



Investor Presentation
NRG Yield, Inc.
(NYSE: NYLD)

May 15, 2014

Citi Global Energy and Utilities Conference

Safe Harbor



This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are subject to certain risks, uncertainties and assumptions and typically can be identified by the use of words such as “expect,” “estimate,” “should,” “anticipate,” “forecast,” “plan,” “guidance,” “believe” and similar terms. Such forward-looking statements include, but are not limited to, statements about the Company’s future revenues, income, indebtedness, capital structure, strategy, plans, expectations, objectives, projected financial performance and/or business results and other future events, and views of economic and market conditions.




Although NRG Yield, Inc. believes that the expectations are reasonable, it can give no assurance that these expectations will prove to have been correct, and actual results may vary materially. Factors that could cause actual results to differ materially from those contemplated above include, among others, general economic conditions, hazards customary in the power industry, weather conditions, competition in wholesale power markets, the volatility of energy and fuel prices, failure of customers to perform under contracts, changes in the wholesale power markets, changes in government regulation of markets and of environmental emissions, the condition of capital markets generally, our ability to access capital markets, unanticipated outages at our generation facilities, adverse results in current and future litigation, failure to identify or successfully implement acquisitions (including receipt of third party consents and regulatory approvals), our ability to enter into new contracts as existing contracts expire, our ability to obtain anticipated Section 1603 Cash Grants, and our ability to maintain and grow our quarterly dividends.

NRG Yield, Inc. undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The adjusted EBITDA and cash available for distribution guidance are estimates as of May 6, 2014. These estimates are based on assumptions believe to be reasonable as of that date. NRG Yield, Inc. disclaims any current intention to update such guidance, except as required by law. The foregoing review of factors that could cause NRG Yield, Inc.’s actual results to differ materially from those contemplated in the forward-looking statements included in this Presentation should be considered in connection with information regarding risks and uncertainties that may affect NRG Yield, Inc.’s future results included in NRG Yield, Inc.’s filings with the Securities and Exchange Commission at www.sec.gov.

NRG Yield: A Premier Dividend Growth Company



Ticker: NYLD (NYSE)	Market Cap¹: ~\$2.8 BN
Estimated Dividend Yield¹: ~3.4%	Target Dividend Growth²: 10% - 15%
Project Pipeline Capacity³: ~2.1 GW	NRG Energy Ownership Stake: 65.5%

Conventional ³	Renewable ³	Thermal
 <ul style="list-style-type: none"> ✦ 4 Facilities with 1,460 net MW ✦ 100% Contracted ✦ ~14 year average remaining PPA life⁴ 	 <ul style="list-style-type: none"> ✦ 12 solar and wind facilities with 454 net MW ✦ 100% Contracted ✦ ~21 year average remaining PPA life⁴ 	 <ul style="list-style-type: none"> ✦ 1.35 GW_T capacity and 123 MW of generating capacity ✦ 550+ customers ✦ Primarily long-term contracts or regulated rates

¹ As of 5/6/2014; assumes ~65.25 MM shares outstanding (~22.5 MM Class A shares; ~42.7 Class B shares) and an expected annualized dividend of \$1.45 per share by 3Q 2014

² Represents target 5-year CAGR; Excludes embedded 3.6% growth (relative to current dividend) resulting from full cash distributions from CVSR beginning 3Q 2014

³ Pro forma for drop-down transaction announced on 5/6/2014; Expected to close during 2Q14

⁴ Weighted by Cash Available for Distribution (CAFD)

NRG Yield Strategic Recap

A total-return investment vehicle that benefits from a strong growth profile and predictable and stable cash flows from contracted power infrastructure assets

Diversified Mix of High Quality Operating Assets

- ✦ 3.4 GW¹ of conventional, renewable and thermal assets
- ✦ Long-term off-take agreements; credit worthy counterparties
- ✦ Proven technology and long useful lives



Abundant Growth Opportunities

- ✦ Near-term dividend growth driven by increased distributions from CVSR² and announced drop-down transaction
- ✦ Highly visible growth pipeline from NRG ROFO³ Assets and EME assets which have been designated as NYLD-eligible
- ✦ Opportunity to leverage cost of capital advantage in third-party acquisitions



Backed by Strong Strategic Sponsor in NRG Energy (NYSE: NRG)

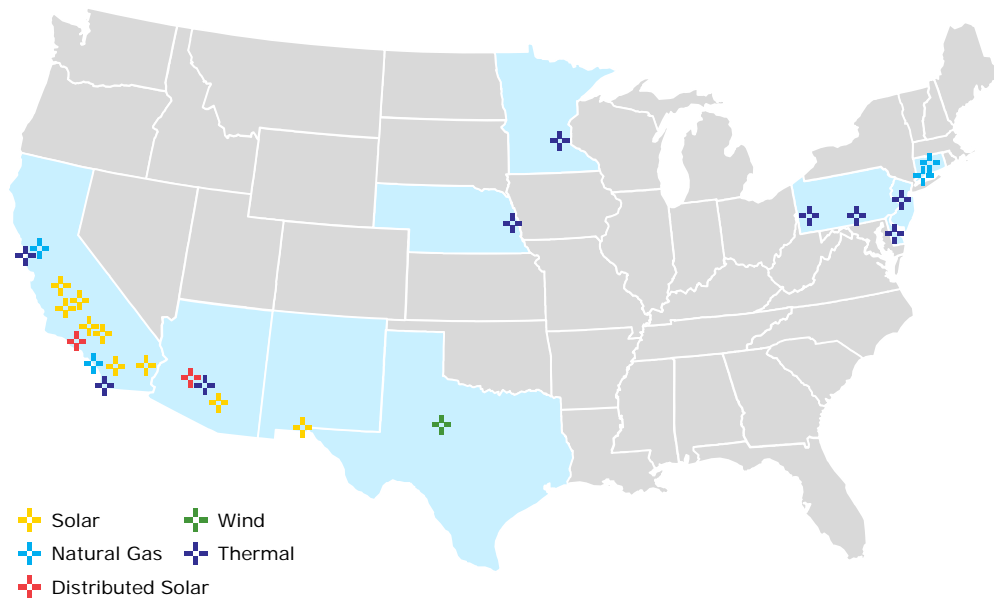
- ✦ Largest competitive power company in the U.S.
- ✦ Industry-leading management and operational expertise
- ✦ Strong asset development and acquisition track record

¹ Capacity represents net ownership stake and includes thermal equivalent capacity; Includes capacity associated with drop-down transaction announced on 5/6/2014

² Minimum increase in annualized dividend from \$1.40/share to \$1.45/share by 3Q 2014

³ Right of First Offer

Ideal Portfolio for Total Return



NRG Yield Portfolio¹

- ✦ 25 assets across 10 states
- ✦ Diversified and Environmentally Sound asset mix: Solar, Gas, Wind, and Thermal
- ✦ 2 GW of conventional, renewable, and thermal generation assets
- ✦ 1.35 GW_T of thermal infrastructure assets
- ✦ 17-Year average remaining PPA duration¹
- ✦ ~10 year corporate-level tax shield objective
- ✦ 98% of rated offtakers investment-grade²
- ✦ Proven, Reliable Technology from leading OEMs such as GE, Siemens, and First Solar

¹ Includes assets associated with drop-down transaction announced 5/6/2014 and expected to close during 2Q14; Weighted by CAFD

² For conventional and renewable generation assets; Weighted by CAFD

NRG Energy: A Strong Strategic Sponsor



NRG Energy (NYSE: NRG) is a Fortune 500 company with dual headquarters in Princeton, NJ and Houston, TX



Core Generation

- ✦ ~54 GW of generation capacity at over 140 facilities located across 24 states
- ✦ Over the last 5 years, NRG Energy has constructed, is constructing, or has acquired ~35 GW of assets¹
- ✦ Significant brownfield opportunities given locational advantages in key load pockets



Retail Business

- ✦ Leading integrated competitive wholesale / retail platform serving ~3 million customers
- ✦ Operate in 12 states plus Washington DC
- ✦ 60 TWh of electricity sold in 2013
- ✦ Integrated model in a supply-constrained market



Clean Energy

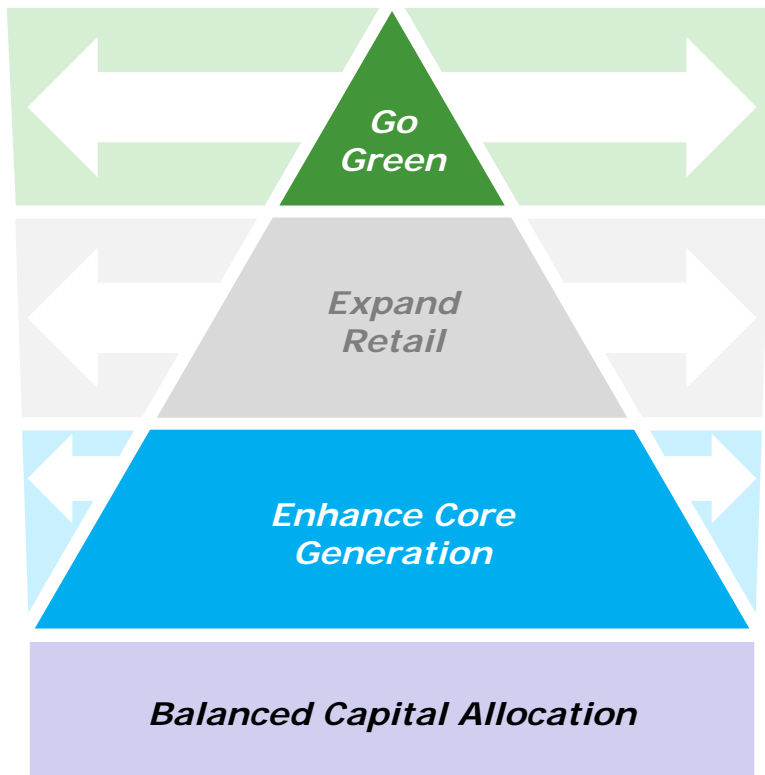
- ✦ First mover in \$450+ BN clean energy sector
- ✦ Rapidly growing distributed solar businesses through NRG Residential Solar Solutions and NRG Solar
- ✦ Industry-leading renewables platform with over 3.5 GW² of utility-scale solar and wind projects

¹ Includes ~23 GW from GenOn merger and ~8 GW from Edison Mission acquisition

² Total gross solar and wind capacity, including capacity attributable to non-controlling interests

NRG Energy and NRG Yield Are Strategically Aligned

NRG Energy's Competitive Energy Platform...



...Is Aligned with NRG Yield

- ✦ **65.5% ownership** stake; NRG intends to maintain a controlling interest in NRG Yield
- ✦ Competitive **cost of capital** enables growth through acquisitions and development
- ✦ **Visible drop-down pipeline** of ~2.1¹ GW of additional assets to NRG Yield and drives capital available for allocation at NRG
- ✦ **Proved effectiveness of platform** through NRG's acquisition of Edison Mission, NRG Yield's acquisition of Energy Systems, and the first successful drop-down execution

NRG Yield is a key part of NRG's long-term strategic growth plans

¹ Pro forma for drop-down transaction announced on 5/6/2014; Expected to close during 2Q14

NRG's Contracted Portfolio Provides Robust and Visible Growth Pipeline



NRG ROFO Assets

Project	Type	Net MW ¹	PPA Expiration ²
TA High Desert	Solar PV	20	2033
RE Kansas South	Solar PV	20	2033
El Segundo	Combined Cycle	550	2023
CVSR	Solar PV	128	2038
Agua Caliente	Solar PV	148	2040
Ivanpah	Solar Thermal	193	2036

EME Assets Designated as NYLD-Eligible

Project	Type	Net MW ¹	PPA Expiration ²
Walnut Creek	Natural Gas CT	500	2023
Tapestry	Wind	204	2031
Viento	Wind	305	2027
High Lonesome	Wind	100	2039
Laredo Ridge	Wind	80	2031
Community Wind	Wind	30	2031
Crosswinds	Wind	21	2022
Hardin	Wind	15	2027
Jeffers	Wind	50	2028
Odin	Wind	20	2028
Sleeping Bear	Wind	95	2032
Spanish Fork	Wind	19	2028
Storm Lake	Wind	108	2019
Various MN Assets	Wind	53	2025

 Announced 2Q 2014 Drop-Downs

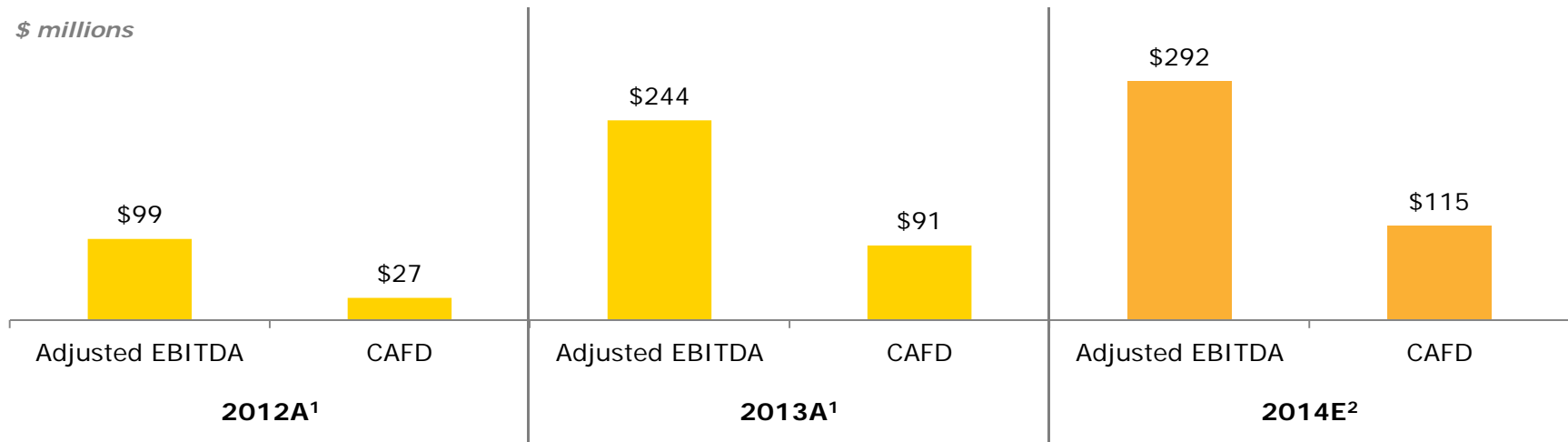
With a drop-down pipeline representing ~\$135 MM³ of Cash Available for Distribution, NRG Yield is well-positioned for robust dividend growth

¹ Represents NRG's net ownership (excludes capacity attributable to non-controlling interest)

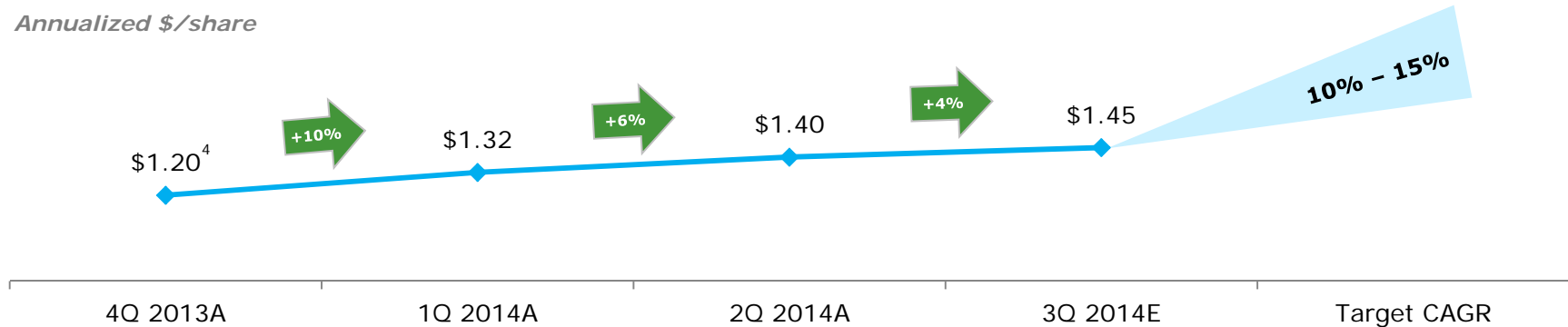
² Represents capacity-weighted average PPA expiration for Ivanpah, Tapestry Wind, Viento Wind, and Various MN Assets

³ Excludes CAFD associated with assets within drop-down transaction announced on 5/6/2014 expected to close during 2Q14; Based on mid-point guidance for EME's NYLD-eligible assets

Financial Highlights: EBITDA, CAFD, and Dividend Growth



NRG Yield: Consistently Growing Its Dividend Since IPO³



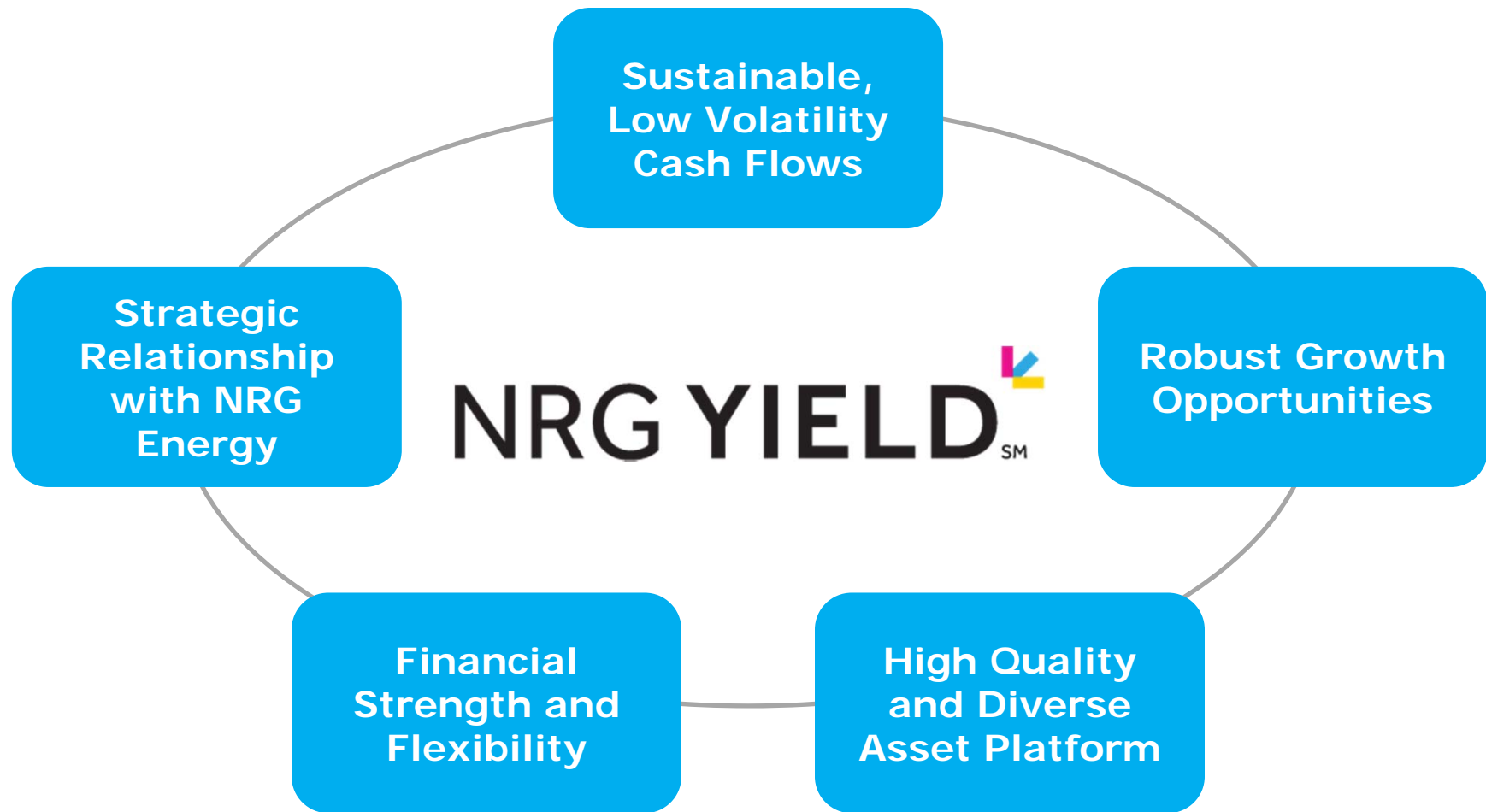
Financial stability enables NRG Yield to be a premier dividend growth company

¹ 2012A and 2013A Adjusted EBITDA and Cash Available for Distribution (CAFD) per NRG Yield's 4Q13 earnings presentation on 2/28/2014

² Based on guidance previously disclosed in NRG Yield's 4th Quarter 2013 Results Presentation on 2/28/2014; Excludes the impact of ROFO asset drop-downs announced 5/6/2014

³ Represents annualized dividend paid for 4Q13 and 1Q14, annualized dividend announced for 2Q14, and previously disclosed guidance for 3Q14

⁴ Based on pro rata dividend per share of \$0.23 following IPO in July 2013



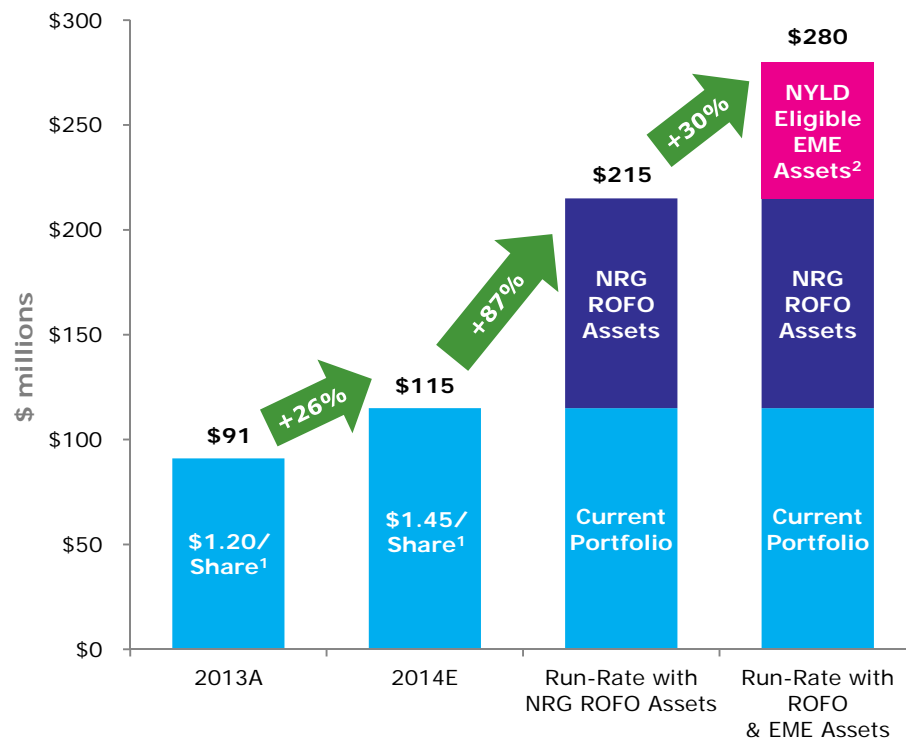
NRG Yield: An industry-leading clean generation and infrastructure company

Appendix

Dividend Policy

- Annualized quarterly dividend expected to increase to \$1.45/share by 3Q14
- Targeting minimum dividend increase of 1% per quarter, thereafter
- Dividend to be augmented by dropdowns, 3rd party acquisitions, and financings

CAFD & Dividend Growth



Future Dividend Growth Driven By:

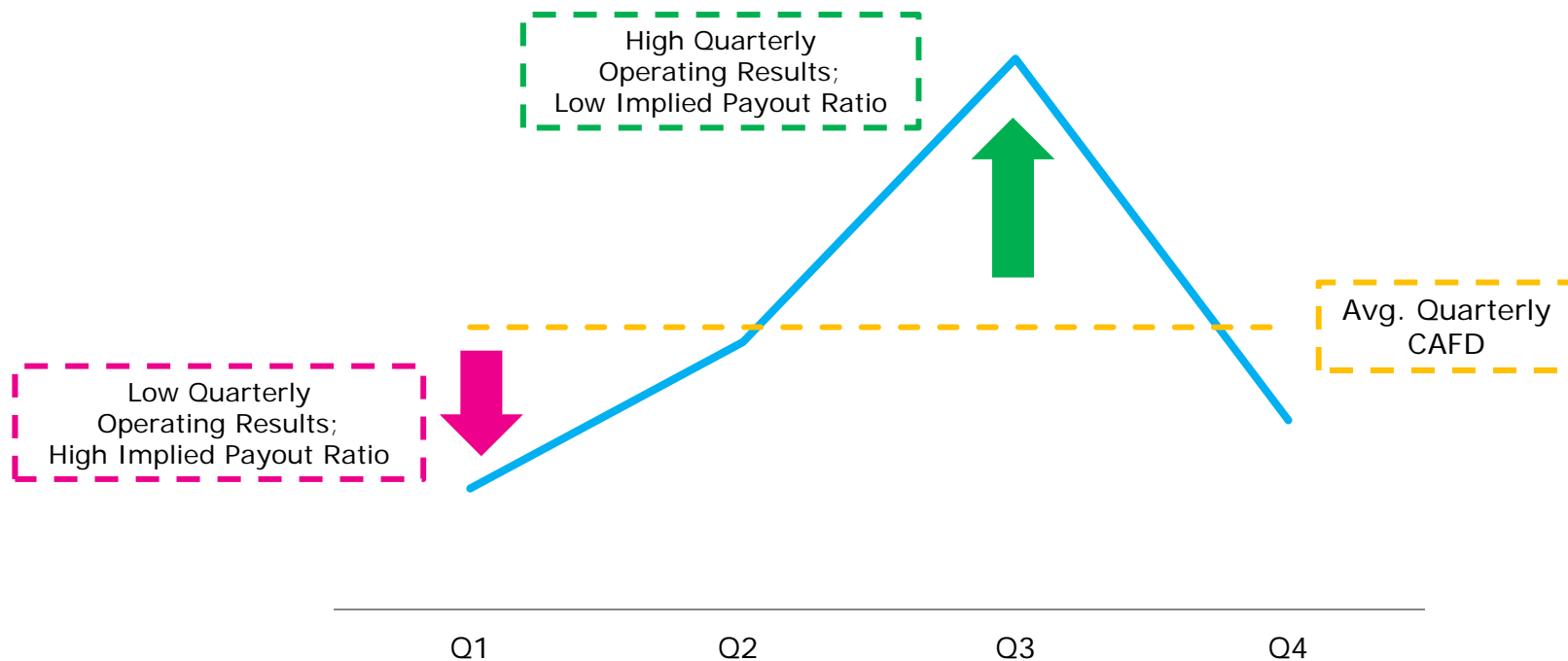
- ✦ NRG ROFO assets:
 - NRG and NRG Yield have reached a definitive agreement on the drop-down of 3 assets representing ~ **\$30 MM** in CAFD
 - TA High Desert
 - RE Kansas South
 - El Segundo
 - Expected to be offered at a later date
 - Remaining CVSR interest
 - Agua Caliente and Ivanpah
- ✦ Edison Mission assets designated as NYLD-eligible
- ✦ Further development and acquisition opportunities at NRG
- ✦ Third party acquisitions
- ✦ Capital structure optimization opportunities

Target dividend per share CAGR of 10% – 15% over the next five years

¹ Annualized dividend per share based on third quarter results and paid in the fourth quarter of that year; Assumes 65.25 million shares outstanding

Impact of Seasonality on Operating Results and Cash Available for Distribution

Illustrative Quarterly Cash Available for Distribution



Annual Dividend Payout Ratio Takes Seasonality into Consideration

Appendix

Reg. G Schedules

Reg. G: 2013 & 2012 Actuals



<i>\$ millions</i>	Actuals	
	FY 2013	FY 2012
Net Income	\$ 109	13
Adjustments to net income to arrive at Adjusted EBITDA:		
Depreciation & amortization	51	25
Interest expense, net	34	27
Income tax expense, net	8	10
Contract amortization	2	1
Adjustments to reflect Yield's share of Adjusted EBITDA in unconsolidated affiliates	40	25
Adjusted EBITDA	\$ 244	101
Less: Prorata EBITDA from unconsolidated affiliates	(62)	(44)
Add: Cash distribution from unconsolidated affiliates	22	21
Cash interest paid	(55)	(17)
Maintenance capital expenditures	(8)	(9)
Change in other assets	12	-
Principal amortization of indebtedness	(62)	(43)
Cash Available for Distribution	\$ 91	9

Reg. G: 2014 Guidance



<i>\$ millions</i>	Guidance	
	Q2 2014	FY 2014
Net Income	\$ 28	95
Adjustments to net income to arrive at Adjusted EBITDA:		
Depreciation & amortization	16	65
Interest expense, net	21	65
Income tax expense, net	(4)	14
Contract amortization	1	1
Adjustments to reflect Yield's share of Adjusted EBITDA in unconsolidated affiliates	13	52
Adjusted EBITDA	\$ 75	292
Less: Prorata EBITDA from unconsolidated affiliates	(21)	(72)
Add: Cash distribution from unconsolidated affiliates	6	41
Cash interest paid	(16)	(63)
Maintenance capital expenditures	(5)	(13)
Change in other assets	(9)	1
Principal amortization of indebtedness	(8)	(71)
Cash Available for Distribution	\$ 22	115

Appendix Table A-1: NRG Total ROFO Assets Run-Rate Adjusted EBITDA and CAFD Reconciliation to Estimated Income Before Taxes

The following table summarizes the comparative Income before taxes to Adjusted EBITDA and CAFD

<i>\$ millions</i>	Total ROFO Assets
Income Before Taxes	\$ 105
Interest Expense	71
Depreciation and Amortization	74
Adjusted EBITDA	250
Principal, Interest Payments, Maintenance Capex and Other	(150)
CAFD	\$ 100

**Appendix Table A-2: 2014 ROFO Assets Announced as First Drop-Down Transaction Guidance
Adjusted EBITDA and Cash Available for Distribution Reconciliations**

The following table summarizes the calculation of Adjusted EBITDA and Cash Available for Distribution and provides a reconciliation to net income

<i>(\$ millions)</i>	
Net Income	\$45
Plus:	
Depreciation and Amortization	27
Interest Expense	28
Adjusted EBITDA	100
Cash Interest Paid	(26)
Maintenance Capital Expenditures	(2)
Principal Amortization of Indebtedness	(38)
Change in Other Assets	(4)
Cash Available for Distribution	\$30

Appendix Table A-3 2014 EME NYLD-Eligible Assets Midpoint Cash Available For Distribution (CAFD) reconciliation to Adjusted EBITDA and Estimated Income Before Taxes

The following table reconciles estimated Income Before Taxes to Adjusted EBITDA to Midpoint CAFD

<i>\$ millions</i>	2014 EME NYLD Eligible Assets
Income Before Taxes	\$51
Interest Expense	54
Adjustment to Reflect Reported Equity Earnings	10
Depreciation and Amortization	70
Adjusted EBITDA	\$ 185
Interest Payments	(54)
Working Capital/other	(9)
Maintenance CapEx	(1)
Debt Amortization	(56)
Midpoint CAFD	\$ 65

EBITDA and Adjusted EBITDA are non-GAAP financial measures. These measurements are not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance. The presentation of Adjusted EBITDA should not be construed as an inference that NRG's future results will be unaffected by unusual or non-recurring items.

EBITDA represents net income before interest (including loss on debt extinguishment), taxes, depreciation and amortization. EBITDA is presented because NRG Yield considers it an important supplemental measure of its performance and believes debt-holders frequently use EBITDA to analyze operating performance and debt service capacity. EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our operating results as reported under GAAP. Some of these limitations are:

EBITDA does not reflect cash expenditures, or future requirements for capital expenditures, or contractual commitments;

EBITDA does not reflect changes in, or cash requirements for, working capital needs;

EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on debt or cash income tax payments;

Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and

Other companies in this industry may calculate EBITDA differently than NRG Yield does, limiting its usefulness as a comparative measure.

Because of these limitations, EBITDA should not be considered as a measure of discretionary cash available to use to invest in the growth of NRG Yield's business. NRG Yield compensates for these limitations by relying primarily on our GAAP results and using EBITDA and Adjusted EBITDA only as supplements. See the statements of cash flow included in the financial statements that are a part of this news release.

Adjusted EBITDA is presented as a further supplemental measure of operating performance. Adjusted EBITDA represents EBITDA adjusted for mark-to-market gains or losses, asset write offs and impairments; and factors which we do not consider indicative of future operating performance. The reader is encouraged to evaluate each adjustment and the reasons NRG Yield considers it appropriate for supplemental analysis. As an analytical tool, Adjusted EBITDA is subject to all of the limitations applicable to EBITDA. In addition, in evaluating Adjusted EBITDA, the reader should be aware that in the future NRG Yield may incur expenses similar to the adjustments in this news release.

Cash available for distribution is adjusted EBITDA plus cash dividends from unconsolidated affiliates, less maintenance capital expenditures, pro-rata adjusted EBITDA from unconsolidated affiliates, cash interest paid, income taxes paid, principal amortization of indebtedness and changes in others assets. Management believes cash available for distribution is a relevant supplemental measure of the Company's ability to earn and distribute cash returns to investors.