



Facilitating the Island's Changing Fuel Mix

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A Funder's View

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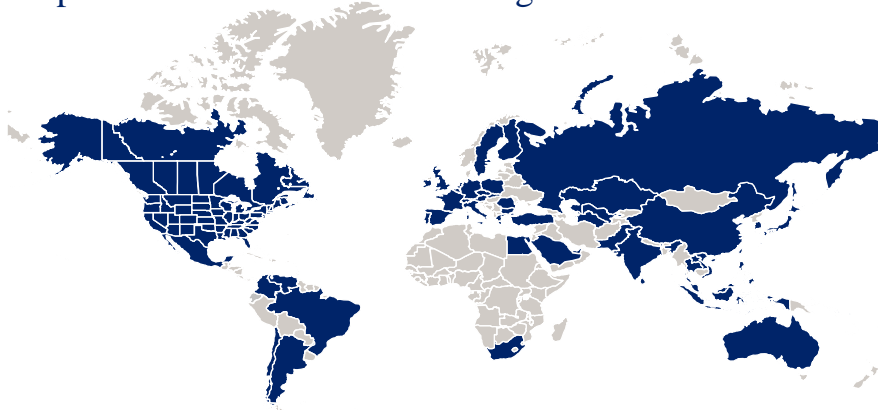
Overview of Presentation

- Background to Ulster Bank and involvement in sector
- Project Finance – Market and Dynamics
- Market drivers for Renewable & “Traditional” Generators

Ulster Bank Group

- Open for business to support existing and new customers
- Strongly rated and one of only four full clearing banks in Ireland
- Strong brand with all island coverage
- Largest financial services group in Ireland with international parentage
- Fully integrated with RBS Group with shared products and platforms
- RBS operates across the world serving over 40m customers

Customers:	1.9m
Branches:	214
Employees:	6,000



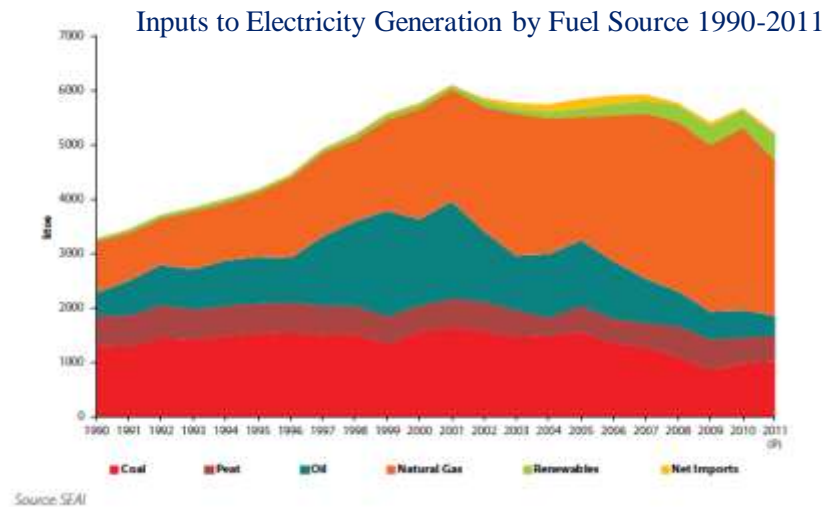
Map of RBSG presence by country

Supporting Businesses

 <p>€60m participation in €350m five year Revolving Credit Facility Mandated Lead Arranger & Agent</p>	 <p>€45m participation in €300m five year Revolving Credit Facility Original Lender and Documentation Agent</p>	 <p>€40m five year Revolving Credit Facility</p>	 <p>€200m & \$300m 2018 Bonds €400m 2020 Bond Bookrunner</p>
 <p>€600m Five year Bond Lead Bookrunner</p>	 <p>€500m Five Year Bond Lead Arranger</p>	 <p>€56m participation in €268m Five year Revolving Credit Facility Original Lender</p>	 <p>€70m participation in €210m Revolving Credit Facility Co-Lead Manager</p>
 <p>Private Clients €200m Term Deposit Structuring</p>	 <p>New Crest, Structured Investment Products & Foreign Exchange Facilities</p>	 <p>€2775m Syndicated Facility Co Arranger & Co Funded</p>	 <p>Transmission Banking Services for Service Station Network</p>
 <p>Acquisition Finance, Donegal Creameries Milk and Agri Stores Business</p>	 <p>Lender Club Term Facility</p>	 <p>Funding for extension & development of new nursing home</p>	 <p>€6m of Term Debt Facilities</p>
 <p>Participation in new syndicated facilities £65m Revolving Credit Facility and €25m term loan</p>	 <p>£8m Acquisition and Working Capital Facilities</p>	 <p>Five year funding package to support multi-million pound capital expenditure programme</p>	 <p>Setting up European headquarters in Limerick. Appointed Clearing Bank in Ireland</p>

Irish Electricity Market

- Changing landscape: 2020 targets, changing market demands and usage patterns has led to a change in the fuel mix in Ireland.



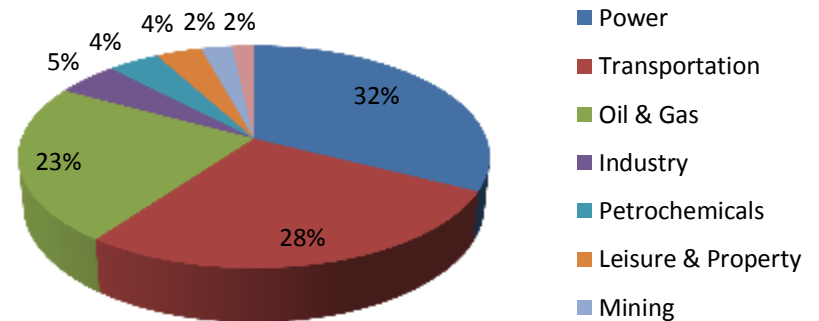
- Opportunity for some challenge for others

Funding Mechanisms

- Large infrastructure & energy projects with major capital spend are typically funded by the following:

- Corporate Loans/ Bonds
- EIB Funding
- Pension Funds
- Non Recourse Project Finance

**EMEA Project Finance Market
2012**



Thomson Reuters Project Finance Review 2012

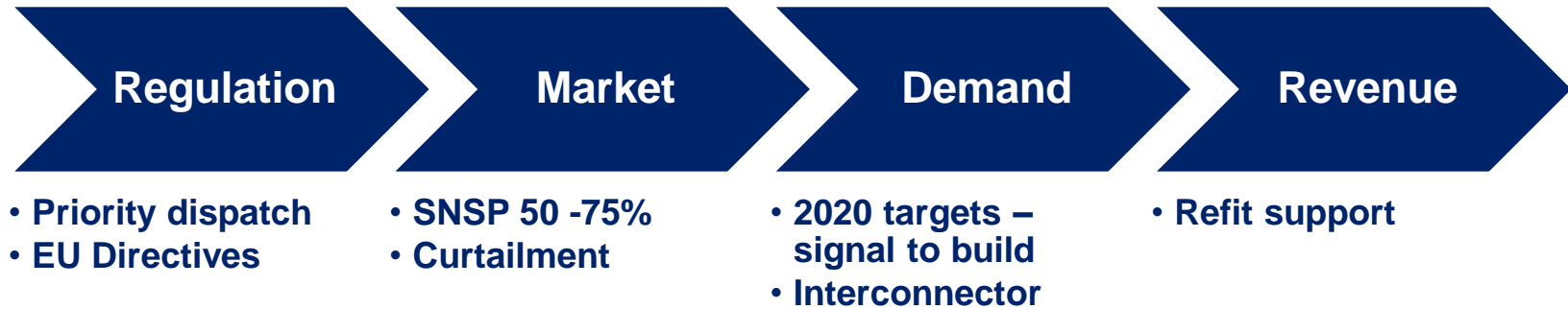
Key Considerations for Banks



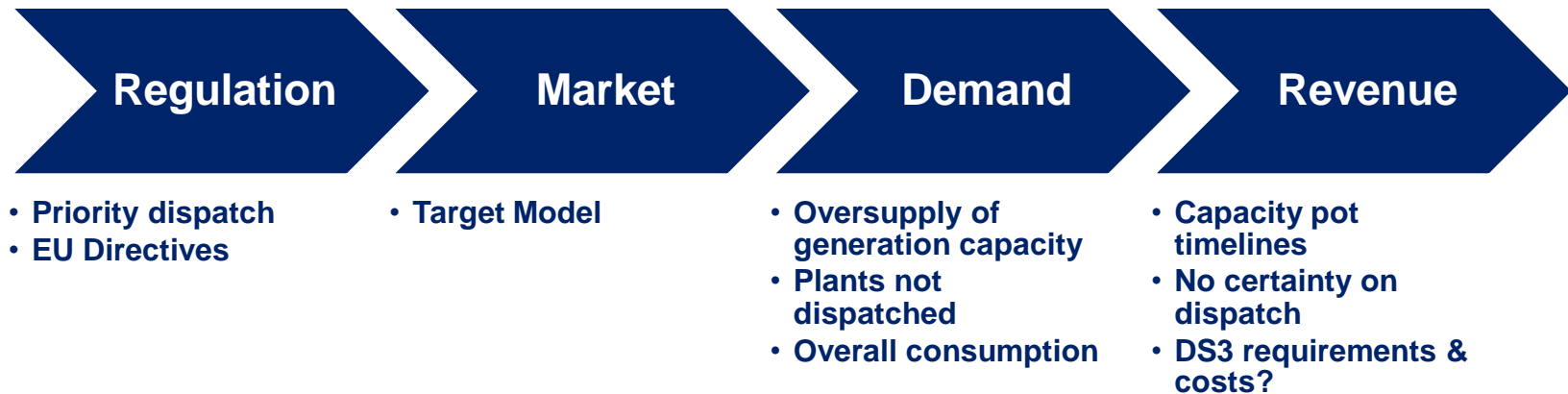
Certainty, certainty, certainty

- **Certainty is the key factor in Project Finance**
- **Cost and Income lines are critical – Its typically non recourse in nature so if something goes wrong lenders wouldn't have access other income streams to repay loan facilities**
- **Need to be sure that the projects can generate enough cash to pay back the loan provided.**
 - How certain are the cash flows?
 - Over what time horizon?
- **Certainty in the regulatory environment is also crucial**
- **Retrospective changes will not only have an impact on historic projects but will also influence investors for future investments**

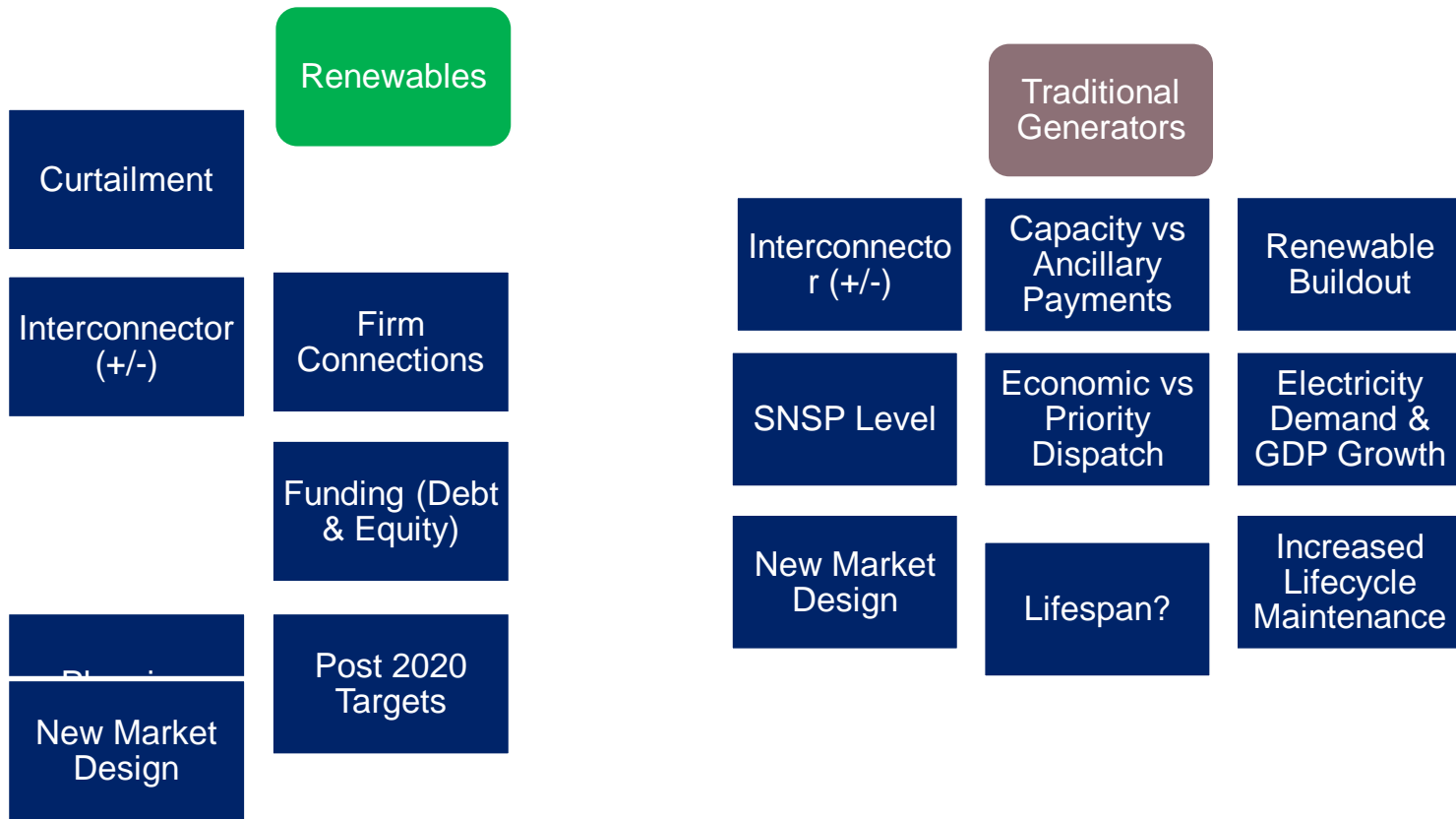
Market Drivers for Renewables



Market Drivers for Traditional Generators



An Outlook for Energy Projects in the Irish Market



Thank You

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