

ENW Capital Finance plc (the "Company") is pleased to announce its unaudited half year condensed financial statements for the period ended 30 September 2013.

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

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 (resigned 24 May 2013)

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') and the Company has notes in issue and listed on the London Stock Exchange (the 'Notes'). 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 ended 30 September 2013 in respect of the Company.

Principal risks and uncertainties

The principal risks and uncertainties have not changed from the last annual report. As the Company's obligations in respect of the listed Notes are met via income receivable from North West Electricity Networks Ltd, 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

28 November 2013

CONDENSED INCOME STATEMENT
For the period ended 30 September 2013

	Note	Unaudited Period ended 30 September 2013 £000	Unaudited Period ended 30 September 2012 £000	Audited Year ended 31 March 2013 £000
Operating profit		-	-	-
Investment income	3	10,224	10,220	20,387
Finance expense	4	(10,219)	(10,215)	(20,377)
Profit before taxation		5	5	10
Taxation	5	(1)	(1)	(2)
Profit for the period/year		4	4	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 2013

	Note	Unaudited 30 September 2013 £000	Unaudited 30 September 2012 £000	Audited 31 March 2013 £000
ASSETS				
Non-current assets				
Trade and other receivables	6	299,626	299,494	299,532
		<u>299,626</u>	<u>299,494</u>	<u>299,532</u>
Current assets				
Trade and other receivables	6	5,724	5,714	5,719
Cash and cash equivalents		14	14	14
		<u>5,738</u>	<u>5,728</u>	<u>5,733</u>
Total assets		<u><u>305,364</u></u>	<u><u>305,222</u></u>	<u><u>305,265</u></u>
LIABILITIES				
Current liabilities				
Trade and other payables	7	(5,682)	(5,682)	(5,682)
Current income tax liabilities	8	(11)	(9)	(10)
		<u>(5,693)</u>	<u>(5,691)</u>	<u>(5,692)</u>
Net current assets		<u>45</u>	<u>37</u>	<u>41</u>
Non-current liabilities				
Borrowings	7	(299,626)	(299,494)	(299,532)
Total liabilities		<u>(305,319)</u>	<u>(305,185)</u>	<u>(305,224)</u>
Net assets		<u><u>45</u></u>	<u><u>37</u></u>	<u><u>41</u></u>
EQUITY				
Share capital		13	13	13
Retained earnings		32	24	28
Total equity		<u><u>45</u></u>	<u><u>37</u></u>	<u><u>41</u></u>

Approved by the Board of Directors and signed on its behalf by:

S Johnson

Director

28 November 2013

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

CONDENSED STATEMENT OF CHANGES IN EQUITY
For the period ended 30 September 2013

	Called up share capital	Retained earnings	Total equity
	£000	£000	£000
At 1 April 2012	13	20	33
Profit for the period	-	4	4
	<hr/>	<hr/>	<hr/>
At 30 September 2012 (unaudited)	13	24	37
Profit for the period	-	4	4
	<hr/>	<hr/>	<hr/>
At 31 March 2013 (audited)	13	28	41
Profit for the period	-	4	4
	<hr/>	<hr/>	<hr/>
At 30 September 2013 (unaudited)	13	32	45
	<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 2013

	Unaudited Period ended 30 September 2013 £000	Unaudited Period ended 30 September 2012 £000	Unaudited* Year ended 31 March 2013 £000
Operating activities			
Operating profit	-	-	-
Interest paid	<u>(10,125)</u>	<u>(10,125)</u>	<u>(20,250)</u>
Net cash used in operating activities	<u>(10,125)</u>	<u>(10,125)</u>	<u>(20,250)</u>
Investing activities			
Interest received and similar income	<u>10,125</u>	<u>10,125</u>	<u>20,250</u>
Net cash generated from investing activities	<u>10,125</u>	<u>10,125</u>	<u>20,250</u>
Net increase in cash and cash equivalents	-	-	-
Cash and cash equivalents brought forward	<u>14</u>	<u>14</u>	<u>14</u>
Cash and cash equivalents at end of the period	<u><u>14</u></u>	<u><u>14</u></u>	<u><u>14</u></u>

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

*The March 2013 financial statements were prepared under FRS 101, 'Reduced Disclosure Framework' and therefore a Statement of Cash Flows was neither presented nor audited.

NOTES TO THE CONDENSED SET OF FINANCIAL STATEMENTS

1 GENERAL INFORMATION

The financial information for the 6 month period ended 30 September 2013 and similarly the period ended 30 September 2012 has neither been audited nor reviewed by the auditors. The financial information for the year ended 31 March 2013 has been based on information in the audited financial statements for that year, with the exception of the cash flow statement which was not presented in the company's 2013 financial statements as they were prepared under FRS101 'Reduced Disclosure Framework'; accordingly this statement is unaudited.

The financial information for the year ended 31 March 2013 does not constitute the statutory financial statements for that year (as defined in s434 of the Companies Act 2006), but is derived from those financial statements. Statutory financial statements for 31 March 2013 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.

The financial information for the year ended 31 March 2013 is not a direct copy of the 31 March 2013 financial statements because these financial statements were prepared under FRS 101. Therefore although the 31 March 2013 financial information, with the exception of the cash flow statement, does come from audited financial statements the actual presentation and format used in these half year financial statements has not been audited.

2 ACCOUNTING POLICIES

Basis of preparation

The annual financial statements of the Company are prepared in accordance with FRS 101, 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. The half year Condensed Financial Statements of the Company have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' ('IAS 34') as adopted by the European Union. The results for the period ended 30 September 2013 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 2013.

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 2013 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 accounting policies and standards to be adopted for the six month period ended 30 September 2013 or for the year ending 31 March 2014 that have a significant impact on the Company.

Notes (continued)

3 INVESTMENT INCOME

	Unaudited Period ended 30 September 2013 £000	Unaudited Period ended 30 September 2012 £000	Audited Year ended 31 March 2013 £000
Interest receivable from Group companies	<u>10,224</u>	<u>10,220</u>	<u>20,387</u>

4 FINANCE EXPENSE

	Unaudited Period ended 30 September 2013 £000	Unaudited Period ended 30 September 2012 £000	Audited Year ended 31 March 2013 £000
Interest payable on borrowings held at amortised cost	<u>10,219</u>	<u>10,215</u>	<u>20,377</u>

5 TAXATION

	Unaudited Period ended 30 September 2013 £000	Unaudited Period ended 30 September 2012 £000	Audited Year ended 31 March 2013 £000
Current tax:			
UK corporation tax:			
Current year	<u>1</u>	<u>1</u>	<u>2</u>

Corporation tax is calculated at 23% for the period to 30 September 2013 (30 September 2012: 24%, 31 March 2013: 24%) being the best estimate for the effective tax rate for the financial year to 31 March 2014. 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 2013 £000	Unaudited 30 September 2012 £000	Audited 31 March 2013 £000
Non-current assets			
Intercompany - Bonds	299,626	299,494	299,532
Current assets			
Intercompany - Interest	5,724	5,714	5,719

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 AND TRADE AND OTHER PAYABLES

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

	Unaudited 30 September 2013 £000	Unaudited 30 September 2012 £000	Audited 31 March 2013 £000
Non-current liabilities			
Bonds	299,626	299,494	299,532
Current liabilities			
Accrued interest	5,682	5,682	5,682

The Company has issued £300.0m 6.75 per cent fixed rate Notes due 2015, guaranteed by the Parent Company and NWEN Group Limited.

Notes (continued)

8 CURRENT INCOME TAX LIABILITIES

	Unaudited 30 September 2013 £000	Unaudited 30 September 2012 £000	Audited 31 March 2013 £000
Current liabilities			
Current income tax liability owed to group undertakings	11	9	10

9 RELATED PARTIES

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

	Unaudited period ended 30 September 2013 £000	Unaudited period ended 30 September 2012 £000	Unaudited* year ended 31 March 2013 £000
Interest receivable from North West Electricity Networks Limited	10,224	10,220	20,387

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

	Unaudited period ended 30 September 2013 £000	Unaudited period ended 30 September 2012 £000	Unaudited* year ended 31 March 2013 £000
Loan to North West Electricity Networks Limited	299,626	299,494	299,532
Interest receivable from North West Electricity Networks Limited (note 6)	5,724	5,714	5,719
Corporation tax payable to North West Electricity Networks Limited (note 8)	11	9	10

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

*As permitted by FRS 101, a related parties note was not presented in the 31 March 2013 financial statements.