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INVESTOR IN PEOPLE

To: All Known Creditors

9 August 2013

Our Ref: ML7E/AR/AVL/JR/ARB

TXU Helpline: +44 (0) 20 7951 5555

Dear Sirs

TXU Europe Group plc (in Liquidation and subject to a Company Voluntary Arrangement)
TXU Europe Energy Trading Limited (in Administration and subject to a Company Voluntary Arrangement)
TXU UK Limited (in Administration and subject to a Company Voluntary Arrangement)
TXU Europe Power Limited (in Administration and subject to a Company Voluntary Arrangement)
TXU (UK) Holdings Limited (in Administration and subject to a Company Voluntary Arrangement)
Eastern Electricity Limited (in Administration and subject to a Company Voluntary Arrangement)
Energy Holdings (No 6) Limited (in Administration and subject to a Company Voluntary Arrangement)
(together the "Companies")

Please find enclosed a progress report to creditors in respect of the Companies for the six month period to 27 July 2013.

If you have any queries relating to the contents of this report, please contact the TXU Helpline on +44 (0) 20 7951 5555.

Yours faithfully
for the Companies

AR Bloom
Joint Administrator, Joint Liquidator and Joint Supervisor.

Enc.

Alan Robert Bloom and Stephen John Harris are licensed in the United Kingdom to act as an Insolvency Practitioner by the Institute of Chartered Accountants of England and Wales and Roy Bailey is licensed in the United Kingdom to act as an Insolvency Practitioner by the Association of Chartered Certified Accountants.

The affairs, business and property of the Companies are being managed by the Joint Administrators, Joint Liquidators and Joint Supervisors. The Joint Administrators, Joint Liquidators and Joint Supervisors contract only as agents of the Companies and without personal liability.

We may collect, use, transfer, store or otherwise process (collectively, "Process") information that can be linked to specific individuals ("Personal Data"). We may Process Personal Data in various jurisdictions in accordance with applicable law and professional regulations including (without limitation) the Data Protection Act 1998.



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

Joint Administrators progress report to creditors as at 27 July 2013
Supervisors' progress report pursuant to clause 13.3 of the CVA Terms dated
10 January 2005

9 August 2013



**Building a better
working world**

Abbreviations

| | |
|-------------------------------|---|
| BVAG | Braunschweiger Versorgungs AG |
| CVA | Company Voluntary Arrangement |
| CVA Companies | Those companies listed in Appendix C that are subject to a CVA which came into effect on 28 January 2005 |
| CVA Proposal Documents | The Introductory Letter, CVA document and the Explanatory Statement issued on 10 January 2005 |
| EEH | Eastern Electricity Holdings Limited (in Administration and subject to a CVA) |
| EET | TXU Europe Energy Trading Limited (in Administration and subject to a CVA) |
| EET BV | TXU Europe Energy Trading BV |
| EET Italia | TXU Europe Energy Trading (Italia) SpA. (in Liquidation) |
| EH3 | Energy Holdings (No.3) Limited (in Liquidation) |
| EH6 | Energy Holdings (No.6) Limited (in Administration and subject to a CVA) |
| ENK | Eastern Norge Kobbelv AS |
| ENS | Eastern Norge Svartisen AS |
| EY | Ernst & Young LLP |
| EY CVA Companies | Those companies listed in Appendix C that are under the heading Ernst & Young CVA Companies |
| German Finance BV | TXU Europe German Finance BV (in Liquidation) |
| Group | TXU Europe Group plc (in Liquidation and subject to a CVA) |
| Holding Companies | TXU companies located above Group within the corporate structure |
| KPMG | KPMG LLP |
| KPMG CVA Companies | Those companies listed in Appendix C that are under the heading KPMG CVA Companies |
| Ned BV | TXU Europe Energy Trading (Nederland) BV (in Liquidation) |
| Office Holders | Administrators or Liquidators of each CVA Company |
| TEG | 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, EET, 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

TXU Power

TXU UK

UKH

The Joint Supervisors of the CVA Companies

TXU Europe Power Limited (in Administration and subject to a CVA)

TXU UK Limited (in Administration and subject to a CVA)

TXU (UK) Holdings Limited (in Administration and subject to a CVA)

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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. This report provides details of progress in the administrations during the six month period to 27 July 2013 and should be read in conjunction with the Administrators' previous reports and updates and other formal announcements.

This report also provides an update for the CVA Companies' creditors on the progress and developments since 28 January 2013 pursuant to rule 1.26 of the Rules and should also 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 which can be located on the Administrators' website www.txuinfo.co.uk. 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 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 2003 and 27 August 2003 respectively. The EEH and EH6 appointments were made on 18 September 2003.

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. Further reference to the progress in the CVAs is summarised in section 3 of this report.

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 (formerly of Kroll Talbot Hughes LLP), be removed from office as Conflict's 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 6 August 2012 Group was placed into Compulsory Liquidation and the High Court appointed Alan Bloom and Roy Bailey as Joint Liquidators.

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 anticipating paying an eighth distribution in the week commencing 12 August 2013 and a final distribution once we are in a position to 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'). The issues affecting the timing of the final distribution and conclusion of the administrations and CVA's of the Companies are discussed on the following page.

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 eighth distribution | Week commencing 12 August 2013 |
| ▶ Anticipated final distribution | To be confirmed |

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.

The Administrators will publish the eighth notice of intended dividend to creditors by Thursday 15 August 2013 at TXU website: www.txuinfo.co.uk. The eighth dividend estimated at £79 million will be distributed to creditors in the week commencing 12 August 2013.

As previously reported, with regard to the final distribution and the termination of the administrations and CVA's of the Companies, it would depend on the successful conclusion of the several outstanding key areas detailed below:

- ▶ The final consideration and possible implementation of a new insolvency process to allow a mechanism to deal with the contingent asbestos claims in TXU UK.
- ▶ Tax clearance of the overseas entities and release of funds held by these entities, particularly in relation to the BVAG sale. We have been working with the overseas tax consultants to resolve the open tax issues since our last report.

The Administrators are currently unable to estimate when they will be in a position to pay a ninth and final distribution but would hope matters can be concluded by December 2013. Further detail on these outstanding matters is outlined in Section 2.

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 six administration companies and the liquidation of Group for the six months to 27 July 2013.

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

2.2 TXU UK – Treatment of asbestos claim and application of surplus funds

As reported previously, the TXU UK Administrators are currently holding funds of c.£14 million.

The Administrators of TXU UK continued in consultation with their solicitors to explore the exit options available to them in respect of persons who have, or might in the future have, claims against TXU UK for asbestos related injuries.

The outcome of any eventual exit option undertaken will not affect the TXU UK creditors who have already received distributions totalling 100p in the £.

Following 18 months of no new asbestos claims, the Administrators commissioned an updated report assessing possible future liabilities in relation to latent person injury claims. The undiscounted future asbestos liabilities estimated between a low of c.£5.3 million and a high of c. £43.4 million. This report is being peer reviewed by an independent actuarial practice. Subsequent to the issued report, two new claim notifications have been received between February 2013 and June 2013.

In addition, there are funds totalling £15 million held at Group. This relates to cash which was transferred from TXU UK and Direct Sales as a part of the sixth and seventh distributions which has been ring-fenced pending a resolution of how these asbestos claims should be closed out.

In order to avoid a protracted legal process at significant cost, the Administrators are seeking a consensual agreement with TEG, being the ultimate shareholder of TXU UK to resolve this issue. The TXU UK Administrators have put forward a proposal to TEG which covers two areas:

- dealing with the funds of £15 million which are currently ring-fenced at Group; and
- amendments required to the existing CVA in order to hold a reserve for future personal injury claims.

The Administrators are waiting for feedback from TEG on the above proposal to enable the matter to move forward.

2.3 Overseas assets

2.3.1 EET BV

Most of EET BV's assets have now been distributed to creditors and realisations to date from these assets total £59.8 million across Group, EET and TXU UK.

Based on the latest report from the independent trustees of EET BV, we have been informed that:

- Following a recent ruling, the Tribunal directed the Belgium fiscal authority to make a payment of €1 million to EET BV in respect of its outstanding VAT claim. Discussions are ongoing between the trustees and the Belgium fiscal authority with regards to a payment date;
- The trustees hold residual funds of c. €4 million being realised from the bankruptcy of EET BV.

Accordingly, it is estimated that c.€5 million (depending on final tax clearance and professional fees) will be received by Group and EET from EET BV. Until all monies have been received by the trustees of EET BV, it will not be possible to confirm the timing for a final distribution. In the event these realisations are not expected in the near future, the Liquidators/Administrators will sell this claim to TEG at the final distribution, if still outstanding.

2.3.2 BVAG

Work has continued since the previous report to resolve outstanding tax clearance to close the liquidation of the companies in the BVAG structure. The companies currently hold approximately €13 million with liabilities of €2 million 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 distributed to EET.

The Administrators expect clearance to be received and the dissolution of the companies within the next three months.

2.4 Tax

As previously reported, HMRC had granted the UK corporation tax clearance to 6 August 2012 in relation to the Companies.

The Administrators acknowledge that now Group is in liquidation, losses generated by the holding companies are no longer available to the Companies (apart from Group) and therefore tax may be payable on interest earned / other gains going forward.

The Administrators will communicate with HMRC to determine the final tax reporting and tax liabilities which have arisen from the potential taxable income earned post 6 August 2012 upon conclusion of the outstanding matters highlighted above.

2.5 Administrators' time costs

As at the date of this report, EY Administrators' fees of approximately £43.8 million 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 £14.7 million plus VAT and disbursements, as at 27 July 2013, which, as with the EY 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/liquidations of the Companies. A further report will be sent out this month.

3. CVA developments

3.1 The proposed eighth distribution in the week commencing 12 August 2013 under the CVA

As outlined in our previous reports, the seventh distribution to CVA Companies' creditors took place on 23 September 2009.

Detailed at Appendix B is a table showing the dividend outcome to date.

It is the Administrators intention to pay an eighth dividend in the week commencing 12 August 2013 with cash of £79 million available for distribution.

We anticipate the ninth and final distribution will take place by December 2013, however, is dependent on the unresolved matters reported in Section 2 above. The Administrators will continue to use the TXU website to provide updates in relation to dividend timing in between progress reports.

3.2 Summary of assets, reserves and liabilities

3.2.1 Assets and asset reserves

Progress regarding the future assets recoveries (principally the remaining overseas assets in EET BV and BVAG), have been referred to earlier. With the exception of these recoveries, it is not anticipated that there will be any other material realisations.

In addition, agreement has been reached with TXU Acquisitions which has allowed £70 million to be released and an interim distribution to be made.

3.2.2 Liabilities

Total agreed claims currently stand at £2,076.6 million with general provisions for unsecured claims of £30 million. The end position creditor claims are anticipated to be £2,076.6 million on both a realistic and pessimistic basis, which compares to £2,197 million and £2,461 million respectively, as per the CVA Proposal Documents.

Work has continued since our previous reports 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 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 (£million) | General reserve (£million) | Distribution total claims (£ million) | Current end realistic (£million) | Position estimates pessimistic (£million) |
|-------------------------------|--|----------------------------------|---|--|---|
| 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 |
| | 2,076.6 | 30.0 | 2,106.6 | 2,076.6 | 2,076.6 |

As you will be aware from previous reports, as part of the CVA process, the TXU UK Supervisors have been finalising a 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.

Following the recent successful progress of the Supervisor's application to Court for modifications of the CVA, we are working with our legal counsel to consider the methodology for dealing with the claims on the basis of either the termination process of the CVAs (clause 36.2 of the CVA Proposal Documents) or otherwise.

3.2.3 Supervisors' fees

In accordance with the CVA Terms, the Supervisors' fees in relation to Group and EET are approved by their respective Creditors' Committees. The Supervisors' fees in relation to the remainder of the EY CVA Companies are approved by the EET Creditors' Committee. Across the six administration CVA Companies and Group, the fees billed to date are approximately £4.3 million plus VAT and disbursements.

Appendix A

Liquidators', Administrators' and Supervisors' receipts and payments for the period to 27 July 2013

TXU Europe Group plc (In Liquidation and subject to a CVA)

| Receipts (£) | Liquidation 28/01/13 to 27/07/13 | Liquidation cumulative 06/08/12 to 27/07/13 | CVA six months 28/01/13 to 27/07/13 | CVA cumulative 28/01/05 to 27/07/13 |
|--|----------------------------------|---|-------------------------------------|-------------------------------------|
| Bank and other interest | 102,243 | 153,399 | | |
| Call receipts | | | | 279,181,077 |
| Claims reserve | | 10,000,000 | | |
| Claims reserve interest | | 4,265,685 | | |
| Escrow top-up receipts | | | | 416,813 |
| Estate funds taken over | | 4,888,680 | | |
| Receipts in relation to ENS & ENK | | | | 20,570,742 |
| Moneys due ATL | | 126,954,684 | | |
| Reserve | | 16,300,778 | | |
| Monies received from KPMG | | 1,859,240 | | |
| Petitioning creditors costs | | 1,165 | | |
| Transfer from administrators' - creditors (incl. interest) | | | | 1,112,734,293 |
| VAT recovered | | 105,545 | | |
| Total receipts | 102,243 | 164,529,176 | - | 1,412,902,925 |

| Payments (£) | Liquidation 28/01/13 to 27/07/13 | Liquidation cumulative 06/08/12 to 27/01/13 | CVA six months 28/01/13 to 27/07/13 | CVA cumulative 28/01/05 to 27/07/13 |
|---|-------------------------------------|---|--|--|
| Ad Valorem fees | | 80,000 | | |
| Bank interest | 6,250 | 6,281 | | |
| Call payments | | | | 279,181,077 |
| Escrow top-up payments | | | | 1,204,123 |
| Inter-company loans | 7,216 | 7,216 | | |
| ISA charges | 49 | 96 | | |
| Legal & professional fees | | 84,063 | | |
| Payment in relation to ENS & ENK | | | | 20,570,742 |
| Preferential creditors | | | | 52,325 |
| Official receivers costs | | 2,235 | | |
| Ordinary shareholders | | 126,947,421 | | |
| Storage costs | 17,156 | 26,672 | | |
| Sundry expenses | | | | 237,529 |
| Supervisors' fees | 10,903 | 10,903 | | |
| Tax on ISA interest | 10,200 | 11,402 | | |
| Transfer to Supervisors' for unsecured creditors (incl. interest) | | | | 487 |
| Unclaimed dividends | | | | 79,831 |
| Unsecured creditors (incl. interest) | | | | 1,111,576,811 |
| Total payments | 51,774 | 127,176,289 | - | 1,412,902,925 |
| Sub-total | 50,469 | 37,352,887 | - | - |
| VAT | (5,612) | (4,277) | - | - |
| Balance as at 27 July 2013 | 44,857 | 37,348,610 | - | - |

| Summary of funds held as at 27 July 2013 | £ |
|--|-------------------|
| Funds in Liquidation | 6,682,481 |
| Funds in claims reserve | 14,271,247 |
| Funds ring fenced re TXU UK | 16,394,882 |
| Total funds held as at 27 July 2013 | 37,348,610 |

TXU Europe Energy Trading Limited (In Administration and subject to a CVA)

| Receipts (£) | Administration six months 28/01/13 to 27/07/13 | Administration cumulative 19/11/02 to 27/07/13 | CVA six months 28/01/13 to 27/07/13 | CVA cumulative 28/01/05 to 27/07/13 |
|---|--|--|-------------------------------------|-------------------------------------|
| Bank and other interest | 204,472 | 36,661,106 | | |
| 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 | | 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 | | 1,405,069 | | |
| 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 |
| Third party funds | | 283,192 | | |
| Transfer from Administrators' - preferential creditors | | | | 38,181 |
| Transfer from Administrators' - subrogated claim | | | | 60,710,929 |
| Transfer from Administrators' - unsecured creditors (inc. interest) | | 574 | | 483,867,096 |
| WBP settlement | | 1,580,132 | | |
| Total Receipts | 204,472 | 1,808,125,937 | - | 1,654,536,726 |

| Payments (£) | Administration six months 28/01/13 to 27/07/13 | Administration cumulative 19/11/02 to 27/07/13 | CVA six months 28/01/13 to 27/07/13 | CVA cumulative 28/01/05 to 27/07/13 |
|--|---|---|--|--|
| Administrators' disbursements - Ernst & Young LLP | | 545,416 | | |
| Administrators' fees - Ernst & Young LLP | 57,103 | 15,707,277 | | |
| 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 | | |
| TXUEG subrogated claim | | 60,710,929 | | 60,196,686 |
| Inter-company loans | | 767,411 | | |
| Legal & professional fees | 867 | 15,646,806 | | |
| 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 | 41,766 | 22,807,523 | | |
| 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 | | 1,019,002 | | 26,002 |
| Supervisors' disbursements | | 35,466 | | |
| Supervisors' fees | 72,027 | 1,575,743 | | |
| Transfer to Supervisors' - preferential creditors | | 37,955 | | |
| Transfer to Supervisors' - unsecured creditors (inc. interest) | | 483,800,474 | | |
| Unclaimed dividends | | | | 67,023 |
| Unsecured creditors (inc. interest) | | | | 482,209,892 |
| Total payments | 171,763 | 1,723,200,555 | - | 1,654,536,153 |
| Sub-total | 32,709 | 84,925,382 | - | - |
| VAT | (8,023) | (6,902,635) | - | - |
| Balance as at 27 July 2013 | 24,686 | 78,022,747 | - | - |

Summary of funds held as at 27 July 2013

£

| | |
|--|-------------------|
| Funds in Administration | 78,022,747 |
| Funds held on account for TXU Europe Energy Trading (Deutschland) GmbH | 1,012,235 |
| Funds held on account for TXU Europe Energy Trading (Nederland) BV | 10,321,407 |
| Funds in claims reserve | 5,885,562 |
| Total funds held as at 27 July 2013 | 95,241,951 |

TXU UK Limited (In Administration and subject to a CVA)

| Receipts (£) | Administration six months 27/01/13 to 27/07/13 | Administration cumulative 19/11/02 to 27/07/13 | CVA six months 28/01/13 to 27/07/13 | CVA cumulative 28/01/05 to 27/07/13 |
|--|---|---|--|--|
| Bank and other interest | 39,612 | 128,789,425 | | 2,228 |
| 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 | | 18,653,775 | | |
| 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 ¹ - subrogated claim | | 24,043 | | 557,330 |
| Transfer from Administrators ¹ - unsecured creditors (incl. interest) | | | | 48,851,717 |
| Total receipts | 39,612 | 1,458,287,434 | - | 1,321,936,232 |

| Payments (£) | Administration six months 28/01/13 to 27/07/13 | Administration cumulative 19/11/02 to 27/07/13 | CVA six months 28/01/13 to 27/07/13 | CVA cumulative 28/01/05 to 27/07/13 |
|---|---|---|--|--|
| Administrators' disbursements - Ernst & Young LLP | | 163,521 | | |
| Administrators' disbursements - Talbot Hughes McKillop | | 184 | | |
| Administrators' fees - Ernst & Young LLP | 44,435 | 5,504,737 | | |
| Administrators' fees - Talbot Hughes McKillop | | 106,553 | | |
| Call payments | | 1,272,524,957 | | 1,272,524,957 |
| Group relief | | 1,082,443 | | |
| TXUEG subrogated claim | | | | 557,330 |
| Legal & professional fees | 62,786 | 3,661,135 | | |
| Losses provided by TXU Europe Energy Trading Limited | | 105,000,000 | | |
| ROC advance dividend | | 6,289,737 | | |
| Sundry expenses | | 481,827 | | |
| Supervisors' disbursements | | 54 | | |
| Supervisors' fees | 1,318 | 458,856 | | |
| Transfer to Supervisors' - subrogated claim | | 647,231 | | |
| Transfer to Supervisors' - unsecured creditors (incl. interest) | | 48,640,912 | | |
| Unsecured creditors (incl. interest) | | | | 48,853,945 |
| Total payments | 108,539 | 1,444,562,147 | - | 1,321,936,981 |
| Sub-total | (68,927) | 13,725,287 | - | - |
| VAT | (16,778) | 208,941 | - | - |
| Balance as at 27 July 2013 | (85,705) | 13,934,228 | - | - |

| Summary of funds held as at 27 July 2013 | £ |
|--|-------------------|
| Funds in Administration | 2,452,511 |
| Funds in claims reserve | 11,481,717 |
| Total funds held as at 27 July 2013 | 13,934,228 |

TXU Europe Power Limited (In Administration and subject to a CVA)

| Receipts (£) | Administration six months 28/01/13 to 27/07/13 | Administration cumulative 19/11/02 to 27/07/13 | CVA six months 28/01/13 to 27/07/13 | CVA cumulative 28/01/05 to 27/07/13 |
|--|--|--|-------------------------------------|-------------------------------------|
| Bank and other interest | 817 | 1,840,663 | | |
| 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 | 1,860 | 577,357 | | |
| 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 ¹ - subrogated claim | | | | 19,457,178 |
| Transfer from Administrators ¹ - unsecured creditors (incl. interest) | | | | 72,734,930 |
| Total Receipts | 2,677 | 122,391,781 | - | 115,706,981 |

| Payments (£) | Administration six months 28/01/13 to 27/07/13 | Administration cumulative 19/11/02 to 27/07/13 | CVA six months 28/01/13 to 27/07/13 | CVA cumulative 28/01/05 to 27/07/13 |
|---|---|---|--|--|
| Administrators' disbursements | | 7,522 | | |
| Administrators' fees | 4,259 | 1,185,555 | | |
| Bank charges | 1 | 6 | | |
| Call payments | | 23,509,126 | | 23,509,126 |
| Consultancy fees | | 39,755 | | |
| Group relief | | 584,949 | | |
| TXUEG 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 | 1,406 | 79,008 | | |
| Reimbursement top up | | 165 | | 5,748 |
| Transfer to Supervisors' - unsecured creditors (incl. interest) | | 71,882,856 | | |
| Unsecured creditors (incl. interest) | | 852,074 | | 72,734,859 |
| Total payments | 5,666 | 122,052,370 | - | 115,706,981 |
| Sub-total | (2,989) | 339,411 | - | - |
| VAT | 548 | (10,752) | - | - |
| Balance as at 27 July 2013 | (2,441) | 328,659 | - | - |

Eastern Electricity Holdings Limited (In Administration and subject to a CVA)

| Receipts (£) | Administration six months 28/01/13 to 27/07/13 | Administration cumulative 19/11/02 to 27/07/13 | CVA six months 28/01/13 to 27/07/13 | CVA cumulative 28/01/05 to 27/07/13 |
|---|---|---|--|--|
| Bank and other interest | 1,905 | 3,132,100 | | |
| 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 | | |
| VAT refund | | 5,096 | | |
| Total Receipts | 1,905 | 92,706,156 | - | 455,611 |
| Payments (£) | | | | |
| Administrators' disbursements | | 2,094 | | |
| Administrators' fees | 3,359 | 499,076 | | |
| Bank charges | | 7 | | |
| 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 | 2,989 | 42,002 | | |
| Total payments | 6,348 | 91,921,292 | - | 455,611 |
| Sub-Total | (4,443) | 784,864 | - | - |
| VAT | (991) | (14,213) | - | - |
| Balance as at 27 July 2013 | 5,434 | 770,651 | - | - |

TXU (UK) Holdings Limited (In Administration and subject to a CVA)

| Receipts (£) | Administration six months 28/01/13 to 27/07/13 | Administration cumulative 19/11/02 to 27/07/13 | CVA six months 28/01/13 to 27/07/13 | CVA cumulative 28/01/05 to 27/07/13 |
|-----------------------------------|---|---|--|--|
| Bank and other interest | 1,147 | 112,021 | | |
| Call receipts | | 374,785 | | |
| Inter-company debtor realisations | | 7,181,787 | | |
| Other realisations | | 8,349 | | |
| Total Receipts | 1,147 | 7,676,942 | - | - |
| Payments (£) | | | | |
| Administrators' disbursements | | 3,441 | | |
| Administrators' fees | 6,879 | 233,508 | | |
| Bank charges | | 10 | | |
| Group relief | | 210 | | |
| Legal & professional fees | | 62,113 | | |
| Share subscriptions | | 6,869,274 | | |
| Sundry expenses | | 18,644 | | |
| Supervisors' fees | 107 | 27,794 | | |
| Total payments | (6,986) | 7,214,994 | - | - |
| Sub-total | (5,839) | 461,948 | - | - |
| VAT | (1,054) | (1,415) | - | - |
| Balance as at 27 July 2013 | 6,893 | 460,533 | - | - |

Energy Holdings (No.6) Limited (In Administration and subject to a CVA)

| Receipts (£) | Administration six months 28/01/13 to 27/07/13 | Administration cumulative 19/11/02 to 27/07/13 | CVA six months 28/01/13 to 27/07/13 | CVA cumulative 28/01/05 to 27/07/13 |
|-----------------------------------|---|---|--|--|
| Bank and other interest | 94 | 208,567 | | |
| Call receipts | | 3,905,484 | | |
| Dividends - ENS & ENK | | 35,079,405 | | |
| Total receipts | 94 | 39,193,456 | - | - |
| Payments (£) | | | | |
| Administrators' disbursements | | 2,218 | | |
| Administrators' fees | 3,228 | 125,875 | | |
| Bank charges | | 5 | | |
| Legal & professional fees | | 21,674 | | |
| Section 19 Expense - ENK & ENK | | 27,903,351 | | |
| Share subscription | | 11,085,985 | | |
| Sundry expenses | | 4,715 | | |
| Supervisors' fees | 107 | 14,295 | | |
| Total payments | 3,335 | 39,158,225 | - | - |
| Sub-total | (3,241) | 35,231 | - | - |
| VAT | (371) | (667) | - | - |
| Balance as at 27 July 2013 | (3,612) | 34,564 | - | - |

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% | 100.00% | - | - | - | 100.00% | 100.00% | 100.00% |
| TXU Europe Energy Trading Limited | 66.01% | 25.28% | 45.64% | 0.98% | 2.13% | 1.56% | 66.99% | 27.41% | 47.20% |
| TXU Europe Power Limited | 94.82% | 100.00% | 97.40% | 0.78% | 0.00% | 0.38% | 95.59% | 100.00% | 97.79% |
| TXU UK Limited | 100.00% | 100.00% | 100.00% | - | - | - | 100.00% | 100.00% | 100.00% |
| Eastern Electricity Holdings Limited | 100.00% | 100.00% | 100.00% | - | - | - | 100.00% | 100.00% | 100.00% |
| TXU Europe Merchant Properties Limited | 100.00% | 100.00% | 100.00% | - | - | - | 100.00% | 100.00% | 100.00% |
| TXU Europe Merchant Generation Limited | 26.39% | 7.06% | 16.72% | 0.70% | 0.57% | 0.63% | 27.09% | 7.63% | 17.35% |
| TXU Europe Power Development Limited | - | - | - | - | - | - | - | - | - |
| TXU Europe (Partington) Limited | 15.97% | 15.97% | 15.97% | 0.44% | 0.44% | 0.44% | 16.42% | 16.42% | 16.41% |
| TXU Europe Power Production Services Limited | 86.32% | 86.82% | 86.56% | 0.41% | 0.41% | 0.41% | 86.73% | 87.23% | 86.97% |
| TXU (UK) Holdings Limited | 100.00% | 100.00% | 100.00% | - | - | - | 100.00% | 100.00% | 100.00% |
| Energy Holdings (No.6) Limited | - | - | - | - | - | - | - | - | - |
| TXU Europe Leasing (4) Limited | - | - | - | - | - | - | - | - | - |
| TXU Europe (Blade) Limited | 100.00% | 100.00% | 100.00% | - | - | - | 100.00% | 100.00% | 100.00% |
| TXU Europe (Blade No.2) Limited | - | - | - | - | - | - | - | - | - |
| TXU Europe Trading Limited | - | - | - | - | - | - | - | - | - |
| TXU Europe Natural Gas (Trading) Limited | - | - | - | - | - | - | - | - | - |
| TXU Finland Holdings Limited | 40.09% | 40.09% | 40.08% | 0.14% | 0.14% | 0.13% | 40.22% | 40.22% | 40.22% |
| 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% | 62.55% | 0.26% | 0.30% | 0.27% | 64.99% | 60.68% | 62.83% |
| Eastern Group Finance Limited | 100.00% | 100.00% | 100.00% | - | - | - | 100.00% | 100.00% | 100.00% |
| Anglian Power Generators Limited | 2.72% | 2.11% | 2.41% | 0.12% | 0.12% | 0.11% | 2.84% | 2.23% | 2.53% |
| Peterborough Power Limited | 83.31% | 0.00% | 41.66% | 0.82% | 0.00% | 0.40% | 84.13% | 0.00% | 42.06% |
| TXU Europe Power Services Limited | 3.12% | 4.55% | 3.83% | 0.05% | 0.01% | 0.02% | 3.16% | 4.55% | 3.85% |
| TXU Direct Sales Limited | 100.00% | 100.00% | 100.00% | - | - | - | 100.00% | 100.00% | 100.00% |

1. The above dividend percentages exclude payments to Top-Up Creditors in accordance with Annex 5 of the CVA document.
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

EY 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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