

ENW Capital Finance plc (the "Company") is pleased to announce its unaudited half year condensed financial statements for the period ended 30 September 2012.

The unaudited half year condensed financial statements, together with those of North West Electricity Networks Limited, guarantor of the bonds listed by the Company on the London Stock Exchange, is available to view on the Company's website at: <http://www.enwl.co.uk/about-us/financial-reports>

For further information please contact Electricity North West's press office on 0844 209 1957 or email jonathan.morgan@enwl.co.uk.

Company Registration No. 6873051

ENW Capital Finance plc
Half Year Condensed Financial Statements
For the period ended 30 September 2012

I INTERIM MANAGEMENT REPORT

Cautionary Statement

This interim management report contains certain forward-looking statements with respect to the financial condition and business of ENW Capital Finance plc (the "Company"). Statements or forecasts relating to events in the future necessarily involve risk and uncertainty and are made by the directors in good faith based on the information available at the date of signature of this report. ENW Capital Finance plc undertakes no obligation to update these forward-looking statements. Nothing in this unaudited interim management report should be construed as a profit forecast nor should past performance be relied upon as a guide to future performance.

Directors

The names of the directors who held office during the period are given below:

J Gittins

S Johnson

M McCallion

N Mills

S Toor

Operations

The principal activity of the Company is that of a financing company within the North West Electricity Networks (Jersey) Limited group (the "Group"). There have been no significant changes to the activity of the Company in the current period.

Results

The results for the period are included in the Condensed Income Statement on page 5. There have been no significant events in the 6 months ending 30 September 2012 in respect of the Company.

Principal risks and uncertainties

As the Company's obligations in respect of the listed Notes are met via income receivable from North West Electricity Networks Ltd in relation to the North West Electricity Networks Notes the Board considers the principal risks and uncertainties facing the Company to be those that affect North West Electricity Networks Ltd and the larger Group. The principal trade and activities of the Group are carried out in Electricity North West Limited ('ENWL') and a comprehensive review of the strategy and operating model, the regulatory environment, the resources and principal risks and uncertainties facing that company, and ultimately the Group, are discussed in the Business Review of the ENWL annual report and consolidated financial statements.

All of the Reports and Consolidated Financial Statements referred to above can be found at www.enwl.co.uk.

Going concern

After making enquires, and based on the assumptions, sensitivities and uncertainties outlined in the accounting policies on page 9, the Directors have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the half year condensed financial statements.

Responsibility statement

We confirm that to the best of our knowledge:

- a. the condensed set of financial statements, which has been prepared in accordance with the applicable set of accounting standards, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer as required by DTR 4.2.4R;
- b. the interim management report includes a fair review of the information required by DTR 4.2.7R; and
- c. the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting'.

Registered address:

304 Bridgewater Place

Birchwood Park, Birchwood

Warrington WA3 6XG

On behalf of the Board:

S Johnson

Chief Executive Officer

22 November 2012

CONDENSED INCOME STATEMENT
For the period ended 30 September 2012

	Note	Unaudited Period ended 30 September 2012 £000	Unaudited Period ended 30 September 2011 £000	Audited Year ended 31 March 2012 £000
Operating profit		-	-	-
Investment income	3	10,220	10,214	20,431
Finance expense	4	(10,215)	(10,207)	(20,420)
Profit before taxation		5	7	11
Taxation	5	(1)	(2)	(3)
Profit for the period/year		4	5	8

All the results shown in the condensed income statement derive from continuing operations.

There were no other recognised gains and losses in the current or preceding periods; therefore no separate condensed statement of comprehensive income has been prepared.

The notes on pages 9 to 12 form part of the condensed financial statements.

CONDENSED STATEMENT OF FINANCIAL POSITION

At 30 September 2012

	Note	Unaudited 30 September 2012 £000	Unaudited 30 September 2011 £000	Audited 31 March 2012 £000
ASSETS				
Non-current assets				
Trade and other receivables	6	299,494	299,317	299,404
		<u>299,494</u>	<u>299,317</u>	<u>299,404</u>
Current assets				
Trade and other receivables	6	5,714	5,704	5,709
Cash and cash equivalents		14	14	14
		<u>5,728</u>	<u>5,718</u>	<u>5,723</u>
Total assets		<u><u>305,222</u></u>	<u><u>305,035</u></u>	<u><u>305,127</u></u>
LIABILITIES				
Current liabilities				
Trade and other payables	7	(5,682)	(5,682)	(5,682)
Current income tax liabilities	8	(9)	(6)	(8)
		<u>(5,691)</u>	<u>(5,688)</u>	<u>(5,690)</u>
Net current assets		<u>37</u>	<u>30</u>	<u>33</u>
Non-current liabilities				
Borrowings	7	(299,494)	(299,317)	(299,404)
Total liabilities		<u>(305,185)</u>	<u>(305,005)</u>	<u>(305,094)</u>
Net assets		<u><u>37</u></u>	<u><u>30</u></u>	<u><u>33</u></u>
EQUITY				
Share capital		13	13	13
Retained earnings		24	17	20
Total equity		<u><u>37</u></u>	<u><u>30</u></u>	<u><u>33</u></u>

Approved by the board of directors and signed on its behalf by:

S Johnson

Director

22 November 2012

The notes on page 9 to 12 form part of the condensed financial statements.

CONDENSED STATEMENT OF CHANGES IN EQUITY
For the period ended 30 September 2012

	Called up share capital	Retained earnings	Total Equity
	£000	£000	£000
At 1 April 2011	13	12	25
Profit for the period	-	5	5
	<hr/>	<hr/>	<hr/>
At 30 September 2011 (unaudited)	13	17	30
Profit for the period	-	3	3
	<hr/>	<hr/>	<hr/>
At 31 March 2012 (audited)	13	20	33
Profit for the period	-	4	4
	<hr/>	<hr/>	<hr/>
At 30 September 2012 (unaudited)	13	24	37
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 9 to 12 form part of the condensed financial statements.

CONDENSED STATEMENT OF CASH FLOWS
For the period ended 30 September 2012

	Unaudited Period ended 30 September 2012 £000	Unaudited Period ended 30 September 2011 £000	Audited Year ended 31 March 2012 £000
Operating profit	-	-	-
Net cash from operating activities	-	-	-
Operating activities			
Interest paid	(10,125)	(10,125)	(20,250)
Investing activities			
Interest received and similar income	10,125	10,125	20,250
Net increase in cash and cash equivalents	-	-	-
Cash and cash equivalents at beginning of the period	14	14	14
Cash and cash equivalents at end of the period	14	14	14

The notes on pages 9 to 12 form part of the condensed financial statements

NOTES TO THE CONDENSED SET OF FINANCIAL STATEMENTS

1 GENERAL INFORMATION

The financial information for the 6 month period ended 30 September 2012 and similarly the period ended 30 September 2011 has neither been audited nor reviewed by the auditors. The financial information for the year ended 31 March 2012 has been based on information in the audited financial statements for that year.

The financial information for the year ended 31 March 2012 does not constitute the financial statements for that year, but is derived from those statements. Financial statements for 2012 have been delivered to the Registrar of Companies. The auditors reported on those financial statements: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under s498(2) or (3) Companies Act 2006.

2 ACCOUNTING POLICIES

Basis of preparation

The annual financial statements of the Company are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The half year condensed financial statements of the Company have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' (IAS 34). The results for the period ended 30 September 2012 have been prepared using the same methods of computation and on the basis of accounting policies consistent with those set out in the Annual Report and Financial Statements of ENW Capital Finance plc for the year ended 31 March 2012.

The directors do not believe that the company is affected by seasonal factors which would have a material effect on the performance of the Company when comparing the interim results to those achieved in the second half of the year.

Going concern

When considering continuing to adopt the going concern basis in preparing the annual report and financial statements of the Company, the directors have taken into account a number of factors, including the financial position of the Company and the Group in which it operates. The Company's obligations in respect of the listed Notes are met via income receivable from North West Electricity Networks. The directors have updated their going concern consideration at the half year period ended 30 September 2012 in respect of the Group and in particular for the North West Electricity Networks Limited group which produces half year condensed consolidated financial statements. Disclosure of the considerations made by the directors in terms of the North West Electricity Networks Limited group and Company's cash flows, liquidity position and borrowing facilities and covenant compliance can be found in the North West Electricity Networks Limited half year condensed consolidated financial statements. Consequently, after making the appropriate enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, it is appropriate to adopt the going concern basis in preparing the half year condensed financial statements.

Significant accounting policies

There are no new significant accounting policies and standards to be adopted for the six month period ended 30 September 2012 or for the year ending 31 March 2013.

Notes (continued)

3 INVESTMENT INCOME

	Unaudited Period ended 30 September 2012 £000	Unaudited Period ended 30 September 2011 £000	Audited Year ended 31 March 2012 £000
Interest receivable from group companies	<u>10,220</u>	<u>10,214</u>	<u>20,431</u>

4 FINANCE EXPENSE

	Unaudited Period ended 30 September 2012 £000	Unaudited Period ended 30 September 2011 £000	Audited Year ended 31 March 2012 £000
Interest payable on borrowings held at amortised cost	<u>10,215</u>	<u>10,207</u>	<u>20,420</u>

5 TAXATION

	Unaudited Six months ended 30 September 2012 £000	Unaudited Six months ended 30 September 2011 £000	Audited Year ended 31 March 2012 £000
Current tax:			
UK corporation tax: Current year	<u>1</u>	<u>2</u>	<u>3</u>

Corporation tax is calculated at 24% for the period to 30 September 2012 (30 September 2011: 26%) being the best estimate for the effective tax rate for the financial year to 31 March 2013. There is no deferred tax in any period.

Notes (continued)

6 TRADE AND OTHER RECEIVABLES

This note provides information about the contractual terms of the Company's receivables.

	Unaudited 30 September 2012 £000	Unaudited 30 September 2011 £000	Audited 31 March 2012 £000
Non-current assets			
Intercompany - Bonds	299,494	299,317	299,404
	<hr/>	<hr/>	<hr/>
Current assets			
Intercompany - Interest	5,714	5,704	5,709
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

On 21 July 2009 the Company lent North West Electricity Networks Limited (the 'Parent Company') proceeds of £299.1m in relation to the Notes issue of £300.0m at 6.75 per cent fixed rate due 2015, net of discount on issue. The carrying value of the receivable reflects the amortisation of the discount.

7 BORROWINGS

This note provides information about the Company's loans and borrowings.

	Unaudited 30 September 2012 £000	Unaudited 30 September 2011 £000	Audited 31 March 2012 £000
Non-current liabilities			
Bonds	299,494	299,317	299,404
	<hr/>	<hr/>	<hr/>
Current liabilities			
Accrued interest	5,682	5,682	5,682
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Company has issued £300.0m 6.75 per cent fixed rate Notes due 2015, guaranteed by North West Electricity Networks Limited (the 'Parent Company') and North West Electricity Networks Group Limited.

Notes (continued)

8 TRADE AND OTHER PAYABLES

	Unaudited 30 September 2012 £000	Unaudited 30 September 2011 £000	Audited 31 March 2012 £000
Current liabilities			
Current Income Tax liability	<u>9</u>	<u>6</u>	<u>8</u>

Corporation tax is calculated at 24% (period ended 30 September 2011: 26%, year ended 31 March 2012: 26%) being the best estimate of the effective tax rate for the full financial year.

9 RELATED PARTIES

During the period, group companies entered into the following transactions with related parties:

	Unaudited period ended 30 September 2012 £000	Unaudited period ended 30 September 2011 £000	Audited year ended 31 March 2012 £000
Interest receivable	<u>10,220</u>	<u>10,214</u>	<u>20,431</u>

Amounts outstanding between the Company and other companies within the North West Electricity Networks (Jersey) Group:

	Unaudited period ended 30 September 2012 £000	Unaudited period ended 30 September 2011 £000	Audited year ended 31 March 2012 £000
Loan to North West Electricity Networks Limited	299,494	299,317	299,404
Interest receivable from North West Electricity Networks Limited (note 6)	5,714	5,704	5,709
Corporation tax liability (note 8)	<u>9</u>	<u>6</u>	<u>8</u>

The loan to North West Electricity Networks Limited carries interest at 6.75% fixed rate and is repayable in 2015.