

Investor Presentation

NRG Yield, Inc.
(NYSE: NYLD.A, NYLD)

June 2016

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, including wind and solar 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, failure of NRG Energy to ultimately offer assets to us that have been identified as eligible for acquisition, and our ability to maintain and grow our quarterly dividends.

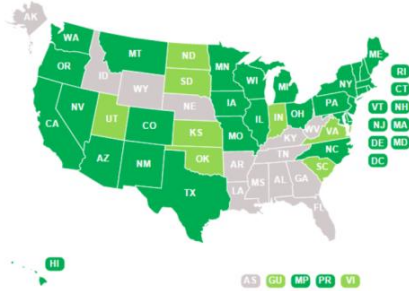
NRG Yield, Inc. undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The adjusted EBITDA and cash available for distribution guidance are estimates as of May 5, 2016. These estimates 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.

Market Strength:

Industry Trends Continue to Create Opportunities for Contracted Growth

Key Industry Trends

Increasing Renewable Portfolio Standards (RPS)



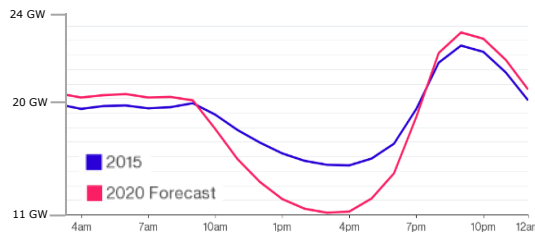
- Renewable Portfolio Standards
- Voluntary renewable energy standard or target
- No standard or target

Focus on Corporate Sustainability



Example companies with signed corporate wind PPAs¹

Need for Grid Reliability



Snapshot of grid demand in solar-heavy California⁴

Opportunity

- ✓ ~60 GW of incremental renewables needed by 2030 based on current RPS standards²
- ✓ This does not account for RPS increases in states like CA and NY
- ✓ Corporations are driving demand for renewables and resiliency beyond RPS compliance levels
- ✓ 460% increase in MWs signed in corporate PPAs in past year³
- ✓ ~60 GW to be deployed by 2025³
- ✓ Increase in intermittent generation (i.e. renewables) drives need for grid reliability and load balancing
- ✓ Creates demand for quick start natural gas generation

Industry Trends Continue to Create Growth Opportunities for Renewable and Gas Power Infrastructure Assets

¹ Source: Clean Energy Pipeline; Logos are illustrative only and not indicative of NRG Energy or NRG Yield customer list
² Source: Lawrence Berkeley National Laboratory
³ Source: Renewable Energy Buyers Association; 514 MW in 2014, 2,382 MWs in 2015
⁴ Source: California ISO

NRG Yield Overview:

Leading YieldCo Formed by NRG Energy to Capitalize on Industry Trends and Provide Stable Investment Opportunity

Market Cap¹:
~\$2.86 BN

2016E Cash Available for Distribution (CAFD)³:
\$265 MM

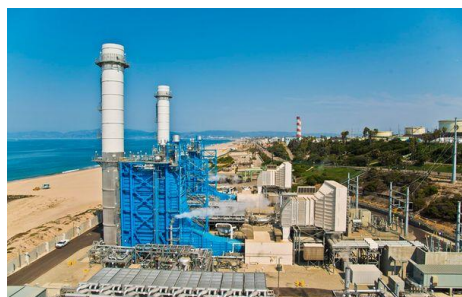
Estimated Dividend Yield¹:
~5.8%

Average Remaining Contract Life⁴:
~17 Years

Dividend Per Share (DPS) Growth Target²:
>15% Through 2018

NRG Energy Voting Stake:
55.1%

Conventional



- + 1,945 net MW⁵
- + 28% of CAFD³

Renewable



- + 2,490 net MW⁵
- + 66% of CAFD³

Thermal



- + 1,600 MW_T capacity⁵
- + 6% of CAFD³

¹ As of 6/6/2016; ~182.8 MM shares outstanding (Classes A,B,C,D); Dividend Yield based on a 2Q16 annualized dividend of \$0.92 per share and Class C Share Price

² Based on existing portfolio

³ Based on 2016 financial guidance as of 5/5/2016

⁴ As of 3/31/2016; Weighted by CAFD

⁵ As of 3/31/2016; See Appendix Slide 15 for more information

NRG Yield:

A Differentiated Investment Proposition

NRG Yield Competitive Advantage

Leading
Platform of
Diverse, High
Quality Assets



Strategic
Sponsor in
NRG Energy



Strong
Financial
Flexibility and
Discipline

NRG Yield Provides a Unique Investment Opportunity in the YieldCo Asset Class

A Premier Diversified Portfolio

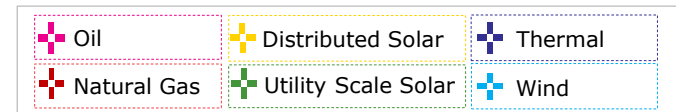
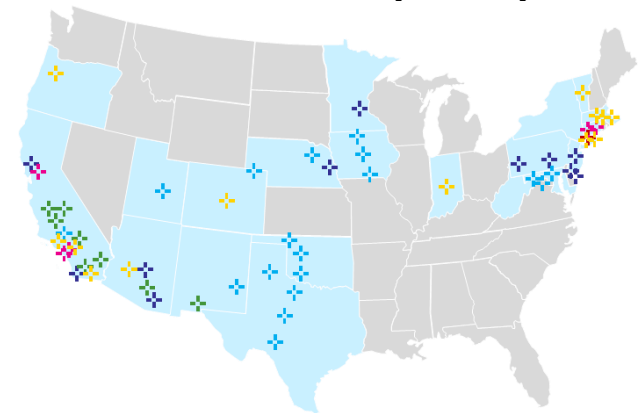
A Diversified and Stable Portfolio...

- ✦ **Over 60 assets** across **21 states**¹
- ✦ **Diversified and environmentally sound** asset mix: Solar, Gas, Wind, Thermal, and Fuel Cell
 - ✦ Operational and commercial flexibility
- ✦ **Proven, Reliable Technology** from leading OEMs such as General Electric, Siemens, Vestas, and First Solar

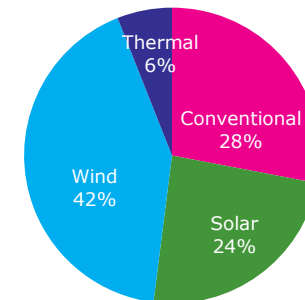
...Backed by Long-term Contracts and High Credit Quality Counterparties

- ✦ **17-Year** average **remaining** PPA life²
- ✦ **99%** of rated off-takers investment-grade³

NYLD Portfolio (~6 GW)



Share of Portfolio CAFD⁴



Portfolio Diversification Provides Optionality in Future Growth and Avoids Single-Technology Exposure

¹ Excludes Residential Solar investments

² Weighted by CAFD as of 3/31/2016

³ Weighed by CAFD; excludes Thermal; Residential solar assets are investment-grade equivalent

⁴ Based on 2016 financial guidance as of 5/5/2016; Excludes Corporate costs

NRG Energy: A Strong Strategic Sponsor

NRG Energy: A Leading Competitive Power Company and Developer of Assets...

...Able to Offer NYLD High Quality Assets with Significant Growth Potential

#1 Competitive Generation Portfolio

- ~51 GW of total generation capacity at over 150 facilities located across 24 states¹

#1 Utility Solar Owner/Operator & #5 Wind Owner/Operator¹

- ~ 40 GW of assets acquired, constructed, or in development over the past 5 years²

#1 Retail Provider

- ~3 million customers served by NRG Energy's leading integrated competitive wholesale / retail platform

Current NRG Energy Utility-Scale ROFO Pipeline

| Status | MW _{net} |
|-------------------------------------|-------------------|
| In Operation | ~790 |
| In Development / Under Construction | ~795 |
| Total | ~1,585 |

+

\$250MM equity investment in business renewables partnerships pursuant to current ROFO pipeline

NRG Energy Provides NRG Yield with Industry Expertise and a Platform for Significant Growth Opportunities

¹ As of 3/31/16; Consolidated capacity before non controlling interest; Includes NRG Yield capacity

² Includes ~23 GW from GenOn merger, ~8 GW from Edison Mission acquisition, acquisition by NRG Yield of Alta Wind, Desert Sunlight, and new development assets (i.e. Carlsbad and Puente).

NRG Energy: Significant Experience in Managing Sites to Support Grid Reliability

Already Developed and Owned by NRG Yield

Marsh Landing



720MW

El Segundo



550MW

Walnut Creek



485MW

- ✓ **1,755 MW**
- ✓ **100%** Contracted
- ✓ **10-year** PPA tenor from COD
- ✓ **Unlevered** at PPA expiration

In Development and ROFO Assets¹

Carlsbad



527MW

Puente



262MW

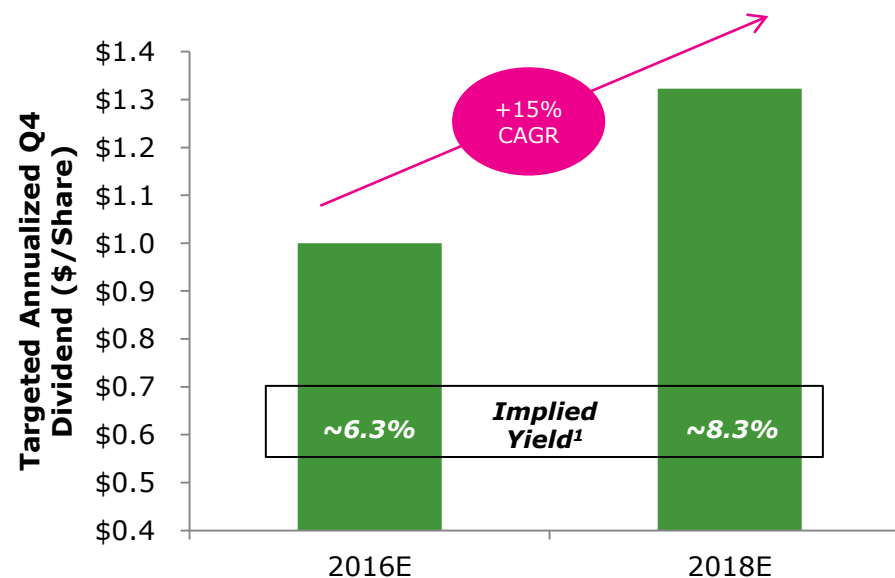
- ✓ **789 MW**
- ✓ **100%** Contracted
- ✓ **20-year** tenor from COD
- ✓ **2018-2020:** Commence Operations

Significant Natural Gas Opportunities in Existing ROFO Pipeline

Prudent Financial Management Delivers Dividend Growth Based on Current Platform

- + **15% per year** DPS growth through 2018
- + **<70%** implied payout ratio in 2016
 - Relatively low payout ratio provides additional source of liquidity
 - Grow into target payout ratio of 85% - 90%
- + **~ \$255MM** Liquidity as of 3/31/16
- + **~3.5x** Corporate Debt to Corporate EBITDA target
- + No Incentive Distribution Rights
- + Independent Board Structure for Overseeing Drop-Down Acquisitions

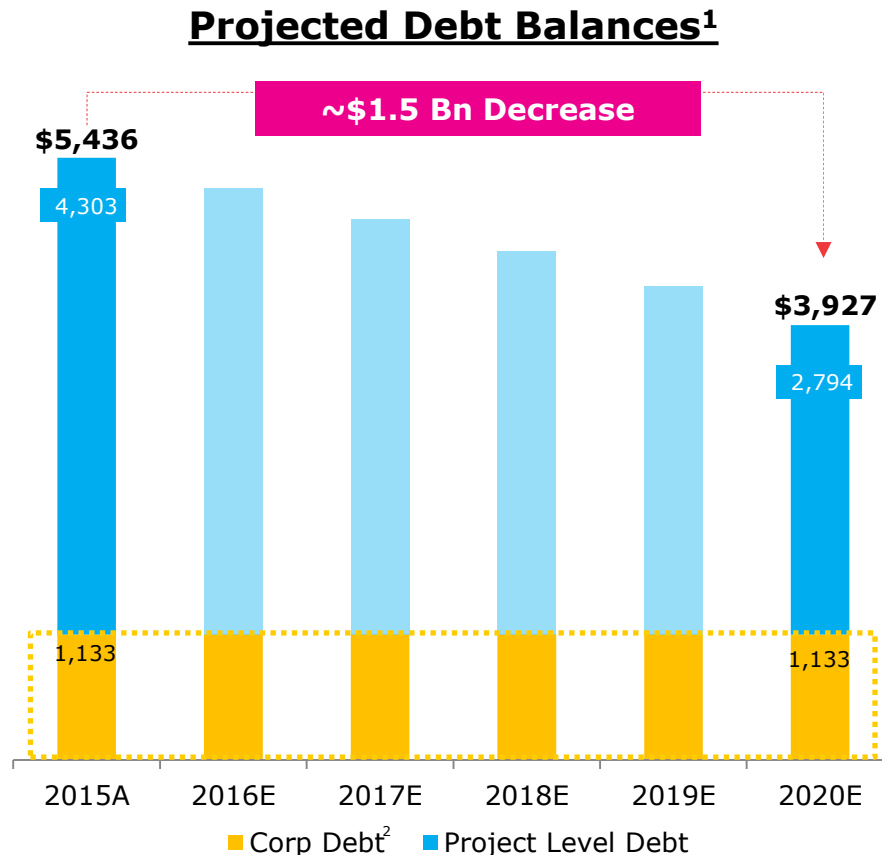
Targeted Dividend Per Share



Disciplined Financial and Operational Management Affords Strategic Flexibility Through Market Cycles

A Naturally Deleveraging Platform

(\$ millions)



Natural Delevering has Significant Financial Benefit...

- ✓ ~\$300 MM / year debt amortization
- ✓ Projected 5 year reduction represents >50% of current market cap³

...And Provides Value For NRG Yield

- ✓ Occurs with no impact to dividend or planned dividend growth
- ✓ Amortizing project debt largely matched to contract length
- ✓ Predictable debt reduction provides comfort around overall leverage and post-PPA cash flow potential
- ✓ Increases financing capacity to aid future accretive growth

Project Debt Amortization Enhances Equity Value and Financing Flexibility

¹ Excludes corporate revolver; includes corporate debt and convertibles, all project level debt, and proportional project debt from unconsolidated affiliates

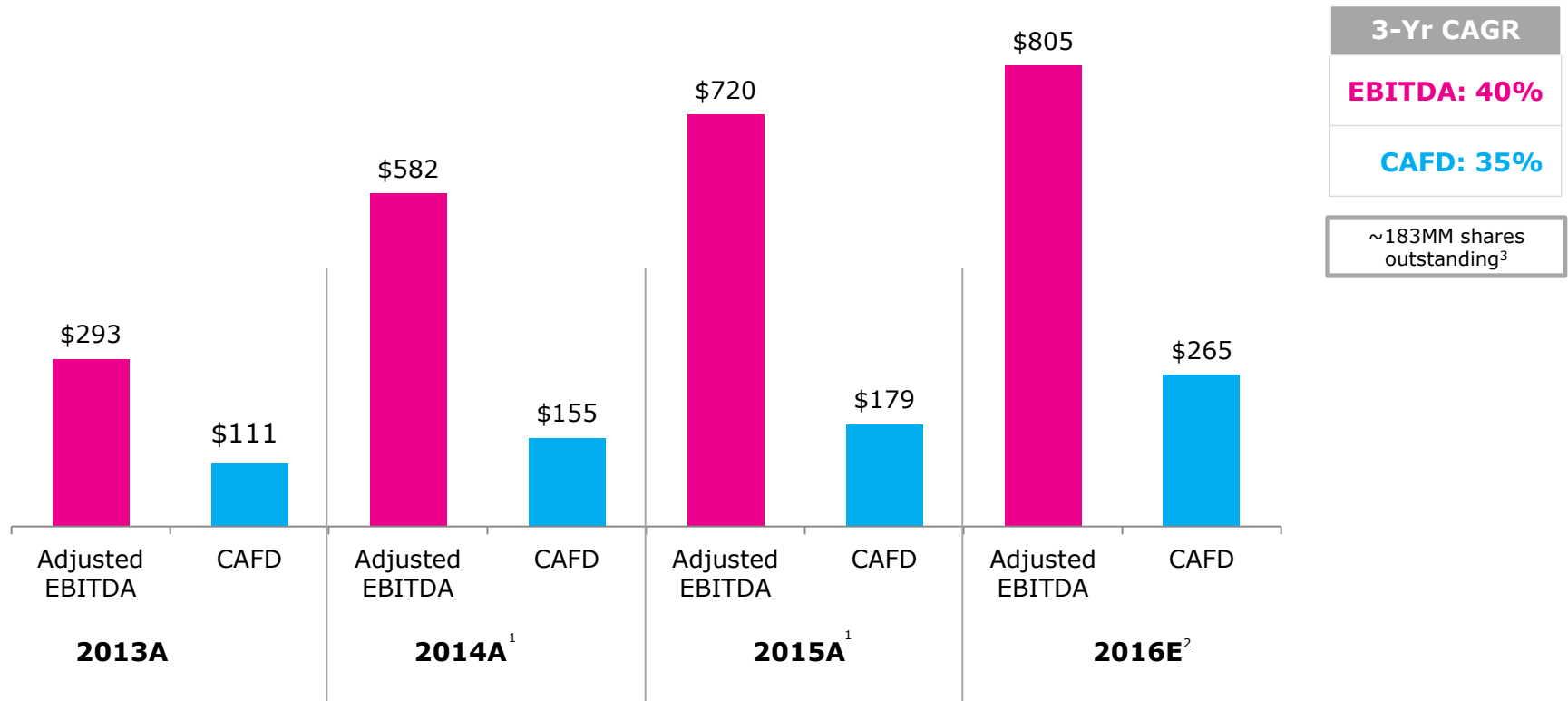
² Assumes roll-forward of any maturing corporate level debt and convertibles

³ As of June 3, 2016; Includes Class A, B, C, D shares outstanding

Proven EBITDA and CAFD Growth

NRG Yield: Strong Track Record of Growth

(\$ millions)



Historic and Projected Adjusted EBITDA and CAFD Growth...

¹ In accordance with GAAP, 2013 and 2014 results have been recast to include the Drop Down Assets acquired by NRG Yield from NRG on June 30, 2014 (June 2014 Drop Down Assets), January 2, 2015 (January 2015 Drop Down Assets), and November 3, 2015 (November 2015 Drop Down Assets) as if the combinations have been in effect since the inception of common control

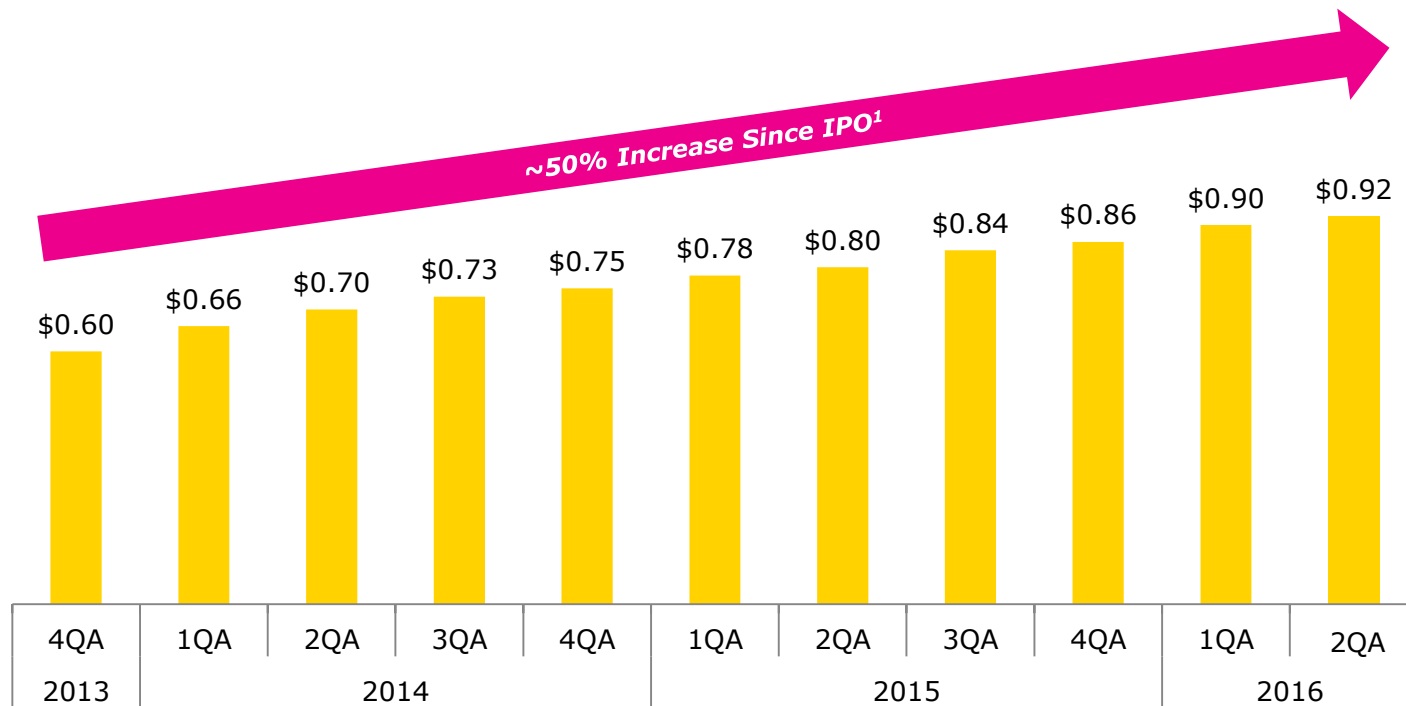
² As of 5/5/2016

³ As of 6/6/2016

Sustained Dividend Growth

NRG Yield: Consistently Growing Its Dividend Since IPO

(Annualized \$/share)



...Has Enabled Sustained Dividend Growth

¹ 4Q 2013 through 2Q 2015 are adjusted to reflect recapitalization in May 2015

Conclusion

- ☑ Significant opportunity for growth through capital deployment in support of increased renewables demand and broader energy trends requiring cleaner and more reliable energy – all achieved through long-term contracts across varying fuel types
- ☑ NRG Yield well positioned with significant competitive advantages:
 - ☑ Diverse portfolio mitigates technology and concentration risk and notably expands investment universe
 - ☑ Relationship with NRG Energy provides mature operational platform and access to significant growth
 - ☑ Prudent financial execution and high-quality assets enables access to capital throughout market cycles

Best Positioned to Create Significant Shareholder Value through Capitalizing on Strong, Visible and Durable Contracted Energy Market Fundamentals

Appendix

CEO Biography

Christopher Sotos

President & Chief Executive Officer & Director

NRG Yield

Mr. Sotos has served as President and Chief Executive Officer since May 2016, and as a director of NRG Yield, Inc. since May 2013.

Mr. Sotos has also served in various positions at NRG Energy, Inc. ("NRG"), including most recently as Executive Vice President — Strategy and Mergers and Acquisitions from February 2016 through May 2016 and Senior Vice President — Strategy and Mergers and Acquisitions from November 2012 through February 2016. In this role, he led NRG's corporate strategy, mergers and acquisitions, strategic alliances and other special projects for NRG.

Previously, he served as NRG's Senior Vice President and Treasurer from March 2008 to September 2012, where he was responsible for all treasury functions, including raising capital, valuation, debt administration and cash management. Mr. Sotos joined NRG in 2004 as a Senior Finance Analyst, following more than nine years in key financial roles within the energy sector and other industries for Houston-based companies such as Koch Capital Markets, Entergy Wholesale Operations and Service Corporation International.

Mr. Sotos also serves on the board of FuelCell Energy, Inc.

Current Operating Assets

As of March 31, 2016:

Wind

| Projects | Percentage Ownership | Net Capacity (MW)(a) | Offtake Counterparty | PPA Expiration |
|------------------------|----------------------|----------------------|---|----------------|
| Alta I | 100% | 150 | Southern California Edison | 2035 |
| Alta II | 100% | 150 | Southern California Edison | 2035 |
| Alta III | 100% | 150 | Southern California Edison | 2035 |
| Alta IV | 100% | 102 | Southern California Edison | 2035 |
| Alta V | 100% | 168 | Southern California Edison | 2035 |
| Alta X (c)(d) | 100% | 137 | Southern California Edison | 2038 |
| Alta XI (c)(d) | 100% | 90 | Southern California Edison | 2038 |
| South Trent | 100% | 101 | AEP Energy Partners | 2029 |
| Laredo Ridge | 100% | 80 | Nebraska Public Power District | 2031 |
| Taloga | 100% | 130 | Oklahoma Gas & Electric | 2031 |
| Pinnacle | 100% | 55 | Maryland Department of General Services and University System of Maryland | 2031 |
| Buffalo Bear | 100% | 19 | Western Farmers Electric Co-operative | 2033 |
| Spring Canyon II (c) | 90.1% | 29 | Platte River Power Authority | 2039 |
| Spring Canyon III (c) | 90.1% | 25 | Platte River Power Authority | 2039 |
| NRG Wind TE Holdco (c) | 75% | 613 | Various | Various |
| 1,999 | | | | |

Conventional

| Projects | Percentage Ownership | Net Capacity (MW)(a) | Offtake Counterparty | PPA Expiration |
|-----------------------|----------------------|----------------------|----------------------------|----------------|
| GenConn Middletown(b) | 50% | 95 | Connecticut Light & Power | 2041 |
| GenConn Devon(b) | 50% | 95 | Connecticut Light & Power | 2040 |
| Marsh Landing | 100% | 720 | Pacific Gas and Electric | 2023 |
| El Segundo | 100% | 550 | Southern California Edison | 2023 |
| Walnut Creek | 100% | 485 | Southern California Edison | 2023 |
| 1,945 | | | | |

Utility-Scale Solar

| Projects | Percentage Ownership | Net Capacity (MW)(a) | Offtake Counterparty | PPA Expiration |
|---------------------|----------------------|----------------------|----------------------------|----------------|
| Alpine | 100% | 66 | Pacific Gas and Electric | 2033 |
| Avenal(b) | 50% | 23 | Pacific Gas and Electric | 2031 |
| Avra Valley | 100% | 26 | Tucson Electric Power | 2032 |
| Blythe | 100% | 21 | Southern California Edison | 2029 |
| Borrego | 100% | 26 | San Diego Gas and Electric | 2038 |
| Roadrunner | 100% | 20 | El Paso Electric | 2031 |
| CVSR | 48.95% | 122 | Pacific Gas and Electric | 2038 |
| Kansas South | 100% | 20 | Pacific Gas and Electric | 2033 |
| TA High Desert | 100% | 20 | Southern California Edison | 2033 |
| Desert Sunlight 250 | 25% | 63 | Southern California Edison | 2035 |
| Desert Sunlight 300 | 25% | 75 | Pacific Gas and Electric | 2040 |
| 482 | | | | |

Distributed Solar

| Projects(f) | Percentage Ownership | Net Capacity (MW)(a) | Offtake Counterparty | PPA Expiration |
|------------------------|----------------------|----------------------|----------------------|----------------|
| AZ DG Solar Projects | 100% | 5 | Various | 2025 - 2033 |
| PFMG DG Solar Projects | 51% | 4 | Various | 2032 |
| 9 | | | | |

Thermal

| Projects | Percentage Ownership | Net Capacity (MWt)(e) | Offtake Counterparty | PPA Expiration |
|---------------------------|----------------------|-----------------------|----------------------|----------------|
| Thermal equivalent MWt(e) | 100% | 1,449 | Various | Various |
| Thermal generation | 100% | 124 | Various | Various |

(a) Net capacity represents the maximum, or rated, generating capacity of the facility multiplied by the Company's percentage ownership in the facility as of March 31, 2016; (b) On September 30, 2015, the Company acquired NRG Energy's remaining 0.05% for an immaterial amount; (c) Projects are part of tax equity arrangements; (d) PPA commenced on January 1, 2016; (e) For thermal energy, net capacity represents MWt for steam or chilled water and excludes 134 MWt available under the right-to-use provisions contained in agreements; between two of the Company's thermal facilities and certain of its customers; (f) Total net capacity excludes capacity for RPV Holdco and DGPV Holdco, which are consolidated by NRG Energy

NRG Energy: ROFO Pipeline and Investments

| Existing Commitments in Partnership with NRG Energy | | | | |
|--|------------|--------|-----------|--|
| Project | Technology | Net MW | COD | Off-Take |
| \$250 MM in business renewables and residential solar portfolios | PV | NA | 2015-2016 | Long-term agreements with business customers and 20-year leases with residential customers |

☑ **\$115 MM invested through 1Q2016¹**

| NRG Energy ROFO Assets | | | | |
|---|---------------|--------|---------|--|
| Project | Technology | Net MW | COD | Off-Take ¹ |
| CVSR ³ | PV | 128 | 2013 | 25-year PPA with PG&E ² |
| Agua Caliente ⁴ | PV | 148 | 2014 | 25-year PPA with PG&E ² |
| Ivanpah ⁵ | Solar Thermal | 193 | 2013 | 20-25-year PPAs with PG&E and SCE ² |
| Other Wind Assets | Wind | 321 | Various | Various long-term contracts |
| Carlsbad ⁶ | Natural Gas | 527 | 2018 | 20-year PPA with SDG&E ² |
| Puente ⁶ (Formerly Mandalay) | Natural Gas | 262 | 2020 | 20-year PPA with SCE ² |
| Up to \$250 MM equity investment in business renewables | PV | TBD | 2016+ | Long-term agreements with business renewable customers |

☑ **NRG Energy announced its intention to offer in Second Quarter 2016**



¹ Excludes \$26 MM for 17 MW of residential solar leases acquired outside of partnerships

² SCE – Southern California Edison; PG&E – Pacific Gas & Electric; SDG&E – San Diego Gas & Electric

³ CVSR net MW represents remaining NRG Energy ownership of 51.05%

⁴ Capacity represents 51% NRG Energy ownership; Remaining 49% of Agua Caliente is owned by MidAmerican Energy Holdings, Inc.;

⁵ Capacity represents 50.05% NRG Energy ownership; Remaining 49.95% is owned by Google, Inc. and BrightSource Energy, Inc.;

⁶ Puente was approved by CPUC on 5/26/16. Carlsbad CPUC approval pending

Appendix

Reg. G Schedules

Reg. G: 2013 Actual¹

| <i>(\$ millions)</i> | FY 2013A |
|--|-----------------|
| Net Income / (Loss) | \$132 |
| Plus: | |
| Income tax | 8 |
| Interest expense, net | 50 |
| Depreciation, amortization, and ARO expense | 61 |
| Amortization of contracts | 2 |
| Adjustment to reflect NRG Energy share of Adjusted EBITDA in unconsolidated affiliates | 40 |
| Adjusted EBITDA | 293 |
| Pro-rata Adjusted EBITDA from unconsolidated affiliates | (62) |
| Cash distributions from unconsolidated affiliates | 22 |
| Cash interest paid | (66) |
| Maintenance Capital expenditures | (8) |
| Change in other assets | 4 |
| Principal amortization of indebtedness | (72) |
| Cash Available for Distribution | 111 |

¹In accordance with GAAP, 2013 results have been recast to include the Drop Down Assets acquired by NRG Yield from NRG on June 30, 2014 (June 2014 Drop Down Assets), January 2, 2015 (January 2015 Drop Down Assets), and November 3, 2015 (November 2015 Drop Down Assets) as if the combinations have been in effect since the inception of common control

Reg. G: 2014 Actual¹

| <i>(\$ millions)</i> | FY 2014A |
|--|-----------------|
| Net Income / (Loss) | \$99 |
| Plus: | |
| Income tax | 4 |
| Interest expense, net | 189 |
| Depreciation, amortization, and ARO expense | 204 |
| Amortization of contracts | 29 |
| Transaction Costs | 4 |
| Mark to Market (MtM) Losses/(Gains) on economic hedges | (2) |
| Adjustment to reflect NRG Energy share of Adjusted EBITDA in unconsolidated affiliates | 55 |
| Adjusted EBITDA | 582 |
| Pro-rata Adjusted EBITDA from unconsolidated affiliates | (80) |
| Cash distributions from unconsolidated affiliates | 47 |
| Cash distributions to non-controlling interest prior to Drop Down (NRG Energy) | (41) |
| Cash interest paid | (175) |
| Maintenance Capital expenditures | (8) |
| Change in other assets | - |
| Principal amortization of indebtedness | (170) |
| Cash Available for Distribution | 155 |

¹ In accordance with GAAP, 2014 results have been recast to include the Drop Down Assets acquired by NRG Yield from NRG on June 30, 2014 (June 2014 Drop Down Assets), January 2, 2015 (January 2015 Drop Down Assets), and November 3, 2015 (November 2015 Drop Down Assets) as if the combinations have been in effect since the inception of common control

Reg. G: 2015 Actual

| <i>(\$ millions)</i> | FY 2015A |
|--|-----------------|
| Net Income / (Loss) | \$55 |
| Plus: | |
| Income tax | 12 |
| Interest expense, net | 238 |
| Depreciation, amortization, and ARO expense | 267 |
| Amortization of contracts | 54 |
| Loss on Debt Extinguishment | 9 |
| Asset Write Offs and Impairments | 3 |
| Transaction Costs | 3 |
| Mark to Market (MtM) Losses/(Gains) on economic hedges | 2 |
| Adjustment to reflect NRG Energy share of Adjusted EBITDA in unconsolidated affiliates | 77 |
| Adjusted EBITDA | 720 |
| Pro-rata Adjusted EBITDA from unconsolidated affiliates | (112) |
| Cash distributions from unconsolidated affiliates | 91 |
| Cash distributions to non-controlling interest prior to Drop Down (NRG Energy) | (26) |
| Cash interest paid | (251) |
| Maintenance Capital expenditures | (20) |
| Change in other assets | (12) |
| Principal amortization of indebtedness | (211) |
| Cash Available for Distribution | 179 |

Reg. G: 2016 Guidance¹

| <i>(\$ millions)</i> | 2016 Full Year Guidance |
|---|------------------------------------|
| Income Before Income Taxes | 275 |
| Interest Expense, net | 270 |
| Depreciation, Amortization, Contract Amortization, and ARO Expense | 260 |
| Adjusted EBITDA | 805 |
| Pro-rata Adjusted EBITDA from unconsolidated affiliates | (122) |
| Cash distributions from unconsolidated affiliates, net of tax equity proceeds | 101 |
| Cash distributions to non-controlling interest ² | (13) |
| Cash distribution to non-controlling interest prior to Drop Down (NRG Energy) | - |
| Cash interest paid | (235) |
| Maintenance Capital expenditures | (25) |
| Change in other assets | (8) |
| Principal amortization of indebtedness | (238) |
| Cash Available for Distribution | 265 |

¹ As of 5/5/16; guidance excludes the impact of interest on revolver draw as of May 5, 2016 which equates to \$9 MM on an annualized basis, subject to change

² Includes distributions for 25% of the NRG Wind TE Holdco and distributions to tax equity investors

Reg. G

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 Energy’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.