

The Company

Mainstream Renewable Power Limited (“Mainstream” or the “Company”) is seeking to raise €25m in Loan Notes. The Loan Notes will form part of a new joint senior €60m loan facility with Bluebay Ireland Corporate Credit (“BICC”) (the “Facility”). The funds raised will be used to refinance the 2011 Loan Notes currently in issue together with providing working capital for the business.

Mainstream has raised c.€200m in equity to date, initially financed through a c. €70m capital injection provided by the founders, the board of directors and staff. Barclays Capital invested €20m in 2008 with retail investors contributing c. €60m since inception.

In October 2013 Mainstream announced the closing of an equity investment of up to €100m from Japanese global trading company Marubeni Corporation for a c.25% ownership stake in the company. Marubeni Corporation is one of the 5 largest Japanese trading companies with activities in multiple business areas and is an owner of Independent Power Producer (IPP) generating assets of approximately net 10,000MW worldwide.

To date Marubeni have invested €50m, and hold a 16.8% stake in the Company. The remaining €50m may be invested at Marubeni’s discretion at any time up to March 2015.

Mainstream, on closing this transaction, will have raised a total of c.€167m in corporate debt including €40m of junior debt from Macquarie Bank & Macquarie Capital which matures in September 2016 but is expected to be repaid early in February 2015.

This report has been prepared by Cantor for information purposes only in order to assist investors to make their own investment decisions and is not intended to and does not constitute personal recommendations nor provide the sole basis for any evaluation of the securities discussed. Cantor recommend that specific advice should always be sought prior to investment, based on the particular circumstances of the investor.

Key Investment Terms

- €25m 4 Year Loan Note
- Annual coupon of 9% plus 3 month Euribor (Euribor floor of 0.50%)
- Coupon is payable semi-annually (30 June and 31 December)
- The Loan Note will form part of a joint €60m senior loan facility by Bluebay Ireland Corporate Credit Limited (“Bluebay”) (the “Facility”)
- Early redemption opportunity by investor in February 2016
- Mainstream have option to redeem the Facility at any point after year 1 with additional premium payable (4% in year 2; 2% in year 3)
- Minimum Investment Size: €100,000
- Placing fee: 2% (this is payable in addition to your investment)
- Please note this is a high risk investment; you may lose part/all of the monies you invest
- Conditions Precedent:
 - Planning Consent being granted on Hornsea SP 1 by 11th December 2014
 - Completion of due diligence by EY
 - Bluebay’s participation in the Facility

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