

KP RENEWABLES PLC
(the "Company")
INTERIM RESULTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007
("Interim Results")

CHAIRMAN'S STATEMENT

- *Financial restructuring completed
- *#750,000 cash raised through new equity
- *Second-half year revenues expected from existing project portfolio
- *New focus on larger energy projects

I am pleased to report the Interim Results for the Company for the six month period to 30 June 2007, a period of successful transition for the Company. Shareholders will already be aware of the financial difficulties experienced in 2006 and the early part of 2007 and the action taken by the Board to resolve them. This action was necessary to ensure the Company's future and to secure some value for creditors and shareholders. To this end a Company Voluntary Arrangement ("CVA") was entered into with the Company's creditors, combined with a capital reorganisation and fund raising, as previously described in the circular to shareholders of 16 March 2007 and in my Chairman's Statement for the year ended 31 December 2006.

The results for the period under review show a profit before taxation of #370,214. However, this largely reflects an exceptional profit created by adjustments resulting from the CVA and capital reorganisation, referred to in the Profit and Loss Account as 'Exceptional reduction to expenses'. Since then, the Company has been operating at a much reduced level of costs compared with previous years.

Since the refinancing, we have been able to begin to resuscitate the Company's existing business and to review new projects in wind, biomass and other energy related areas. We have been able to advance a number of smaller projects from our existing portfolio which had previously been frozen due to our financial constraints last year. These projects are expected to generate some revenue for the Company during the second half of the year, even though 60% of the net revenue from any such projects will flow to creditors under the terms of the CVA.

New projects of a larger scale that would transform the scale of the business are now part of our future strategy. We are exploring a number of larger potential developments in the United Kingdom and Europe and have also been reviewing possible acquisitions. Such projects are likely to require significant additional funding and the Board is considering its financing options.

John Bryant
Chairman

For further information please contact:

KP Renewables Plc

John Bryant

Tel: +44 (0)7768 888 359

Peter Redmond

Tel: +44 (0) 207 332 2200

First City Financial Limited

Tel: +44 (0) 207 242 2666

KP Renewables plc

Condensed Consolidated Balance Sheet

At 30 June 2007

	Unaudited 30 June 2007	Unaudited 30 June 2006	Audited 31 December 2006
	#	#	#
ASSETS			
Non-current assets			
Goodwill	-	-	-
Investment on product development	-	-	-
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	-	-	-
	-----	-----	-----
Current assets			
Project development			

costs	22,161	-	13,505
Trade and other receivables	48,566	107,727	38,380
Cash and cash equivalents	609,832	57,995	12,436
	-----	-----	-----
	680,559	165,722	64,321
	-----	-----	-----
Total assets	680,559	165,722	64,321
	=====	=====	=====
EQUITY AND LIABILITIES			
Share capital	1,280,897	465,897	465,897
Shares to be issued	8,321	-	-
Share option reserve	244,000	254,000	244,000
Share premium	3,681,847	3,734,347	3,734,347
Accumulated losses	(4,656,196)	(4,431,074)	(5,026,410)
	-----	-----	-----
Total Equity	558,869	23,170	(582,166)
	=====	=====	=====

Current liabilities

Trade and other payables	121,690	142,552	646,487
	-----	-----	-----

Total current liabilities	121,690	142,552	646,487
	-----	-----	-----

Total equity and liabilities	680,559	165,722	64,321
	=====	=====	=====

KP Renewables plc
Condensed Consolidated Profit
and Loss Account For the six
months ended 30 June 2007

	Unaudited 6 months to 30 June 2007	Unaudited 6 months to 30 June 2006	Audited Year ended 31 December 2006
	#	#	#
Turnover	-	-	-
Administration expenses and operating loss	(186,436)	(2,280,766)	(2,876,102)
Exceptional reduction to expenses (Note 4)	551,266	-	-
Investment income	5,384	10,023	10,023
Interest paid	-	-	-
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Profit/(Loss) for the period before tax	370,214	(2,270,743)	(2,866,079)
Taxation	-	-	-
	-----	-----	-----
	370,214	(2,270,743)	(2,866,079)
	=====	=====	=====
Earnings/(Loss) per diluted share (pence) - basic and diluted (note 3)	0.94	(97.4)	(123)

KP Renewables plc
Consolidated Statement of
Changes in Equity
For the six months
ended 30 June 2007

	Share Capital	Share Capital to be issued	Share premium account	Share option reserve	Accumulated losses	Total
	#	#	#	#	#	#
Balance at 1 January 2006	465,897	-	3,734,347	244,000	(2,160,331)	2,283,913
Changes in equity for 2006						
Loss for the year	-	-	-	-	(2,866,079)	(2,866,079)
	-----	-----	-----	-----	-----	-----
Balance at 31 December 2006	465,897	-	3,734,347	244,000	(5,026,410)	(582,166)
Profit for the six months	-	--	-	-	370,214	370,214
Issue of share capital	815,000	8,321	-	-	823,321	
Costs of issue of shares	-	-	(52,500)	-	(52,500)	
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Balance at 30 June 2007	<u>1,280,897</u>	<u>8,321</u>	<u>3,681,847</u>	<u>244,000</u>	<u>(4,656,196)</u>	<u>558,869</u>

KP Renewables plc
Condensed Consolidated
Cash Flow Statement
For the six months
ended 30 June 2007

	Unaudited 6 months to 30 June 2007	Unaudited 6 months to 30 June 2006	Audited Year ended 31 December 2006
	#	#	#
Net cash flow from operating activities			
Cash flow from operating activities	(186,436)	(2,052,970)	(2,658,306)
Exceptional item	551,266	-	
	-----	-----	-----
	364,830	(2,052,970)	(2,658,306)

Movement in working capital			
Increase in project development costs	(8,656)	-	(13,505)
(Increase)/decrease in receivables	(10,186)	916,247	985,594
Increase/(decrease) in payables	(516,476)	84,514	588,449
	-----	-----	-----
Net cash used in operating activities	(170,488)	(1,052,209)	(1,907,768)
	=====	=====	=====
Investing activities			
Interest received	5,384	10,023	10,023
	-----	-----	-----
Net cash from investing activities	5,384	10,023	10,023
	=====	=====	=====
Financing activities			
Costs incurred in issue of share capital	(52,500)	-	-
Proceeds from issue of share capital	815,000	-	-
	-----	-----	-----
Net cash from financing activities	762,500	-	-
	=====	=====	=====
Net increase/(decrease) in cash in the period	597,396	(1,042,186)	(1,087,745)
Cash and cash equivalents at beginning of the period	12,436	1,100,181	1,100,181
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Cash and cash equivalents at end of the period	609,832	57,995	12,436
	=====	=====	=====

KP Renewables plc
Notes to the Statement Statements
For the six months ended 30 June 2007
Notes:

1. The interim results are unaudited and do not comprise statutory accounts within the meaning of Section 240 of the Companies Act 1985. The results for the year ended 31 December 2006 have been extracted from the Group accounts for that period. Those financial statements have been filed with the Registrar of Companies and included an auditor's report, which was modified in respect of an emphasis of matter of going concern.

2. The interim results have been prepared in accordance with the accounting policies adopted in the accounts for the year ended 31 December 2006, which have been prepared under IFRS and to be adopted in respect of the year ending 31 December 2007.

3. Profit per share is based on a profit after taxation of #370,214 and on 39,384,468 ordinary shares, being the weighted average number in issue during the period. The loss per share for comparative purposes has been restated to reflect the share consolidation that took place in April 2007.

4. Exceptional costs totalling #154,816 were incurred as a consequence of the CVA and financial reorganisation. The exceptional reduction in expenses of #551,266 is stated after deducting these exceptional costs.

5. As at 30 June 2007 the issued share capital comprised 83,829,483 ordinary shares of 1p and 46,589,662 deferred shares of 0.95p. The deferred shares have no voting or dividend rights. A total of 832,100 ordinary shares of 1p are to be issued following the CVA.

6 No tax liability arises due the losses incurred in prior periods.