

Registered number: 05894291

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018.



INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS	S Pinnell D Alcock
COMPANY SECRETARY	S Gregory
REGISTERED NUMBER	05894291
REGISTERED OFFICE	Level 20 25 Canada Square London E14 5LQ
INDEPENDENT AUDITOR	Ernst & Young LLP Citygate St James' Boulevard Newcastle-upon-Tyne United Kingdom NE1 4JD

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

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INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

INTRODUCTION

The Directors present their Strategic Report of International Power Consolidated Holdings Limited (the Company) for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The Company is a private company limited by shares.

BUSINESS REVIEW

The profit for the financial year after taxation amounted to €558,602,000 (2017: €16,669,000).

As shown in the income statement on page 9, there is a increase in profit for the financial year ended 31 December 2018 in comparison with the prior financial year mainly due to higher income from shares in group undertakings and a reduction in amounts written off investments.

The statement of financial position, on page 10, shows the Company's financial position at the end of the current and preceding financial year. The net assets have increased from €2,829,828,000 to €3,388,430,000 because of the profit for the financial year.

The Directors do not monitor the performance of the Company through the use of key performance indicators (KPIs). The ENGIE group manages its business and measures the delivery of its strategic objectives through the application of KPIs at both an ENGIE division and group level.

Impairment of investments

On 31 December 2018 the Company performed an impairment test on all of its investments. The carrying values of the following investments were subsequently impaired: Hayabusa Holdings Limited by €26,922,000 (2017: €nil), ENGIE Renewables Holding UK Ltd. by €2,154,000 (2017: €2,608,000), National Power International Holdings by €6,200,000 (2017: €nil) and IP Karugamo Holdings (UK) Limited by €nil (2017: €139,812,000).

Acquisitions and disposals

On 25 January 2018, IP Maestrale 7 S.r.l. was formally dissolved resulting in a reduction in the cost of the investment of €272,000, impairment losses carried forward of €244,000 and a reversal of prior period impairments of €28,000.

On 13 September 2018, the Company increased its investment in Delphis Holdings Limited with an additional two ordinary shares for £1 being subscribed for at a price of €2,104,000 (£1,874,000).

On 30 November 2018, the Company sold its investment in Parco Eolico Giralco S.r.l. which resulted in a reduction in the cost of investment of €10,570,000, a gain on disposal of €11,217,000 and a reversal of prior period impairments of €2,378,000.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

PRINCIPAL RISKS AND UNCERTAINTIES

The identification, assessment, pursuit and management of opportunities and the associated risks is an integral part of the management and processes of the Company. The Company has rigorous processes in place for managing the exposure within a specified opportunities and risk management framework that applies to all activities of the Company, including:

Going concern

The Company's activities, together with the factors likely to affect its future development and position, are set out above. The Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Investments in group undertakings

The Company holds a number of investments in subsidiary companies. Although the Directors are satisfied that the recoverable amounts of the Company's investments are not less than their book value, there is a risk that in future periods the book value may become impaired. The Directors have assessed this exposure as acceptable.

Credit risk

The largest receivables relate to amounts lent to undertakings within the ENGIE group. The Company continually reviews its receivable position and the credit risk associated with this position. The Directors believe that payment default remains a low risk and have assessed this exposure as acceptable.

With respect to treasury activities, the Company's financial counterparty credit exposure is principally limited to cash pooling arrangements with ENGIE Treasury Management S.a.r.l., also included within 'Amounts owed by group undertakings'. This results in a concentration of risk to the ENGIE group, but the risk of default remains low given ENGIE's strong credit rating.

Currency risk

The Company has transactions in currencies other than its functional currency. Transaction exposures arise when dividends or other funds are remitted from the Company's overseas investees. Transaction exposure also arises on interest income on amounts owed by group undertakings denominated in sterling. The Directors have assessed the exposure to currency transaction risk as acceptable.

The Company has translation risk on monetary asset and liabilities denominated in currencies other than its functional currency. As at 31 December 2018 the Company has amounts owed by ENGIE group undertakings denominated in sterling totalling £421,000 (€468,000) and in Australian dollars totalling AUD1,000 (€1,000) (2017: £70,214,000 (€79,139,000) and AUD1,000 (€1,000)), and a group relief recoverable balance denominated in sterling totalling £241,210,000 (€267,854,000) (2017: £226,559,000 (€255,355,000)). The Company does not have sufficient foreign currency liabilities to offset this foreign exchange exposure. It is not the Company's policy to hedge currency translation exposures through foreign exchange contracts or currency swaps. Although the net foreign currency asset creates volatility in earnings from period to period, the Directors have assessed this exposure as acceptable.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Interest rate risk

The Company has both interest-bearing assets and interest-bearing liabilities in the form of intercompany balances with ENGIE group undertakings.

As at 31 December 2018 interest-bearing assets with a nominal value of €557,307,000 (2017: €929,325,000), earned interest at floating rates plus a margin. Interest-bearing liabilities with a nominal value of €527,913,000 (2017: €1,523,609,000) accrued interest at floating rates plus a margin. Although the rates of interest are variable and create volatility in earnings from period to period, the Directors have assessed this risk as acceptable.

This report was approved by the Board on 18 September 2019 and signed on its behalf.



S Pinnell
Director

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The Directors present their report and the audited financial statements of International Power Consolidated Holdings Limited (the Company) for the year ended 31 December 2018.

MATTERS COVERED IN THE STRATEGIC REPORT

The following information has been disclosed in the Strategic Report:

- Principal activities
- Business review
- Principal risks and uncertainties, including going concern

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to €558,602,000 (2017: €16,669,000).

The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2018 (2017: €121,550,000).

DIRECTORS

The Directors who served during the financial year and up to the date of signing the financial statements were:

S Mingham (resigned 10 May 2019)
S Pinnell
J Sandhu (resigned 30 September 2018)
D Alcock (appointed 1 October 2018)
S Gregory (appointed 7 June 2019; resigned 31 August 2019)

SHARE CAPITAL

The Company's share capital comprises 1,608,889,371 ordinary shares of £0.001 each which rank *pari passu* with each other in respect of all rights, including dividend, voting and return of capital.

FUTURE DEVELOPMENTS

The Company has no significant future developments to report.

EMPLOYEES

The Company had no employees (2017: *none*) and incurred no related costs during the financial year (2017: *€nil*).

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

POST BALANCE SHEET EVENTS

In May 2019 the Company received a dividend of €95,000,000 from International Power Holdings Limited. Following a subsequent review of the recoverable amount of its investment, the Company's investment in International Power Holdings Limited was impaired by €75,000,000.

INDEPENDENT AUDITOR

During the year Ernst and Young LLP was appointed as auditor and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 18 September 2019 and signed on its behalf.



S Pinnell
Director

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements of International Power Consolidated Holdings Limited (the Company) in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements of International Power Consolidated Holdings Limited (the Company) for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 "Reduced Disclosure Framework". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements of International Power Consolidated Holdings Limited (the Company), the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

Opinion

We have audited the financial statements of International Power Consolidated Holdings Limited (the Company) for the year ended 31 December 2018 which comprise the Income statement, the Statement of financial position, the Statement of changes in equity and the related notes 1 to 19 and Appendix 1, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Caroline Mulley (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Newcastle upon Tyne
20 September 2019

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 €'000	2017 €'000
Administrative expenses		(3,051)	(811)
Other operating income		-	253
Operating loss		(3,051)	(558)
Income from shares in group undertakings		572,366	123,550
Release of provision for funding obligations		-	48,934
Amounts written off investments	10	(35,276)	(142,420)
Profit on disposal of investments	10	11,217	-
Reversal of prior impairment losses	10	2,406	-
Interest receivable and similar income	6	5,687	4,543
Interest payable and similar expenses	7	(6,856)	(8,248)
Other finance expenses	8	(390)	(823)
Profit before tax		546,103	24,978
Tax credit/(expense) on profit	9	12,499	(8,309)
Profit for the financial year		558,602	16,669

There were no recognised gains and losses for the financial years ended 2018 or 2017 other than those included in the income statement.

The notes on pages 12 to 31 form part of these financial statements.

All results are derived from continuing operations.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED
REGISTERED NUMBER: 05894291

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 €000	2017 €000
Fixed assets			
Investments	10	3,238,395	3,318,284
		<u>3,238,395</u>	<u>3,318,284</u>
Current assets			
Debtors: amounts falling due after more than one year	11	4,104	4,104
Debtors: amounts falling due within one year	11	826,495	1,187,000
Derivative financial assets		-	277
		<u>830,599</u>	<u>1,191,381</u>
Creditors: amounts falling due within one year	12	(635,564)	(1,634,837)
Net current assets/(liabilities)		<u>195,035</u>	<u>(443,456)</u>
Total assets less current liabilities		<u>3,433,430</u>	<u>2,874,828</u>
Provisions for liabilities			
Other provisions	13	(45,000)	(45,000)
Net assets		<u><u>3,388,430</u></u>	<u><u>2,829,828</u></u>
Capital and reserves			
Called up share capital	14	1,926	1,926
Share premium account	15	906,640	906,640
Profit and loss account	15	2,479,864	1,921,262
Total equity		<u><u>3,388,430</u></u>	<u><u>2,829,828</u></u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:



S Pinnell
 Director

Date: 18 September 2019

The notes on pages 12 to 31 form part of these financial statements.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital €000	Share premium account €000	Profit and loss account €000	Total equity €000
At 1 January 2017	1,926	906,640	2,026,143	2,934,709
Profit for the financial year	-	-	16,669	16,669
Dividends paid (note 16)	-	-	(121,550)	(121,550)
At 1 January 2018	1,926	906,640	1,921,262	2,829,828
Profit for the financial year	-	-	558,602	558,602
At 31 December 2018	1,926	906,640	2,479,864	3,388,430

The notes on pages 12 to 31 form part of these financial statements.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. GENERAL INFORMATION

International Power Consolidated Holdings Limited (the Company) is a private limited company incorporated and domiciled in England and limited by shares. The address of its registered office is Level 20, 25 Canada Square, London E14 5LQ, United Kingdom. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 1.

2. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all years presented.

2.1 Basis of preparation of financial statements

The Company meets the definition of a qualifying entity under FRS (Financial Reporting Standard) 100 issued by the Financial Reporting Council.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company is a wholly owned subsidiary of International Power Ltd. and of its ultimate parent, ENGIE S.A. It is included in the consolidated financial statements of ENGIE S.A. which are publicly available. Therefore, under Section 400 of the Companies Act 2006 and paragraph 4(a) of IFRS 10 Consolidated Financial Statements, the Company is exempt from the requirement to prepare consolidated financial statements. Consequently, these separate financial statements present information about the Company as an individual undertaking and not its group.

Changes in accounting policy and disclosures

a) New standards, amendments and interpretations

The Company has applied IFRS 15 '*Revenue from contracts with customers*', IFRS 9 '*Financial instruments*' and the *Annual Improvements 2014-2016 cycle* for the first time for the reporting period commencing 1 January 2018. The application of these standards did not have a material impact on the Company.

(b) New standards, amendments and interpretations not yet adopted

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not for an accounting period that begins on or after 1 January 2018. A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2019 and have not been applied in preparing these financial statements. None of these are expected to have a significant impact on the financial statements of the Company.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. ACCOUNTING POLICIES (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions (continued)

- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

Where relevant, equivalent disclosures have been given in the group accounts of ENGIE S.A. The group accounts of ENGIE S.A. are available to the public and can be obtained as set out in note 19.

2.3 Going concern

The Company's activities, together with the factors likely to affect its future development and position, are set out above. The Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentation currency is euro. Monetary amounts presented are rounded to the nearest thousand euro.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement except when deferred in other comprehensive income as qualifying cash flow hedges.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. ACCOUNTING POLICIES (continued)

2.4 Foreign currency translation (continued)

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income Statement within 'other finance expenses'.

2.5 Dividend income

Dividend income is recognised in the Income Statement when the Company's right to receive payment is established.

2.6 Interest income

Interest income is recognised in the Income Statement using the effective interest method.

2.7 Interest expense

Interest expense is recognised in the Income Statement over the term of the debt using the effective interest method so that the amount expensed is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Taxation

Tax is recognised in the Income Statement, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax expense is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2.9 Dividends

Dividends payable are recognised as a liability and an appropriation of profit when the Company formally acts to make a distribution on or before the reporting date and becomes legally obligated to the shareholders to do so. *Unpaid dividends that do not meet these criteria are not recognised in the financial statements but are disclosed in the notes.*

2.10 Fixed asset investments

Investments in subsidiaries and participating interests are held at cost less impairment. At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of the asset's recoverable amount (greater of fair value less costs to sell and value in use). Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment provision is reversed to the extent that the asset's recoverable amount is greater than the carrying value of the fixed asset investment.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. ACCOUNTING POLICIES (continued)

2.11 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value in accordance with IFRS 9.

Financial assets

All recognised financial assets are subsequently measured in their entirety at amortised cost.

Debt instruments at amortised cost

Debt instruments are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling the financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For receivables, the Company requires expected lifetime losses to be recognised from initial recognition of the receivables. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Financial liabilities

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are expensed to the Income Statement in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. ACCOUNTING POLICIES (continued)

2.12 Provisions for liabilities (continued)

the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they reduce the provision carried in the Statement of Financial Position.

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements in conformity with FRS 101 requires the use of estimates and assumptions to determine the value of assets and liabilities, and contingent assets and liabilities at the reporting date, as well as income and expenses reported during the period.

The Company regularly revises its estimates in light of currently available information because of uncertainties inherent in the estimation process. Final outcomes could differ from those estimates.

The key estimates used in preparing the Company's financial statements predominately relate to the measurement of:

- the recoverable amount of investments;
- the recoverable amounts of debtors; and
- provisions.

Recoverable amount of investments

Determining whether the Company's investments in its subsidiaries and participating interests have been impaired requires estimation of the investments' value in use. The value in use calculations require the entity to estimate the future cash flows expected to be generated from the investees and suitable discount rates in order to calculate present values. The carrying amount of the investments at the reporting date was €3,238,395,000 (2017: €3,318,284,000) with an impairment loss recognised in the current year of €35,276,000 (2017: €142,420,000).

Recoverable amount of debtors

Management regularly assesses whether there is objective evidence that an impairment loss on debtors has been incurred. The Company's risk management procedures include an assessment of risk – in particular counterparty risk – in the measurement of its financial instruments. The carrying amount of debtors at the reporting date was €830,599,000 (2017: €1,191,104,000) with no impairment loss recognised in 2018 (2017: *€nil*).

Provisions

The carrying amount of provisions is estimated based on assumptions including the risk adjustment to cash flows or discount rates used, future changes in prices and estimates of costs. Assumptions are reviewed regularly, however, a change in estimates could have a material impact on the carrying amount of these provisions.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. DIRECTORS' AND EMPLOYEES' REMUNERATION

The Directors did not receive any fees or emoluments from the Company during the year (2017: €nil) directly attributable to their position within the Company. There exist no qualifying services from Directors attributable to the Company and Directors fees are paid by other entities in their management of the group as a whole (of which €nil is applicable to this entity).

The Company had no employees during the financial year (2017: none).

5. AUDITOR'S REMUNERATION

The auditor's remuneration in respect of the statutory audit for the years ended 31 December 2017 and 31 December 2018 was borne by International Power Ltd..

	2018 €000	2017 €000
Auditor's remuneration for the financial year	<u>6</u>	<u>6</u>

Audit fees and non-audit fees borne by International Power Ltd. and its subsidiaries are set out in the financial statements of International Power Ltd. for the year ended 31 December 2018 which can be obtained from Level 20, 25 Canada Square, London E14 5LQ, United Kingdom.

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2018 €000	2017 €000
Interest receivable from group undertakings	<u>5,687</u>	<u>4,543</u>

Group undertakings are subsidiaries of ENGIE S.A.

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018 €000	2017 €000
Interest payable to group undertakings	<u>6,856</u>	<u>8,248</u>

Group undertakings are subsidiaries of ENGIE S.A.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. OTHER FINANCE EXPENSE

	2018	2017
	€000	€000
Foreign exchange (loss)/gain	(113)	755
Net loss on fair value movements of derivatives	(277)	(1,578)
	<u>(390)</u>	<u>(823)</u>

9. TAXATION

	2018	2017
	€000	€000
Corporation tax		
Current tax expense on profits for the year	1,805	8,309
Adjustments in respect of previous periods	(14,304)	-
Total current tax (credit)/expense	<u>(12,499)</u>	<u>8,309</u>

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

9. TAXATION (continued)

Factors affecting tax expense for the year

The current year applicable statutory tax rate is 19%.

The prior year applicable statutory tax rate was 19.25% and represents a weighted average based on 20% applicable for the three months to 31 March 2017, and 19% applicable from 1 April 2017.

The tax assessed for the year is lower than (2017: higher than) the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%). The differences are explained below:

	2018	2017
	€000	€000
Profit before tax	546,103	24,978
Profit before tax multiplied by standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	103,760	4,808
Effects of:		
Non-tax deductible expenses	7,299	27,415
Capital allowances for year in excess of depreciation	-	3
Prior year tax adjustment	(14,304)	-
Non-taxable income	(111,338)	(23,783)
Movement in provisions	-	(9,420)
Tax charge on deemed interest	-	51
Foreign exchange loss on tax	2,084	9,235
Total tax (credit)/expense for the year	(12,499)	8,309

Factors that may affect future tax expenses

The tax rate for the current year is lower than the prior year due to changes in the UK corporation tax rate which decreased from 20% to 19% from 1 April 2017.

Changes to the UK corporation tax rates were substantively enacted as part of the Finance (No. 2) Act 2015 (on 26 October 2015) and the Finance Act 2016 (on 6 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020. This will reduce the Company's tax expenses accordingly.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

10. FIXED ASSET INVESTMENTS

	Investments in subsidiary undertakings €000	Investments in participating interests €000	Loans to subsidiaries €000	Total €000
Cost				
At 1 January 2018	6,212,725	6,203	48,496	6,267,424
Additions	2,104	-	35	2,139
Disposals	(10,842)	-	-	(10,842)
Repayments	-	-	(38,560)	(38,560)
At 31 December 2018	<u>6,203,987</u>	<u>6,203</u>	<u>9,971</u>	<u>6,220,161</u>
Impairment				
At 1 January 2018	2,945,269	703	3,168	2,949,140
Loss for the year	35,276	-	-	35,276
Disposals	(244)	-	-	(244)
Reversal of impairment losses	(2,406)	-	-	(2,406)
At 31 December 2018	<u>2,977,895</u>	<u>703</u>	<u>3,168</u>	<u>2,981,766</u>
Net book value				
At 31 December 2018	<u>3,226,092</u>	<u>5,500</u>	<u>6,803</u>	<u>3,238,395</u>
At 31 December 2017	<u>3,267,456</u>	<u>5,500</u>	<u>45,328</u>	<u>3,318,284</u>

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

10. FIXED ASSET INVESTMENTS (continued)

On 25 January 2018, IP Maestrale 7 S.r.l. was formally dissolved resulting in a reduction in the cost of the investment of €272,000, impairment losses carried forward of €244,000 and a reversal of prior period impairments of €28,000.

On 13 September 2018, the Company increased its investment in Delphis Holdings Limited with an additional two ordinary shares for £1 being subscribed for at a price of €2,104,000 (£1,874,000).

On 30 November 2018, the Company sold its investment in Parco Eolico Girfalco S.r.l. which resulted in a reduction in the cost of investment of €10,570,000, a gain on disposal of €11,217,000 and a reversal of prior period impairments of €2,378,000.

On 31 December 2018, the Company performed an impairment test on all of its investments. The carrying values of the following investments were subsequently impaired: Hayabusa Holdings Limited by €26,922,000 (2017: €nil), ENGIE Renewables Holding UK Ltd. by €2,154,000 (2017: €2,608,000), National Power International Holdings by €6,200,000 (2017: €nil) and IP Karugamo Holdings (UK) Limited by €nil (2017: €139,812,000).

The disposal at cost of €38,560,000 is in relation to the repayment of an intercompany loan with Parco Eolico Girfalco S.r.l.

As at 31 December 2018 the Directors are of the opinion that the recoverable amounts of the Company's investments are not less than their book value.

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Registered office
Beinn Mhor Power Limited (iii)	Ordinary shares	100 %	11 Bothwell Road, Aberdeen, AB24 5DD, United Kingdom
Crionaig Power Limited (iii)	Ordinary shares	100 %	141 Bothwell Street, Glasgow, G2 7EQ, United Kingdom
Cairnborrow Wind Energy Limited	Ordinary shares	50 %	Mynydd Awel Mold Business Park, Maes Gwern, Mold, Flintshire, CH71XN, United Kingdom
Capel Grange Solar Energy Limited	Ordinary shares	100 %	Mynydd Awel Mold Business Park, Maes Gwern, Mold, Flintshire, CH71XN, United Kingdom
Delphis Holdings Limited	Ordinary shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
ENGIE UK Wind Services Limited	Ordinary shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
ENGIE Renewables Holding UK Limited	Ordinary A shares, Ordinary B shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
Hayabusa Holdings Limited	Ordinary shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power (Genco) Limited	Ordinary shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power (Shuweihat) Limited	Ordinary shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power Finance (i)	Ordinary shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. FIXED ASSET INVESTMENTS (continued)

International Power Global Developments Limited	Ordinary shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power Holdings Limited	Ordinary shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
ENGIE Marine Developments Limited	Ordinary shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
ENGIE Retail Investment (UK) Limited	Ordinary shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
ENGIE Developments UK Limited (ii)	Ordinary shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
IP Karugamo Holdings (UK) Limited	Ordinary shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
National Power (Kot Addu) Limited (ii)	Ordinary shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
National Power International Holdings	Ordinary shares	100 %	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power (Jersey) Limited	Ordinary shares	100 %	47 Esplanade, St Helier, Jersey JE1 OBD, Channel Islands
International Power Finance (Jersey) II Limited	Ordinary shares	100 %	47 Esplanade, St Helier, Jersey JE1 OBD, Channel Islands
IP Malaysia Holdings B.V.	Ordinary shares	100 %	Grote Voort 291, 8041 BL Zwolle, Netherlands

(i) An unlimited company.

(ii) A dormant company.

(iii) A company in the process of being liquidated.

Indirectly held subsidiaries of the Company are listed in Appendix 1 on pages 27 to 31.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. DEBTORS

	2018	2017
	€000	€000
Due after more than one year		
Amounts owed by group undertakings - loans	4,104	4,104
Amounts owed by group undertakings are interest free and repayable by December 2022.		
	2018	2017
	€000	€000
Due within one year		
Amounts owed by group undertakings - loans	498,076	828,508
Amounts owed by group undertakings - interest	1,077	2,161
Amounts owed by group undertakings - current accounts	59,231	100,817
Other debtors	257	159
Group relief recoverable	267,854	255,355
	826,495	1,187,000

'Amounts owed by group undertakings - loans' are unsecured, subject to floating rates of interest plus a margin, and repayable within one year.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	€000	€000
Amounts owed to group companies - loans	633,391	1,629,227
Amounts owed to group companies - interest	1,088	4,648
Amounts owed to other related parties	140	-
Other creditors	93	93
Accruals and deferred income	852	869
	635,564	1,634,837

Amounts owed to group undertakings are unsecured, either interest free or are subject to floating rates of interest plus a margin, and repayable within one year. Within amounts owed to group undertakings there are amounts that do not accrue interest of €106,706,000 (2017: €110,266,000). For 2018, this is made up of €105,478,000 due to a subsidiary (2017: €105,478,000) and €140,000 due to an 'other related party' (2017: €140,000) as well as interest of €1,088,000 (2017: €4,648,000).

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

13. PROVISIONS

	Provision for liabilities €000
At 1 January 2018	45,000
At 31 December 2018	45,000

The provision for liabilities includes an amount relating to pending litigation. There is uncertainty over the expected timing of any final settlement.

14. SHARE CAPITAL

	2018 €000	2017 €000
Issued, called up and fully paid		
1,608,889,371 (2017: 1,608,889,371) ordinary shares of £0.001 each	1,926	1,926

The share capital represents the ordinary shares in the Company which carry rights to participate in the distribution of dividends or capital of the Company.

Ordinary shares rank pari passu with each other in respect of all rights, including dividend, voting and return of capital.

15. RESERVES

Share premium account

The share premium account represents the difference between the issue price and the nominal value of shares issued.

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

16. DIVIDENDS

	2018 €000	2017 €000
Dividend paid	-	121,550

The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2018 (2017: interim dividend proposed and paid of €121,550,000).

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

17. RELATED PARTY TRANSACTIONS

As at 31 December 2018 and 31 December 2017, the Company was a wholly owned subsidiary of International Power Ltd. which is wholly owned by ENGIE S.A. The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 and has therefore not disclosed transactions with other wholly owned entities of ENGIE S.A.

The balances outstanding with related parties are as follows:

	2018 €000	2017 €000
Amounts owed by related parties		
Parent - International Power Ltd.	-	254,008
Subsidiaries	513,229	629,263
Other related parties	59,231	100,817
	<u>572,460</u>	<u>984,088</u>
	2018 €000	2017 €000
Amounts owed to related parties		
Parent - International Power Ltd.	-	69,806
Subsidiaries	634,479	548,565
Other related parties	140	1,015,504
	<u>634,619</u>	<u>1,633,875</u>

Other related parties comprise fellow subsidiaries of ENGIE S.A. not owed by the Company, and participating interests that are not directly owned by the Company.

Loans between related parties are made on an arm's length basis.

18. POST BALANCE SHEET EVENTS

In May 2019 the Company received a dividend of €95,000,000 from International Power Holdings Limited. Following a subsequent review of the recoverable amount of its investment, the Company's investment in International Power Holdings Limited was impaired by €75,000,000.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

19. CONTROLLING PARTY

The Company's immediate parent undertaking is International Power Ltd., the registered address of which is Level 20, 25 Canada Square, London E14 5LQ, United Kingdom. The Directors consider the Company's ultimate parent undertaking and controlling party to be ENGIE S.A. which was incorporated in France and is headquartered in Paris, France and which is the parent undertaking of the largest and smallest group in which the results of the Company are consolidated for the year ended 31 December 2018 and the year ended 31 December 2017. The consolidated financial statements of ENGIE S.A. may be obtained from its registered office at 1 Place Samuel de Champlain, Faubourg de l'Arche, 92930 Paris la Défense, France.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

**Appendix 1
Indirectly held subsidiaries**

Name	Registered office	Class of shares	Holding %
Barlockhart Moor Wind Energy Limited	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100
Barlockhart Moor Wind Energy (extension) Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom	Ordinary	100
Blantyre Muir Wind Energy Limited	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100
Capel Grange Storage Limited	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
Carsington Wind Energy Limited	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100
Crossburn Windfarm Limited (ix)	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	51
Crimp Wind Power Limited	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100
East Galloway Wind Energy Limited (iv)	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
Eastern Energy Holdings BSC(c)	Suite 11, Building 49, MANAMA, Bahrain	Ordinary	60
Engie Developments Ireland Limited	Copsey Murray, Charter House, Dublin 2, Ireland, Ireland	Ordinary	100
ENGIE Philippine Developments, Inc	Unit 1605 Ayala Tower One, Ayala Avenue, Makati City, Philippines	Common	99
ENGIE Renewables Estates UK Limited	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
ENGIE Renewables Limited	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
ENGIE Windpark Lovenich GmbH	Friedrichstrasse 200, 10117, BERLIN, Germany	Ordinary	100
ENGIE Windpark Molau GmbH	Friedrichstrasse 200, 10117, BERLIN, Germany	Ordinary	100
ENGIE Windpark PECKELSHEIM GmbH	Friedrichstrasse 200, 10117, BERLIN, Germany	Ordinary	100
ENGIE Windpark Portfolio 1 GmbH	Friedrichstrasse 200, 10117, BERLIN, Germany	Ordinary	100
ENGIE Windpark Portfolio 2 GmbH	Friedrichstrasse 200, 10117, BERLIN, Germany	Ordinary	100
ENGIE Windpark Schkortleben Acquisition GmbH	Friedrichstrasse 200, 10117, BERLIN, Germany	Ordinary	100
ENGIE Windpark Schkortleben Finance GmbH	Friedrichstrasse 200, 10117, BERLIN, Germany	Ordinary	100
ENGIE Windpark Schkortleben GmbH & Co. KG	Dr. Scheele-Straße 16, 06688, Wessenfels OT Grosskorbetha, Germany	Ordinary	100
ENGIE Windpark Schkortleben Management GmbH	Friedrichstrasse 200, 10117, Berlin, Germany	Ordinary	100
FHH (Guernsey) Limited (x)	Glategney Court, PO Box 140, GY1 1WR, St Peter Port, Guernsey	Ordinary	75
FHH No. 1 Limited	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100
First Hydro Company (i)	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

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**Appendix 1
Indirectly held subsidiaries**

Name	Registered office	Class of shares	Holding %
First Hydro Finance plc	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100
First Hydro Holdings Company	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100
Flintshire Wind Energy Limited (vi)	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
Fujairah F2 C.V.	Grote Voort 291, 8041 BL, ZWOLLE, Netherlands	Ordinary	51
GDF Suez Energy Philippines Inc.	Unit 1605, Ayala Tower One, Ayala Avenue, MAKATI CITY, Philippines	Ordinary	100
International Power (Isle of Man) Limited (ii)	Merchants House, 24 North Quay, IM1 1LE, Douglas, Isle of Man	Ordinary	100
International Power (Ras Laffan B) Limited	Hadsley House, One Lefebvre Street, GY1 4JE, St Peter Port, Guernsey	Ordinary	100
International Power (Saudi Arabia) Limited	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100
International Power (Uch) (v)	30 Finsbury Square, EC2P 2YU, London, United Kingdom	Ordinary	100
International Power (Uch) Services Limited	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100
International Power (Fawkes) (i)	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100
International Power Fuel Company Limited	Level 20, 25 Canada Square, E14 5LQ, LONDON, United Kingdom	Ordinary	100
International Power Holdings B.V.	Grote Voort 291, 8041BL, ZWOLLE, Netherlands	Ordinary	100
International Power Italia S.r.l. (vii)	Viale Giorgio Ribotta 31, 00144, Rome, Italy	Ordinary	100
International Power Luxembourg Finance Limited	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100
International Power Luxembourg Holdings Limited	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100
International Power Turkish Wind Holdings Limited	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100
International Power Uch Holdings B.V.	Grote Voort 291, 8041BL, ZWOLLE, Netherlands	Ordinary	100
IPM (Borelli) Limited (iii)	30 Finsbury Square, EC2P 2YU, London, United Kingdom	Ordinary	100
IPM Energy Limited	Level 20, 25 Canada Square, E14 5LQ, London, United Kingdom	Ordinary	100
IPM Energy Trading Limited	Level 20, 25 Canada Square, E14 5LQ, LONDON, United Kingdom	Ordinary	100

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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**Appendix 1
Indirectly held subsidiaries**

Name	Registered office	Class of shares	Holding %
IPM Holdings UK Limited	Level 20, 25 Canada Square, E14 5LQ, LONDON, United Kingdom	Ordinary	75
IPM Marketing and Services Limited (vi)	Level 20, 25 Canada Square, E14 5LQ, LONDON, United Kingdom	Ordinary	100
IPM Operations and Maintenance (vi)	Level 20, 25 Canada Square, E14 5LQ, LONDON, United Kingdom	Ordinary	100
IPR Turkey (No. 1) Limited	Level 20, 25 Canada Square, E14 5LQ, LONDON, United Kingdom	Ordinary	100
IPR Turkey (No. 2) Limited	Level 20, 25 Canada Square, E14 5LQ, LONDON, United Kingdom	Ordinary	100
IPSO Holdings BSC(c)	Suite 11, Building 49, MANAMA, Bahrain	Ordinary	60
ITM O&M Company Limited	Hadsley House, One Lefebvre Street, GY1 4JE, St Peter Port, Guernsey	Ordinary	70
Kintyre Wind Energy Limited (viii)	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
Levanto Structured Energy (Lux) S.a.r.l.	65 Avenue de la Gare, 1611, Luxembourg	Ordinary	100
Mirador Holdings B.V.	Grote Voort 291, 8041BL, ZWOLLE, Netherlands	Ordinary	100
Nant y Ffrith Wind Energy Limited (iv)	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	67
Normantrail (UK Co 3) Limited (iii)	30 Finsbury Square, EC2P 2YU, London, United Kingdom	Ordinary	100
North Galloway Wind Energy Limited (vi)	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
North Lanarkshire Wind Energy Limited	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
Nottinghamshire Wind Energy Limited (vi)	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
Oasis International Power LLC	Office 01/02 Sheikh Sultan Tower Building, Corniche Road, Abu Dhabi, United Arab Emirates	Ordinary	49
Qidfa Investment B.V.	Grote Voort 291, 8041BL Zwolle, Netherlands	Ordinary	50
Rugeley Power Generation Limited	Level 20, 25 Canada Square, E14 5LQ, LONDON, United Kingdom	Ordinary	100

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

**Appendix 1
Indirectly held subsidiaries**

Name	Registered office	Class of shares	Holding %
Rugeley Power Limited	Level 20, 25 Canada Square, E14 5LQ, LONDON, United Kingdom	Ordinary	100
Scotia Wind (Craigengelt) Limited	Level 20, 25 Canada Square, E14 5LQ, LONDON, United Kingdom	Ordinary	100
Shuweihat General Partner Company	Appleby Corporate Services (Cayman), Clifton House, 75 Fort Street, Grand Cayman, K1-1108, Cayman Islands	Ordinary	50
Shuweihat O&M General Partner Company	Appleby Corporate Services (Cayman), Clifton House, 75 Fort Street, Grand Cayman, K1-1108, Cayman Islands	Ordinary	50
Sober Hill Wind Farm Limited	Level 20, 25 Canada Square, E14 5LQ, LONDON, United Kingdom	Ordinary	100
South Yorkshire Wind Energy Limited (vi)	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
Stevenson Hill Wind Energy Limited (vi)	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
Swindon Power Technical Services Limited	Level 20, 25 Canada Square, E14 5LQ, LONDON, United Kingdom	Ordinary	100
Todd Hill Wind Energy Limited (vi)	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
Trustenergy B.V.	Level 20, 25 Canada Square, London, E14 5LQ, LONDON, United Kingdom	Ordinary	50
Uch II Power (Private) Limited	#48, Khayaban-e-Iqbal (Main Margalla Road), ISLAMABAD, Pakistan	Ordinary	100
Wrexham Wind Energy Limited	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
Ynni Gwynt Maldwyn Cyf (iv)	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
Ystalyfera Wind Energy Limited (iv)	Mynydd Awel, Mold Business Park, CH7 1XN, Mold, Flintshire, United Kingdom	Ordinary	100
Yudinn Energy Inc. (i)	105 Commerce Valley Drive West, Suite 410, L3T 7W3, Markham, Ontario, Canada	Ordinary	100
Yudinn Energy Limited Partnership	105 Commerce Valley Drive West, Suite 410, L3T 7W3, Markham, Ontario, Canada	Partnership Capital	55

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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- (i) An unlimited company
- (ii) The subsidiary was placed into liquidation on 22 November 2016
- (iii) The subsidiary was dissolved on 13 June 2019
- (iv) The subsidiary was dissolved on 26 February 2019
- (v) The subsidiary was placed into liquidation on 4 June 2018
- (vi) The subsidiary was dissolved on 26 March 2019
- (vii) The subsidiary was dissolved on 7 May 2019
- (viii) The subsidiary is in the process of strike off
- (ix) The subsidiary was dissolved on 28 May 2019
- (x) The subsidiary was placed into liquidation on 5 September 2019