NRG Energy, Inc. Prices $1.1 Billion of Senior Secured First Lien Notes

May 20, 2019

PRINCETON, N.J.--(BUSINESS WIRE)--May 20, 2019-- NRG Energy, Inc. (NYSE:NRG) has priced its offering of $600.0 million in aggregate principal amount of 3.750% senior secured first lien notes due 2024 at a price to the public of 99.971% of their face value (the “2024 Notes”) and $500.0 million in aggregate principal amount of 4.450% senior secured first lien notes due 2029 at a price to the public of 99.869% of their face value (the “2029 Notes” and, together with the 2024 Notes, the “Notes”). The Notes will be guaranteed on a first-priority basis by each of NRG’s current and future subsidiaries that guarantee indebtedness under its credit agreement. The Notes will be secured by a first priority security interest in the same collateral that is pledged for the benefit of the lenders under NRG’s credit agreement, which consists of a substantial portion of the property and assets owned by NRG and the guarantors. The collateral securing the Notes will be released if NRG obtains an investment grade rating from two out of the three rating agencies, subject to reversion if such rating agencies withdraw our investment grade rating or downgrade our rating below investment grade.

The 2024 Notes mature on June 15, 2024, and the 2029 Notes mature on June 15, 2029. The offering is expected to close on May 28, 2019, subject to customary closing conditions.

NRG intends to use the net proceeds from the offering, together with cash on hand, to repay in full its senior first priority secured term loan and to pay fees and expenses related to the offering of the Notes.

The Notes and related guarantees are being offered only to qualified institutional buyers in reliance on Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), or, outside the United States, to persons other than “U.S. persons” in compliance with Regulation S under the Securities Act. The Notes and related guarantees have not been registered under the Securities Act or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release does not constitute an offer to sell any security, including the Notes, nor a solicitation for an offer to purchase any security, including the Notes.

About NRG

At NRG, we’re redefining power by putting customers at the center of everything we do. We create value by generating electricity and serving nearly 3 million residential and commercial customers through our portfolio of retail electricity brands. A Fortune 500 company, NRG delivers customer-focused solutions for managing electricity, while enhancing energy choice and working towards a sustainable energy future.

Forward-Looking Statements

This communication contains forward-looking statements that may state NRG’s or its management’s intentions, beliefs, expectations or predictions for the future. Such forward-looking statements are subject to certain risks, uncertainties and assumptions, and typically can be identified by the use of words such as “will,” “expect,” “estimate,” “anticipate,” “forecast,” “plan,” “believe” and similar terms. Although NRG believes that its 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, risks and uncertainties related to the capital markets generally and whether NRG will offer the Notes or consummate the offering, the anticipated terms of the Notes and the anticipated use of proceeds.

The foregoing review of factors that could cause NRG’s actual results to differ materially from those contemplated in the forward-looking statements included herein should be considered in connection with information regarding risks and uncertainties that may affect NRG’s future results included in NRG’s filings with the SEC at www.sec.gov.

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