipts in relation to ENS & ENK		27,903,351		20,570,742
Inter-company loan repayment - Stadwerke Kiel		368,157		
Inter-company loan repayment - TXU Europe Energy Trading BV		0		
Other loan repayments		288,742		
Other realisations		7,137,411		
Prepayments and other debts		44,838,992		
Realisations from Barings investment asset		149,812		
Realisations in relation to ENK		436,057		
Receipts in relation to Nordic Energy		68,669,309		
Recourse loan repayment - Nedalo BV		6,122,807.10		
Recoveries in relation to TXU Europe Energy Trading BV		8,668,161		
Rent receipts		1,826,034		
Sale of ENS		49,674,484		
Sale of insurance company		1,063,000		
Sale of Nedalo BV		3,250,000		
Sale of properties		42,401,990		
Subrogated claim - Group		138,224,199.97		
Subrogated claim - ENS & ENK		2,850,643.35		

Administrators' and Supervisors' receipts and payments for the period ended 27 January 2011

Share sale realisations		3,216,979		
Third party funds		618,221		
Transfer from Administrators' - preferential creditors				52,425
Transfer from Administrators' - unsecured creditors (incl. interest)			190,020	1,112,681,869
Unclaimed dividends		62,927		
WBS settlement		75,340		
	336,532	1,688,935,261	190,020	1,412,902,925

<b>TXU EUROPE GROUP PLC</b>				
£	Administration six months 28/07/10 to 27/01/11	Administration cumulative 19/11/02 to 27/01/11	CVA twelve months 28/01/10 to 27/01/11	CVA cumulative 28/01/05 to 27/01/11
<b>Payments</b>				
Administrators' disbursements - Ernst & Young LLP		739,053		
Administrators' disbursements - KPMG LLP		351,103		
Administrators' fees - Ernst & Young LLP		19,276,584		
Administrators' fees - KPMG LLP		13,823,130		
Call payments		279,181,077		279,181,077
Consultancy fees		3,613,508		
Dividends - ENS & ENK		22,632,534		
Escrow top-up payments				1,204,123
Guarantor Reimbursements				0
Information systems maintenance		2,533,845		
Inter-company loans		98,672		
Legal & professional fees	73,603.66	27,069,455		
Payment in relation to DRAX Power		25,000,000		
Payment in relation to ENS & ENK		289,834		20,570,742
Payment relating to German investments		1,576,904		
Payments in relation to sale of ENS		141,698		
Payments in relation to sale of NEOY		2,691,086		
Payroll, employee expenses and employee trust top-ups		7,341,502		
Preferential creditors				52,325
Rent and service charges		2,157,724		
Software		1,701,591		
Sundry expenses	16,553	2,564,433	20	237,529
Supervisors' disbursements		8,792		
Supervisors' fees		1,803,910		
Transfer to Supervisors' for preferential creditors		52,325		
Transfer to Supervisors' for unsecured creditors (incl. interest)	190,020	1,112,654,172		
Derivative products		948,750		
Unclaimed dividends			500	79,830

Administrators' and Supervisors' receipts and payments for the period ended 27 January 2011

Unsecured creditors (incl. interest)			190,000	1,111,576,810
Utilities		329,351		
	280,176	1,528,581,033	190,520	1,412,902,438
Sub-Total	56,355	160,354,228	(500)	487
VAT Position	5,448	212,601	0	0
<b>Balance as at 27/01/11</b>	<b>61,804</b>	<b>160,566,829</b>	<b>(500)</b>	<b>487</b>

<b>TXU EUROPE ENERGY TRADING LIMITED</b>				
£	Administration six months 28/07/10 to 27/01/11	Administration cumulative 19/11/02 to 27/01/11	CVA twelve months 28/01/10 to 27/01/11	CVA cumulative 28/01/05 to 27/01/11
<b>Receipts</b>				
Bank and other interest	143,205	35,344,036		
Call receipts		1,214,563,773		1,092,775,028
Dividends from Nedalo BV				1,711,187
Dividends received from Enron Capital & Trade Resources Limited		56,411,388		
Dividends received from Enron Corp	1,117	29,078,628		
Escrow top-up receipts				641,563
Fife Settlement		1,340,460		
Inter-company loan receipts - NEOY		2,297,193		
Losses provided to TXU UK Limited		70,000,000		
Other realisations	1,160	1,388,989		
Power Contracts		15,541,072		
Prepayments and other debts		15,286,346		
Realisations in relation to coal contracts		29,744,229		
Realisations in relation to ENS & ENK				14,783,272
Realisations in relation to gas contracts		13,513,136		
Receipts in relation to Chevron Texaco LC		1,300,000		
Recoveries in relation to German Finance BV		1,102,953		
Recoveries in relation to TXU Europe Energy Trading BV		41,402,969		
Recoveries in relation to TXU Europe Energy Trading (Italia) SpA		317,375		
Sale of BVAG		261,899,070		
Share sale realisations		14,397,272		
Unclaimed Dividends			9,470	9,470
Third party funds		283,192		
Transfer from Admin - Nedalo				
Transfer from Administrators' - preferential creditors				38,181
Transfer from Administrators' - subrogated claim				60,710,929
Transfer from Administrators' - unsecured creditors (inc. interest)			3,047	483,867,096
WBP settlement		1,580,132		
	145,482	1,806,792,214	12,517	1,654,536,726



<b>TXU EUROPE ENERGY TRADING LIMITED</b>				
£	Administration six months 28/07/10 to 27/01/11	Administration cumulative 19/11/02 to 27/01/11	CVA twelve months 28/01/10 to 27/01/11	CVA cumulative 28/01/05 to 27/01/11
<b>Payments</b>				
Administrators' disbursements - Ernst & Young LLP		481,561		
Administrators' fees - Ernst & Young LLP	130,600	15,404,757		
Administrators' fees - KPMG LLP		109,205		
Call payments		1,092,775,028		1,092,775,028
Dividends - ENS & ENK		14,783,272		
Dividends - Nedalo BV		1,711,187		
Escrow top-up payments				641,563
Group Relief		2,127,582		
Group subrogated claim		60,710,929		60,196,686
Inter-company loans		767,411		
Legal & professional fees	73,535	15,535,848		
Liquidators' fee		70,437		
Payment in relation to EET Italia		28,405		
Payment in relation to Powergen		331,316		
Payment relating to BV Agreement		500,000		
Payments in relation to coal realisations		4,957,120		
Payments in relation to ENS & ENK				15,297,515
Payments in relation to German investments	7,479	22,758,231		
Payments in relation to Nedalo BV				3,284,262
Payments to EH3 in relation to ACT		1,501,450		
Initial Escrow re Guaranteed Amount		1,426,667		
Payroll, employee expenses and employee trust top-ups		224,884		
Preferential creditors (inc. interest)				38,182
Sundry expenses	37	825,589	779	26,002
Supervisors' disbursements		2,316		
Supervisors' fees	86,500	1,462,719		
Transfer to Supervisors' - preferential creditors		37,955		
Transfer to Supervisors' - unsecured creditors (inc. interest)		483,800,474		

Administrators' and Supervisors' receipts and payments for the period ended 27 January 2011

Unclaimed dividends				67,023
Unsecured creditors (inc. interest)			11,389	482,209,892
	298,150	1,722,334,343	12,168	1,654,536,152
Sub-Total	(152,668)	84,457,871	349	574
VAT Position	(37,992)	(1,288,521)		0
<b>Balance as at 27/01/11</b>	<b>(190,661)</b>	<b>83,169,350</b>	<b>349</b>	<b>574</b>

**TXU UK LIMITED**

£	Administration six months 28/07/10 to 27/01/11	Administration cumulative 19/11/02 to 27/01/11	CVA twelve months 28/01/10 to 27/01/11	CVA cumulative 28/01/05 to 27/01/11
<b>Receipts</b>				
Bank and other interest	33,031	128,504,625		
Book debts		378,946		
Call receipts		200,000		1,272,524,957
Dividends from TXU Europe Energy Trading BV		9,664,126		
Group relief		15,267,252		
Litigation Settlement		930,299		
NEOY Inter-company receipts and recharges		386,783		
Other realisations		827,049		
Prepayments and other debts		18,538,379		
Release of Escrow monies		200,038,106		
Release of SWAP Monies		355,968		
Realisations in relation to TXU Europe Energy Trading (Italia) SpA		136,631		
Sale of UK retail business		1,036,179,293		
Share sale realisations		46,423,300		
Third party funds		32,438		
Transfer from Administrators' - subrogated claim				557,330
Transfer from Administrators' - unsecured creditors (incl. interest)			147,231	48,760,139
	33,031	1,457,863,195	147,231	1,321,842,426

**TXU UK LIMITED**

£	Administration six months 28/07/10 to 27/01/11	Administration cumulative 19/11/02 to 27/01/11	CVA twelve months 28/01/10 to 27/01/11	CVA cumulative 28/01/05 to 27/01/11
<b>Payments</b>				
Administrators' disbursements - Ernst & Young LLP	90,825	138,637		
Administrators' disbursements - Talbot Hughes McKillop		184		
Administrators' fees - Ernst & Young LLP		5,265,027		
Administrators' fees - Talbot Hughes McKillop		106,553		
Call payments		1,272,524,957		1,272,524,957
Group relief		1,082,443		
Group subrogated claim				557,330
Legal & professional fees	104,676	3,447,147		
Losses provided by TXU Europe Energy Trading Limited		105,000,000		
ROC advance dividend		6,289,737		
Sundry expenses		481,815		
Supervisors' disbursements		54		
Supervisors' fees	20,079.63	448,627		
Transfer to Supervisors' - subrogated claim	89,902	647,231		
Transfer to Supervisors' - unsecured creditors (incl. interest)		48,638,079		
Unclaimed dividends				
Unsecured creditors (incl. interest)			120,889	48,733,796
	305,482	1,444,070,492	120,889	1,321,816,084
Sub-Total	(272,451)	13,792,703	26,343	26,343
VAT Position	(32,233)	194,592		0
<b>Balance as at 27/01/11</b>	<b>(304,684)</b>	<b>13,987,295</b>	<b>26,343</b>	<b>26,343</b>

**TXU EUROPE POWER LIMITED**

£	Administration six months 28/07/10 to 27/01/11	Administration cumulative 19/11/02 to 27/01/11	CVA twelve months 28/01/10 to 27/01/11	CVA cumulative 28/01/05 to 27/01/11
<b>Receipts</b>				
Bank and other interest	913.53	1,837,316		
Book debts		1,477,801		
Call receipts		83,442,414		23,509,126
Cash on appointment		502,471		
Contribution to costs		5,360		
Escrow top-up receipts				5,747
Group relief		649,910		
Intellectual property realisations		23,546		
Other realisations		566,080		
Prepayments and other debts		521,536		
Sale of Citigen		7,000,000		
Sale of property		15,000		
Share sale realisations		26,335,723		
Transfer from Administrators' - subrogated claim				19,457,178
Transfer from Administrators' - unsecured creditors (incl. interest)				72,734,930
	914	122,377,158	0	115,706,981
<b>Payments</b>				
Administrators' disbursements		7,522		
Administrators' fees	19,140	1,174,512		
Call payments		23,509,126		23,509,126
Consultancy fees		39,755		
Escrow top-up payments				
Group relief		584,949		
Group subrogated claim		19,452,633		19,457,178
Legal & professional fees		1,123,091		
Payment for capital losses		3,248,919		
Public notices		1,016		
Sundry expenses		85,695		70
Supervisor's fees	6,010	77,026		
Reimbursement top up		165		5,748
Transfer to Supervisors' - unsecured creditors (incl. interest)		71,882,856		
Unsecured creditors (incl. interest)		852,074	248	72,734,860
	25,150	122,039,339	248	115,706,981
Sub-Total	-24,237	337,818	-248	0
VAT Position	(4,401)	(4,401)	0	0
<b>Balance as at 27/01/11</b>	<b>(28,638)</b>	<b>333,417</b>	<b>-248</b>	<b>0</b>

<b>EASTERN ELECTRICITY HOLDINGS LIMITED</b>				
£	Administration six months 28/07/10 to 27/01/11	Administration cumulative 19/11/02 to 27/01/11	CVA twelve months 28/01/10 to 27/01/11	CVA cumulative 28/01/05 to 27/01/11
<b>Receipts</b>				
Bank and other interest	2,079	3,122,314		
Call receipts		14,099,559		455,611
Corporation tax refund		27,000,103		
Distribution from Nedalo BV		664,456		
EDF Energy tax recovery (incl. interest)		37,648,178		
Group relief		1,984,108		
Inter-company distribution re Nedalo BV claim		7,833,994		
Litigation settlements		338,031		
Prepayments and other debts		531		
	2,079	92,691,274	0	455,611
<b>Payments</b>				
Administrators' disbursements		2,094		
Administrators' fees	22,171	484,719		
Call payments		210,827		455,611
Limited recourse loan from Nedalo BV		7,575,542		
Limited recourse loan from TXU Europe Energy Trading BV		511,755		
Group relief		40,193,388		
Legal & professional fees		182,039		
Payments in relation to Nedalo BV		258,451		
Share subscription		42,427,692		
Sundry expenses		7,986		
Supervisors' disbursements		10,433		
Supervisors' fees	4,417	26,935		
	26,588	91,891,861	0	455,611
Sub-Total	(24,509)	799,413	0	0
VAT Position	(4,653)	(4,653)	0	0
<b>Balance as at 27/01/11</b>	<b>(29,162)</b>	<b>794,760</b>	<b>0</b>	<b>0</b>

**TXU (UK) HOLDINGS LIMITED**

£	Administration six months 28/07/10 to 27/01/11	Administration cumulative 19/11/02 to 27/01/11	CVA twelve months 28/01/10 to 27/01/11	CVA cumulative 28/01/05 to 27/01/11
<b>Receipts</b>				
Bank and other interest	1,208	106,177		
Call receipts		374,785		
Inter-company debtor realisations		7,181,787		
Other realisations		1,988		
		5,830		
		532		
	1,208	7,671,099	0	0
<b>Payments</b>				
Administrators' disbursements		3,441		
Administrators' fees	6,742	222,655		
Group relief		27		
Legal & professional fees		62,113		
Share subscriptions		6,869,274		
Sundry expenses		18,644		
Supervisors' fees	5,663	27,339		
	12,405	7,203,493	0	0
Sub-Total	(11,197)	467,606	0	0
VAT Position	(2,171)	(2,171)	0	0
<b>Balance as at 27/01/11</b>	<b>(13,368)</b>	<b>465,435</b>	<b>0</b>	<b>0</b>

<b>ENERGY HOLDINGS (NO.6) LIMITED</b>				
£	Administration six months 28/07/10 to 27/01/11	Administration cumulative 19/11/02 to 27/01/11	CVA twelve months 28/01/10 to 27/01/11	CVA cumulative 28/01/05 to 27/01/11
<b>Receipts</b>				
Bank and other interest	128	208,050		
Call receipts		3,905,484		
Dividends - ENS & ENK		35,079,405		
	128	39,192,939	0	0
<b>Payments</b>				
Administrators' disbursements		2,218		
Administrators' fees	4,237	116,852		
Legal & professional fees		21,674		
Section 19 Expense - ENK & ENK		27,903,351		
Share subscription		11,085,985		
Sundry expenses		4,715		
Supervisors' fees	2,595	14,014		
	6,833	39,148,810	0	0
Sub-Total	(6,704)	44,129	0	0
VAT Position	(1,196)	(1,196)	0	0



## Appendix B Update on the CVA distributions

### Update on the CVA distributions: cumulative seventh distribution dividend percentages

	First, second, third, fourth, fifth and sixth distribution cumulative			Seventh distribution			Total distribution		
	Gross	Net	50:50	Gross	Net	50:50	Gross	Net	50:50
TXU Europe Group plc	100.00%	100.00%	<b>100.00%</b>	-	-	-	100.00%	100.00%	<b>100.00%</b>
TXU Europe Energy Trading Limited	66.01%	25.28%	<b>45.64%</b>	0.98%	2.13%	<b>1.56%</b>	66.99%	27.41%	<b>47.20%</b>
TXU Europe Power Limited	94.82%	100.00%	<b>97.40%</b>	0.78%	0.00%	<b>0.38%</b>	95.59%	100.00%	<b>97.79%</b>
TXU UK Limited	100.00%	100.00%	<b>100.00%</b>	-	-	-	100.00%	100.00%	<b>100.00%</b>
Eastern Electricity Holdings Limited	100.00%	100.00%	<b>100.00%</b>	-	-	-	100.00%	100.00%	<b>100.00%</b>
TXU Europe Merchant Properties Limited	100.00%	100.00%	<b>100.00%</b>	-	-	-	100.00%	100.00%	<b>100.00%</b>
TXU Europe Merchant Generation Limited	26.39%	7.06%	<b>16.72%</b>	0.70%	0.57%	<b>0.63%</b>	27.09%	7.63%	<b>17.35%</b>
TXU Europe Power Development Limited	-	-	-	-	-	-	-	-	-
TXU Europe (Partington) Limited	15.97%	15.97%	<b>15.97%</b>	0.44%	0.44%	<b>0.44%</b>	16.42%	16.42%	<b>16.41%</b>
TXU Europe Power Production Services Limited	86.32%	86.82%	<b>86.56%</b>	0.41%	0.41%	<b>0.41%</b>	86.73%	87.23%	<b>86.97%</b>
TXU (UK) Holdings Limited	100.00%	100.00%	<b>100.00%</b>	-	-	-	100.00%	100.00%	<b>100.00%</b>
Energy Holdings (No.6) Limited	-	-	-	-	-	-	-	-	-
TXU Europe Leasing (4) Limited	-	-	-	-	-	-	-	-	-
TXU Europe (Blade) Limited	100.00%	100.00%	<b>100.00%</b>	-	-	-	100.00%	100.00%	<b>100.00%</b>
TXU Europe (Blade No.2) Limited	-	-	-	-	-	-	-	-	-
TXU Europe Trading Limited	-	-	-	-	-	-	-	-	-
TXU Europe Natural Gas (Trading) Limited	-	-	-	-	-	-	-	-	-
TXU Finland Holdings Limited	40.09%	40.09%	<b>40.08%</b>	0.14%	0.14%	<b>0.13%</b>	40.22%	40.22%	<b>40.22%</b>
TXU Germany Limited	-	-	-	-	-	-	-	-	-
TXU Europe Overseas Finance Limited	-	-	-	-	-	-	-	-	-
TXU Europe Leasing (5) Limited	-	-	-	-	-	-	-	-	-
Precis (2264) Limited	-	-	-	-	-	-	-	-	-
TXU Europe Renewable Generation Limited	64.72%	60.38%	<b>62.55%</b>	0.26%	0.30%	<b>0.27%</b>	64.99%	60.68%	<b>62.83%</b>
Eastern Group Finance Limited	100.00%	100.00%	<b>100.00%</b>	-	-	-	100.00%	100.00%	<b>100.00%</b>
Anglian Power Generators Limited	2.72%	2.11%	<b>2.41%</b>	0.12%	0.12%	<b>0.11%</b>	2.84%	2.23%	<b>2.53%</b>
Peterborough Power Limited	83.31%	0.00%	<b>41.66%</b>	0.82%	0.00%	<b>0.40%</b>	84.13%	0.00%	<b>42.06%</b>
TXU Europe Power Services Limited	3.12%	4.55%	<b>3.83%</b>	0.05%	0.01%	<b>0.02%</b>	3.16%	4.55%	<b>3.85%</b>
TXU Direct Sales Limited	100.00%	100.00%	<b>100.00%</b>	-	-	-	100.00%	100.00%	<b>100.00%</b>

1. The above dividend percentages exclude payments to Top-Up Creditors in accordance with Annex 5.
2. A dash is shown where CVA companies have no known External Creditors and so a Distribution percentage has not been calculated or where in previous rounds, a company's cumulative Distribution percentage reached 100% and therefore no further payments to creditors are due.
3. Any casting differences are due to rounding only.

## Appendix C TXU Group Companies subject to the CVA

### **Ernst & Young CVA companies**

TXU Europe Group plc (In Administration)  
TXU Europe Energy Trading Limited (In Administration)  
TXU Europe Power Limited (In Administration)  
TXU UK Limited (In Administration)  
Eastern Electricity Holdings Limited (In Administration)  
TXU Europe Merchant Properties Limited (In Liquidation)  
TXU Europe Merchant Generation Limited (In Liquidation)  
TXU Europe Power Development Limited (In Liquidation)  
TXU Europe (Partington) Limited (In Liquidation)  
TXU Europe Power Production Services Limited (In Liquidation)  
TXU (UK) Holdings Limited (In Administration)  
Energy Holdings (No. 6) Limited (In Administration)  
TXU Europe Leasing (4) Limited (In Liquidation)  
TXU Europe (Blade) Limited (In Liquidation)  
TXU Europe (Blade No. 2) Limited (In Liquidation)  
TXU Europe Trading Limited (In Liquidation)  
TXU Europe Natural Gas (Trading) Limited (In Liquidation)  
TXU Finland Holdings Limited (In Liquidation)  
TXU Germany Limited (In Liquidation)  
TXU Europe Overseas Finance Limited (In Liquidation)  
TXU Europe Leasing (5) Limited (In Liquidation)  
Precis (2264) Limited (In Liquidation)  
TXU Europe Renewable Generation Limited (In Liquidation)

TXU Direct Sales Limited (In Liquidation)

### **KPMG CVA companies**

TXU Europe Power Services Limited (In Administration)  
Eastern Group Finance Limited (In Liquidation)  
Peterborough Power Limited (In Administration)  
Anglian Power Generators Limited (In Administration)

**Note:** KPMG have reported separately on the CVA developments for the KPMG CVA companies listed above.

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