



VIRIDIS
CLEAN ENERGY GROUP

FACSIMILE

TO	Australian Stock Exchange	DATE	25 February 2010
ATTENTION	Ms Kate Kidson	FACSIMILE	+61 3 9614 0303
FROM	Duncan Jewell		
SUBJECT	Interim results announcement for period ended 31 December 2009		

Dear Ms Kidson,

Please find attached the Interim results announcement for period ended 31 December 2009 for the Viridis Clean Energy Group (VIR).

Yours sincerely,

Duncan Jewell
Company Secretary
Viridis Investment Management Limited

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RELEASE

VCEG interim results for period ended 31 December 2009

Simplified structure and debt reduction clears path for performance improvement

25 FEBRUARY 2010

Viridis Clean Energy Group (ASX: VIR) ("VCEG" or the "Fund") today announced its interim results for the period ended 31 December 2009.

Key events for the period include:

- **Simplified structure to achieve better alignment of interests** – The management internalisation transaction was completed on 20 August 2009 following securityholder approval on 19 August 2009.
- **Successful asset sale** – The successful completion of the sale of the Fund's 82 MW German wind farm portfolio was announced on 1 December 2009.
- **Debt reduction** - Net proceeds from the sale of the German wind farm portfolio were applied to pay down corporate debt. Corporate debt levels have now been reduced from \$83.6m (FY08) to \$32.6m - a reduction of 61%. The UK working capital facility (GBP 4.3m) expires in April 2010. Provision has been made for its repayment at that time from existing cash resources.
- **Asset review** – asset performance reviewed to establish a basis for improved operational and financial results.
- **Financial performance** - Adjusted EBITDA¹ (including share of net profit from associates) was \$14.1 million, excluding any contribution from the German wind farm portfolio which was sold during the period. Adjusted EBITDA for the previous corresponding period was \$13.5 million (adjusted on the same basis, for comparative purposes).

Financial results

For the 6 month period to 31 December 2009 VCEG achieved earnings before interest expense, tax, depreciation and amortisation ("EBITDA") (including share of net profit from associates) for the half year of \$5.5 million (loss) on total revenue for the period of \$30.3 million.

¹ Before interest income on cash balance (\$0.05m) (non-project related), net unrealised derivatives and foreign currency losses (\$18.0m), buyout of management contract (\$3.4m) and other extraordinary/abnormal items (\$1.8m).

The reported EBITDA result includes a net unrealised (non-cash) derivative and foreign currency loss of 18.0 million, relating to the mark-to-market foreign currency exchange rate movement in inter-group loan balances and the costs of management internalisation (\$3.4 million), which were expensed in the period. Excluding these and other extraordinary/abnormal items EBITDA (including share of profit from associates) was \$14.1 million.

The net result was a loss after income tax benefit of \$22.6 million, which includes depreciation and amortisation charges of \$10.2 million.

As at 31 December 2009 VCEG had net debt of \$107.5 million, including debt of \$32 million under its corporate debt facility.

Results summary

Six months ended 31 December 2009 (\$'000)	31 December 2009	31 December 2008	Variance
Total revenue	30,316	36,887	(6,571)
Reported EBITDA (including share of net profit from associates)	(5,511)	29,007	(34,518)
Adjusted EBITDA (including share of net profit from associates)	14,111 ¹	13,495	616
Depreciation & amortisation	(10,229)	(12,695)	2,466
Buyout of management contract (incl. transaction costs)	(3,445)	-	(3,445)
Finance costs	(6,973)	(8,950)	1,977
Net profit/(loss) before income tax benefit/expense	(22,713)	7,362	(30,075)
Net profit/(loss) from continuing operations	(21,311)	6,026	(27,337)
Net profit/(loss) from discontinued operations	(1,273)	(312)	(961)
Net profit/(loss) for the half-year	(22,584)	5,714	(28,298)

	31 December 2009	30 June 2009	Variance
Total debt	126,065	263,135	(137,070)
Cash and cash equivalent	18,571	21,036	(2,465)
Net debt	107,494	242,099	(134,605)

¹ Before interest income on cash balance (\$0.05m) (non-project related), net unrealised derivatives and foreign currency losses (\$18.0m), buyout of management contract (\$3.4m) and other extraordinary/abnormal items (\$1.8m).

Update on current initiatives

As previously advised VCEG's primary focus is on retiring its current corporate debt in advance of the facility maturity date of 31 July 2010. Consistent with this strategy a sale process for VCEG's 49% interest in the Ardrossan wind farm has been initiated and the board is currently evaluating indicative proposals. Other options for retiring the facility are also being considered, including restructuring the corporate debt and/or project debt, or raising additional capital. The board intends to provide an update on the preferred course of action in the coming weeks.

The board has also completed a review of VCEG's assets and has identified a number of opportunities for improving performance. The board considers that improving the capital structure and operating performance of the business will assist in restoring value on a sustainable basis, facilitate recommencement of distribution payments to securityholders and increase options for value realisation.

END

For further information please contact:

Edward Northam

Managing Director

Viridis Clean Energy Group

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Background

Viridis Clean Energy Group is an ASX listed energy infrastructure fund that has been established by Viridis Energy Capital Pty Limited as a special purpose investment vehicle focused exclusively on direct, long-term investment in a global portfolio of clean energy projects. Viridis invests in projects employing proven renewable, waste and other clean energy fuels and technologies in selected geographical markets, with a primary focus on Europe, North America and Australia.

The Fund's current investment portfolio includes ownership interests in 44 projects located in the USA and UK with a total capacity of 121 MW (Viridis equity share).

Viridis Energy Capital Pty Limited is the investment manager for the Viridis Clean Energy Group. Viridis Clean Energy Group comprises Viridis Clean Energy Trust I (ARSN 115 340 442) and Viridis Clean Energy Trust II (ARSN 115 340 639). Viridis Investment Management Limited (ABN 51 099 788 431) is the responsible entity of the Viridis Clean Energy Group.