
INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

THURSDAY



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INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS

H De Buyserie (resigned 31 March 2017)
P J B Guiollot (resigned 31 March 2017)
S F F Mingham (appointed 31 March 2017)
S D Pinnell (appointed 31 March 2017)
J S Sandhu (appointed 31 March 2017, resigned 30 September 2018)
D G Alcock (appointed 1 October 2018)

REGISTERED NUMBER

05894291

REGISTERED OFFICE

Level 20
25 Canada Square
London
E14 5LQ

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

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INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

INTRODUCTION

The Directors present the Strategic Report of International Power Consolidated Holdings Limited (the Company) for the year ended 31 December 2017.

PRINCIPAL ACTIVITY

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 €16,669,000 (2016: €89,850,000).

As shown in the income statement on page 8, there is a decrease in profit for the financial year ended 31 December 2017 in comparison with the prior financial year due to lower income from shares in group undertakings partially offset by lower amounts written off investments and lower tax on profit.

The statement of financial position, on page 9, shows the Company's financial position at the end of the current and preceding financial year. The net assets have decreased from €2,934,709,000 to €2,829,828,000.

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.

Investments

On 6 July 2017, International Power Australia Finance, IP (Aire) Limited and IPR Guernsey Investments Limited were formally dissolved, resulting in a reduction in the cost of investments of €775,761,000 and impairment losses carried forward of €775,761,000. On 1 November 2017 IP Ireland Holdings BV was formally dissolved, resulting in a reduction in cost of investments of €17,000 and impairment losses carried forward of €17,000.

Acquisitions

Delphis Holdings Limited was incorporated on 19 May 2017 and on this date the Company acquired the share capital of 1 ordinary share for £1. On 4 July 2017 a further two shares were issued for €7,487,000 (£6,569,000). Further investment was made post year end with an additional two ordinary shares for £1 being subscribed for on 13 September 2018 for a subscription price of €2,105,366 (£1,873,533).

PRINCIPAL RISKS AND UNCERTAINTIES

Going concern

The Company has net current liabilities of €443,456,000 as at 31 December 2017 (2016: €424,542,000). The ability of the Company to fulfil its financial obligations is therefore dependent on future profitability and cash flow. The Directors have considered the application of the going concern basis of accounting. In making this assessment the Directors have considered the intention of International Power Ltd. to provide financial support to the Company in the conduct of its ordinary business for a period of twelve months from the date of approval of these financial statements. The Directors, having assessed the responses of International Power Ltd. to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern or its ability to fulfil its financial obligations. Thus 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 remote risk that in future periods the book value may become impaired. The Directors have assessed this exposure as acceptable.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

Credit risk

The largest receivables relate to amounts lent to undertakings within the ENGIE group for which the Company can demand repayment at any time. 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 expense on amounts owed to group undertakings denominated in sterling, and interest income on amounts owed by group undertakings denominated in sterling. The Directors have assessed the exposure to currency transaction risk as acceptable.

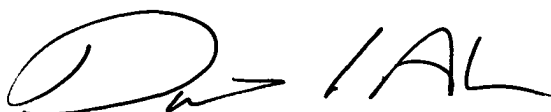
The Company has translation risk on monetary asset and liabilities denominated in currencies other than its functional currency. As at 31 December 2017, the Company has amounts owed by ENGIE group undertakings denominated in sterling totalling £70,214,000 (€79,139,000) and in Australian dollars totalling AUD1,000 (€1,000) (2016: £70,604,000 (€82,464,000), US\$2,000 (€2,000) and AUD nil (€nil)), and a corporation tax asset denominated in sterling totalling £226,559,000 (€255,355,000) (2016: £225,661,000 (€263,664,000)). 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.

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 2017 interest-bearing assets with a carrying value of €929,324,000 (2016: €2,176,542,000), earned interest at floating rates plus a margin. Interest-bearing liabilities with a carrying value of €1,528,257,000 (2016: €2,731,838,000) 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 19 October 2018 and signed on its behalf.



D G Alcock
Director

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The Directors present their report and the audited financial statements for the year ended 31 December 2017.

MATTERS COVERED IN THE STRATEGIC REPORT

The following information has been disclosed in the Strategic Report:

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

RESULTS AND DIVIDENDS

The profit for the financial year, after taxation, amounted to €16,669,000 (2016: €89,850,000).

An interim dividend of €121,550,000 was paid (2016: €500,000,000). There was no further dividend paid or proposed for the year.

DIRECTORS

The Directors who served during the year and up to the date of this report were:

H De Buyserie (resigned 31 March 2017)
P J B Guiollot (resigned 31 March 2017)
S F F Mingham (appointed 31 March 2017)
S D Pinnell (appointed 31 March 2017)
J S Sandhu (appointed 31 March 2017, resigned 30 September 2018)
D G Alcock (appointed 1 October 2018)

DIRECTORS' INDEMNITY PROVISION

As at the date of this report and during 2017, indemnity arrangements which constitute qualifying third party indemnity provisions were in place with a number of persons who are directors of associated companies of the Company.

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 (2016: none) and incurred no related costs during the financial year (2016: €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.

POST BALANCE SHEET EVENTS

During 2018 the Company received a substantial dividend, and completed a number of transactions to repay loans, which has resulted in a net debt reduction of over €410,000,000.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

INDEPENDENT AUDITOR

Under section 487(2) of the Companies Act 2006, Deloitte LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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



S D Pinnell
Director
Date: 19 October 2018

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the audited financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare audited financial statements 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 audited financial statements, 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; and
- 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.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

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

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of International Power Consolidated Holdings Limited (the 'Company') which comprise:

- the Income Statement;
- the Statement of Financial Position;
- the Statement of Changes in Equity; and
- the related notes 1 to 21.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

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.

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 FRC'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 are required by ISAs (UK) to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our 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 this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

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

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, 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 Financial Reporting Council's website at: 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 members 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.

Report on other legal and regulatory requirements

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.

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 the Directors' Report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.



Makhan Chahal ACA (Senior statutory auditor)
Deloitte LLP
Statutory Auditor
London, United Kingdom
Date: 19 October 2018

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 €'000	2016 €'000
Administrative expenses		(811)	(689)
Other operating income		253	-
Operating loss		<u>(558)</u>	<u>(689)</u>
Income from shares in group undertakings		123,550	1,632,598
Provision release / (expense)	14	48,934	(48,934)
Amounts written off investments	10	(142,420)	(1,413,324)
Interest receivable and similar income	6	4,543	18,077
Amounts written off debtors		-	(299)
Interest payable and similar expenses	7	(8,248)	(61,759)
Other finance expense	8	(823)	(1,478)
Profit before tax		<u>24,978</u>	<u>124,192</u>
Tax on profit	9	(8,309)	(34,342)
Profit for the financial year		<u><u>16,669</u></u>	<u><u>89,850</u></u>

There were no recognised gains and losses for 2017 or 2016 other than those included in the income statement.

The notes on pages 11 to 35 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 2017

	Note	2017 €000	2016 €000
Fixed assets			
Investments	10	3,318,284	3,453,185
		<u>3,318,284</u>	<u>3,453,185</u>
Current assets			
Debtors: amounts falling due within one year	11	1,191,104	2,459,029
Derivative financial assets	13	277	1,854
		<u>1,191,381</u>	<u>2,460,883</u>
Creditors: amounts falling due within one year	12	(1,634,837)	(2,885,425)
Net current liabilities		<u>(443,456)</u>	<u>(424,542)</u>
Total assets less current liabilities		<u>2,874,828</u>	<u>3,028,643</u>
Provisions for long term liabilities			
Other provisions	14	(45,000)	(93,934)
Net assets		<u><u>2,829,828</u></u>	<u><u>2,934,709</u></u>
Capital and reserves			
Called up share capital	15	1,926	1,926
Share premium account		906,640	906,640
Profit and loss account		1,921,262	2,026,143
Total equity		<u><u>2,829,828</u></u>	<u><u>2,934,709</u></u>

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



S D Pinnell
Director

Date: 19 October 2018

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital €000	Share premium account €000	Profit and loss account €000	Total equity €000
At 1 January 2016	1,926	906,640	2,436,293	3,344,859
Comprehensive income for the year				
Profit for the financial year	-	-	89,850	89,850
Total comprehensive income for the year	-	-	89,850	89,850
Dividend paid	-	-	(500,000)	(500,000)
At 1 January 2017	1,926	906,640	2,026,143	2,934,709
Comprehensive income for the year				
Profit for the financial year	-	-	16,669	16,669
Total comprehensive income for the year	-	-	16,669	16,669
Dividend paid	-	-	(121,550)	(121,550)
At 31 December 2017	1,926	906,640	1,921,262	2,829,828

The notes on pages 11 to 35 form part of these financial statements.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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 pages 1 to 2.

2. Accounting policies

The following principal accounting policies have been applied:

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).

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 20.

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.

The financial statements of the Company are presented in euros and are rounded to the nearest thousand euros.

Adoption of new and revised standards

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 2017.

In the current year, the Company has applied the amendments issued by the International Accounting Standards Board that are mandatorily effective for an accounting period that begins on or after 1 January 2017. These comprise Amendments to IAS 7 Disclosure Initiative and IAS 12: Recognition of Deferred Tax assets for unrealised losses. The Company has also applied Annual Improvements to IFRSs 2014-2016 Cycle. The application of these amendments have had no material effect on the Company's financial statements.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

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
- 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.

2.3 Going concern

The Company has net current liabilities of €443,456,000 as at 31 December 2017 (2016: €424,542,000). The ability of the Company to fulfil its financial obligations is therefore dependent on future profitability and cash flow. The Directors have considered the application of the going concern basis of accounting. In making this assessment the Directors have considered the intention of International Power Ltd. to provide financial support to the Company in the conduct of its ordinary business for a period of twelve months from the date of approval of these financial statements. The Directors, having assessed the responses of International Power Ltd. to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern or its ability to fulfil its financial obligations. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentation currency is 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.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income Statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Income Statement within 'other operating income'.

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 an expense or credit 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 tax expense is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.9 Dividends on shares presented within shareholder's funds

Dividends are recognised when they become legally payable.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

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.

2.11 Financial instruments

Financial instruments are recognised and measured in accordance with IAS 39.

Financial assets

Financial assets of the Company comprise loans and receivables carried at amortised cost including trade and other debtors, and financial assets measured at fair value through profit or loss, including derivative financial instruments. The Company determines the classification of its financial assets at initial recognition.

Loans and receivables at amortised cost

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

Derivatives

The Company uses financial instruments to manage and reduce its exposure to market risks arising from fluctuations in interest rates and foreign currency exchange rates. The use of derivative instruments is governed by a Group policy for managing interest rate, currency and commodity risks.

Derivative financial instruments are contracts: (i) whose value changes in response to the change in one or more observable variables; (ii) that do not require any material initial net investment; and (iii) that are settled at a future date.

The Company has not applied hedge accounting and all derivatives are measured at fair value through profit or loss.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

Fair value measurement

The fair value of instruments listed in an active market is determined by reference to the market price.

The fair value of unlisted financial instruments for which there is no active market and for which observable market data exists is determined based on valuation techniques such as option pricing models or the discounted cash flow method.

Models used to evaluate these instruments take into account assumptions based on market inputs. The fair value of forward foreign exchange contracts and currency swaps is calculated by reference to current prices for contracts with similar maturities by discounting the future cash flow spread (difference between the forward exchange rate under the contract and the forward exchange rate recalculated in line with the new market conditions applicable to the nominal amount).

Financial liabilities

Financial liabilities within the scope of IAS 39 are initially classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

Financial liabilities include amounts owed to ENGIE group undertakings.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, net of directly attributable transaction costs. These costs are taken into account when calculating the effective interest rate and are therefore recorded in the income statement over the life of the borrowings using the amortised cost method.

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

When payments are eventually made, they are booked to 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.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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 €3,318,284,000 (2016: €3,453,185,000) with an impairment loss of €142,420,000 recognised in the current year (2016: €1,413,324,000).

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 €1,191,104,000 (2016: €2,459,029,000) with no impairment loss recognised in 2017 (2016: €299,000).

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.

There are no key accounting judgements used in preparing the Company's financial statements.

4. Directors' and employees' remuneration

The Directors did not receive any fees or emoluments from the Company during the year (2016: €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 (2016: 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 2016 was borne by International Power Ltd.

	2017 €000	2016 €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 2017 which can be obtained from 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 2017**

6. Interest receivable and similar income

	2017 €000	2016 €000
Interest receivable from group undertakings at amortised cost	4,541	18,050
Other interest receivable at amortised cost	2	27
	<u>4,543</u>	<u>18,077</u>

Group companies are subsidiaries of ENGIE S.A.

7. Interest payable and similar expenses

	2017 €000	2016 €000
Loans from group undertakings	8,248	61,759
	<u>8,248</u>	<u>61,759</u>

Group companies are subsidiaries of ENGIE S.A.

8. Other finance expense

	2017 €000	2016 €000
Foreign exchange gain/(loss)	755	(2,309)
Net (loss)/gain on fair value movements of derivatives recognised at fair value through profit or loss	(1,578)	831
	<u>(823)</u>	<u>(1,478)</u>

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

9. Taxation

	2017 €000	2016 €000
Corporation tax		
Current tax expense on profits for the year	8,309	33,493
Adjustments in respect of previous periods	-	753
	<u>8,309</u>	<u>34,246</u>
Foreign tax		
Foreign tax on income for the year	-	96
	<u>-</u>	<u>96</u>
Total current tax expense	<u>8,309</u>	<u>34,342</u>

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. Taxation (continued)

Factors affecting tax expense for the year

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

The prior year applicable statutory tax rate was 20%.

The tax assessed for the year is higher than (2016: higher than) the standard rate of corporation tax in the UK of 19.25% (2016: 20.0%). The differences are explained below:

	2017 €000	2016 €000
Profit before tax	24,978	124,192
Profit multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	4,808	24,838
Effects of:		
Non-tax deductible impairment loss	27,415	282,665
Non-deductible loss on debtor write-off	-	60
Non-tax deductible expenses	3	-
Prior year tax adjustment	-	753
Non-taxable income	(23,783)	(326,520)
Movement in provisions	(9,420)	9,787
Double taxation relief	-	(91)
Tax charge / (credit) on deemed interest	51	(34)
Foreign exchange loss on tax	9,235	42,884
Total tax expense for the year	8,309	34,342

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. Taxation (continued)

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 Bill 2015 (on 26 October 2015) and the Finance Bill 2016 (on 7 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.

10. Fixed asset investments

	Investments in subsidiary undertakings €000	Investments in participating interests €000	Loans to subsidiaries €000	Total €000
Cost				
At 1 January 2017	6,981,016	6,203	48,464	7,035,683
Additions	7,487	-	32	7,519
Disposals	(775,778)	-	-	(775,778)
At 31 December 2017	<u>6,212,725</u>	<u>6,203</u>	<u>48,496</u>	<u>6,267,424</u>
Impairment				
At 1 January 2017	3,578,627	703	3,168	3,582,498
Impairment loss	142,420	-	-	142,420
Disposals	(775,778)	-	-	(775,778)
At 31 December 2017	<u>2,945,269</u>	<u>703</u>	<u>3,168</u>	<u>2,949,140</u>
Net book value				
At 31 December 2017	<u>3,267,456</u>	<u>5,500</u>	<u>45,328</u>	<u>3,318,284</u>
At 31 December 2016	<u>3,402,389</u>	<u>5,500</u>	<u>45,296</u>	<u>3,453,185</u>

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

10. Fixed asset investments (continued)

Delphis Holdings Limited was incorporated on 19 May 2017 and on this date the Company acquired the share capital of 1 ordinary share for £1. On 4 July 2017 a further two shares were issued for €7,487,000 (£6,569,000). Further investment was made post year end with an additional two ordinary shares for £1 being subscribed for on 13 September 2018 for a subscription price of €2,105,366 (£1,873,533).

On 6 July 2017, International Power Australia Finance, IP (Aire) Limited and IPR Guernsey Investments Limited were formally dissolved, resulting in the reduction in cost of investments of €775,761,000 and impairment losses carried forward of €775,761,000. On 1 November 2017 IP Ireland Holdings BV was formally dissolved, resulting in a reduction in cost of investments of €17,000 and an impairment loss carried forward of €17,000.

On 31 December 2017 the Company performed an impairment test on all of its investments. The carrying values of the following investments were subsequently impaired: Engie Renewables Holding UK Limited by €2,608,000 and IP Karugamo Holdings (UK) Limited by €139,812,000.

As at 31 December 2017, the directors are of the opinion that the recoverable amounts of the Company's investments are not less than their book value.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

10. Fixed asset investments (continued)

Directly held subsidiary undertakings and participating interests

The following were directly held subsidiary undertakings and participations interests of the Company:

Name	Class of shares	Holding
Beinn Mhor Power Limited	Ordinary shares	100 %
Crionaig Power Limited	Ordinary shares	100 %
Cairnborrow Wind Energy Limited	Ordinary shares	50 %
Capel Grange Solar Energy Limited	Ordinary shares	100 %
Delphis Holdings Limited (ii)	Ordinary shares	100 %
ENGIE UK Wind Services Limited	Ordinary shares	100 %
ENGIE Renewables Holding UK Limited	Ordinary A shares, Ordinary B shares	100 %
Hayabusa Holdings Limited	Ordinary shares	100 %
International Power (Genco) Limited	Ordinary shares	100 %
International Power (Shuweiha) Limited	Ordinary shares	100 %
International Power Finance (i)	Ordinary shares	100 %
International Power Global Developments Limited	Ordinary shares	100 %
International Power Holdings Limited	Ordinary shares	100 %
ENGIE Marine Developments Limited	Ordinary shares	100 %
ENGIE Retail Investment (UK) Limited	Ordinary shares	100 %
ENGIE Developments UK Limited	Ordinary shares	100 %
IP Karugamo Holdings (UK) Limited	Ordinary shares	100 %
National Power (Kot Addu) Limited	Ordinary shares	100 %
National Power International Holdings	Ordinary shares	100 %
IP Maestrale 7 S.r.l.	Ordinary shares	100 %
Parco Eolico Girifalco S.r.l.	Ordinary shares	100 %
International Power (Jersey) Limited	Ordinary shares	100 %
International Power Finance (Jersey) II Limited	Ordinary shares	100 %
IP Malaysia Holdings B.V.	Ordinary shares	100 %

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

10. Fixed asset investments (continued)

Name	Registered office
Beinn Mhor Power Limited	11 Bothwell Road, Aberdeen, AB24 5DD, United Kingdom
Crionaig Power Limited	141 Bothwell Street, Glasgow, G2 7EQ, United Kingdom
Cairnborrow Wind Energy Limited	Mynydd Awel Mold Business Park, Maes Gwern, Mold, Flintshire, CH7 1XN, United Kingdom
Capel Grange Solar Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
DELPHIS HOLDINGS LIMITED	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
ENGIE UK Wind Services Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
ENGIE Renewables Holding UK Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
Hayabusa Holdings Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power (Genco) Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power (Shuweiha) Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power Finance	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power Global Developments Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power Holdings Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
ENGIE Marine Developments Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
ENGIE Retail Investment (UK) Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
ENGIE Developments UK Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
IP Karugamo Holdings (UK) Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
National Power (Kot Addu) Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
National Power International Holdings	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
IP Maestrale 7 S.r.l.	viale Giorgio Ribotta, 31 – 00144 Rome, Italy
Parco Eolico Girifalco S.r.l.	viale Giorgio Ribotta, 31 – 00144 Rome, Italy
International Power (Jersey) Limited	47 Esplanade, St Helier, Jersey JE1 OBD, Channel Islands
International Power Finance (Jersey) II Limited	47 Esplanade, St Helier, Jersey JE1 OBD, Channel Islands
IP Malaysia Holdings B.V.	Grote Voort 291, 8041 BL Zwolle, Netherlands

- (i) An unlimited company.
(ii) Incorporated on 19 May 2017.

11. Debtors

	2017 €000	2016 €000
Amounts owed by group undertakings	935,590	2,194,250
Other debtors	159	1,115
Tax recoverable	255,355	263,664
	1,191,104	2,459,029

Amounts owed by group undertakings are unsecured, either interest free or are subject to floating rates of interest plus a margin, and repayable on demand. Within amounts owed by group undertakings are amounts due from subsidiaries that do not accrue interest of €6,266,000 (2016: €17,708,000).

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

12. Creditors: amounts falling due within one year

	2017 €000	2016 €000
Amounts owed to group undertakings	1,633,875	2,884,439
Withholding tax	-	4
Other creditors	93	93
Accruals and deferred income	869	889
	<u>1,634,837</u>	<u>2,885,425</u>

Amounts owed to group undertakings are unsecured, either interest free or are subject to floating rates of interest plus a margin, and repayable on demand. Within amounts owed to group undertakings there are amounts that do not accrue interest of €105,618,000 (2016: €152,601,000). For 2017, this is made up of €105,478,000 due to a subsidiary (2016: €152,461,000) and €140,000 due to an 'other related party' (2016: €140,000).

13. Derivative financial assets

The derivative financial asset represents a forward contract to hedge foreign exchange.

14. Provisions for long term liabilities

	Provision for liabilities €000	Provision for future funding obligations	Total €000
At 1 January 2017	45,000	48,934	93,934
Released to profit or loss	-	(48,934)	(48,934)
At 31 December 2017	<u>45,000</u>	<u>-</u>	<u>45,000</u>

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

The provision for future funding obligations has been reversed due to a favourable agreement made by a subsidiary entity with an overseas taxation authority for settlement of a provision that was previously provided against.

15. Share capital

	2017 €000	2016 €000
Shares classified as equity		
Issued, called up and fully paid		
1,608,889,371 ordinary shares of £0.001 each	<u>1,926</u>	<u>1,926</u>

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

15. Share capital (continued)

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.

16. 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.

17. Dividends

	2017 €000	2016 €000
Dividend paid	121,550	500,000

An interim dividend of €121,550,000 was proposed and paid (2016: €500,000,000). There was no further dividend paid or proposed for the year.

18. Related party transactions

As at 31 December 2017 and 31 December 2016, 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.

Transactions entered into with related parties that are not wholly owned by ENGIE S.A. and balances outstanding with related parties are as follows:

	2017 €000	2016 €000
Amounts owed by related parties		
Parent	254,008	773,976
Subsidiaries	629,263	630,614
Other related parties	52,319	789,660
	<u>935,590</u>	<u>2,194,250</u>

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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	2017 €000	2016 €000
Amounts owed to related parties		
Parent	69,806	70,958
Subsidiaries	548,565	555,346
Other related parties	1,015,504	2,258,135
	<u>1,633,875</u>	<u>2,884,439</u>

Other related parties comprise fellow subsidiaries of ENGIE S.A. not wholly 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. During the year ended 31 December 2017, the Company has not written off any amounts owed by related parties (2016: €299,000).

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

19. Post balance sheet events

During 2018 the Company received a substantial dividend, and completed a number of transactions to repay loans, which has resulted in a net debt reduction of over €410,000,000.

20. 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 2017 and the year ended 31 December 2016. The consolidated financial statements of ENGIE S.A. may be obtained from its registered office at 1 place Samuel de Champlain, 92400 Courbevoie, Paris, France.

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

21. Indirectly held subsidiaries

At 31 December 2017, the Company had the following indirectly held subsidiaries:

Name	Class of shares	Holding
0874589 B.C. Ltd	Ordinary shares	100 %
1042544 Ontario Inc. (i)	Ordinary shares	100 %
AIM Erie Shores Phase II GP Inc.	Part of capital	100 %
Barlockhart Moor Wind Energy Limited	Ordinary shares	100 %
Barlockhart Moor Wind Energy (extension) Limited	Ordinary shares	100 %
Blantyre Muir Wind Energy Limited	Ordinary shares	100 %
Capel Grange Storage Limited	Ordinary shares	100 %
Carsington Wind Energy Limited	Ordinary shares	100 %
Crossburns Windfarm Limited	Ordinary shares	51 %
Crimp Wind Power Limited	Ordinary shares	100 %
East Galloway Wind Energy Limited	Ordinary shares	100 %
Eastern Energy Holdings BSC(c)	Ordinary shares	60 %
Eastern NS Wind Park GP Limited	Ordinary shares	100 %
Eastern NS Wind Park Limited Partnership	Partnership capital	100 %
ENGIE Canada Inc.	Ordinary shares	100 %
ENGIE Canada Services GP Inc. (i)	Ordinary shares	100 %
ENGIE Canada Services LP	Partnership capital	100 %
ENGIE Development Canada GP Inc.	Ordinary shares	100 %
ENGIE Development Canada LP	Partnership capital	100 %
Engie Developments Ireland Limited	Ordinary shares	100 %
ENGIE Renewables Estates UK Limited	Ordinary shares	100 %
ENGIE Renewables Limited	Ordinary shares	100 %
ENGIE Windpark Lovenich GmbH	Ordinary shares	100 %
ENGIE Windpark Molau GmbH	Ordinary shares	100 %

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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21. Indirectly held subsidiaries (continued)

ENGIE Windpark PECKELSHEIM GmbH	Ordinary shares	100 %
ENGIE Windpark Portfolio 1 GmbH	Ordinary shares	100 %
ENGIE Windpark Portfolio 2 GmbH	Ordinary shares	100 %
ENGIE Windpark Schkortleben Acquisition GmbH	Ordinary shares	100 %
ENGIE Windpark Schkortleben Finance GmbH	Ordinary shares	100 %
ENGIE Windpark Schkortleben GmbH & Co. KG	Ordinary shares	100 %
ENGIE Windpark Schkortleben Management GmbH	Ordinary shares	100 %
FHH (Guernsey) Limited	Ordinary shares	75 %
FHH No.1 Limited	Ordinary shares	100 %
First Hydro Company (i)	Ordinary shares	100 %
First Hydro Finance plc	Ordinary shares	100 %
First Hydro Holdings Company	Ordinary shares	100 %
Flintshire Wind Energy Limited	Ordinary shares	100 %
Fujairah F2 C.V.	Ordinary shares	51 %
GDF Suez Energy Canada Inc.	Ordinary shares	100 %
GDF Suez Energy Philippines Inc.	Ordinary shares	100 %
International Power (Isle of Man) Limited (ii)	Ordinary shares	100 %
International Power (Ras Laffan B) Limited	Ordinary shares	100 %
International Power (Saudi Arabia) Limited	Ordinary shares	100 %
International Power (Uch) (iv)	Ordinary shares	100 %
International Power (Uch) Services Limited	Ordinary shares	100 %
International Power (Fawkes) (i)	Ordinary shares	100 %
International Power Fuel Company Limited	Ordinary shares	100 %
International Power Holdings B.V.	Ordinary shares	100 %
International Power Italia S.r.l.	Ordinary shares	100 %
International Power Luxembourg Finance Limited	Ordinary shares	100 %

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

21. Indirectly held subsidiaries (continued)

International Power Luxembourg Holdings Limited	Ordinary shares	100 %
International Power Turkish Wind Holdings Limited	Ordinary shares	100 %
International Power Uch Holdings B.V.	Ordinary shares	100 %
IPM (Borelli) Limited (iv)	Ordinary shares	100 %
IPM Energy Limited	Ordinary shares	100 %
IPM Energy Trading Limited	Ordinary shares	100 %
IPM Holdings (UK) Limited	Ordinary shares	75 %
IPM Marketing and Services Limited	Ordinary shares	100 %
IPM Operations and Maintenance	Ordinary shares	100 %
IPR Turkey (No. 1) Limited	Ordinary shares	100 %
IPR Turkey (No. 2) Limited	Ordinary shares	100 %
IPSO Holdings BSC(c)	Ordinary shares	60 %
ITM O&M Company Limited	Ordinary shares	70 %
Kinskuch Lake Hydro General Partner Inc	Ordinary shares	100 %
Kinskuch Lake Hydro Limited Partnership	Partnership capital	100 %
Kintyre Wind Energy Limited	Ordinary shares	100 %
Labrador Ventus GP Inc.	Ordinary shares	100 %
Labrador Ventus Limited Partnership	Partnership capital	60 %
Levanto Structured Energy (Lux) S.a.r.l.	Ordinary shares	100 %
Maple Creek West Wind Inc. (i)	Ordinary shares	100 %
Mirador Holdings B.V.	Ordinary shares	100 %
Nant y Ffrith Wind Energy Limited	Ordinary shares	67 %
Normantrail (UK Co 3) Limited (iii)	Ordinary shares	100 %
North Galloway Wind Energy Limited	Ordinary shares	100 %
North Lanarkshire Wind Energy Limited	Ordinary shares	100 %
Nottinghamshire Wind Energy Limited	Ordinary shares	100 %
Parque Eolico da Serra Do Ralo S.A.	Ordinary shares	100 %

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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21. Indirectly held subsidiaries (continued)

Parque Eolico de Mourisca S.A.	Ordinary shares	100 %
Parque Eolico de Nave S.A.	Ordinary shares	100 %
Parque Eolico Terras Altas de Fafe	Ordinary shares	100 %
Portugen Energia S.A.	Ordinary shares	100 %
Rugeley Power Generation Limited	Ordinary shares	100 %
Rugeley Power Limited	Ordinary shares	100 %
Scotia Wind (Craigengelt) Limited	Ordinary shares	100 %
Sober Hill Wind Farm Limited	Ordinary shares	100 %
South Yorkshire Wind Energy Limited	Ordinary shares	100 %
Stevenson Hill Wind Energy Limited	Ordinary shares	100 %
Swindon Power Technical Services Limited	Ordinary shares	100 %
Todd Hill Wind Energy Limited	Ordinary shares	100 %
Tractebel Management Inc. (i)	Ordinary shares	100 %
Tractebel Windsor Power LP	Partnership capital	100 %
Uch II Power (Private) Limited	Ordinary shares	100 %
UPLHC I LDC	Ordinary shares	100 %
UPLHC II LDC	Ordinary shares	100 %
Viewfield Wind GP Inc	Ordinary shares	100 %
Viewfield Wind LP Inc	Partnership capital	100 %
West Windsor Power	Partnership capital	96 %
Wrexham Wind Energy Limited	Ordinary shares	100 %
Ynni Gwynt Maldwyn Cyf	Ordinary shares	100 %
Ynys Mon Wind Energy Limited	Ordinary shares	100 %
Ystalyfera Wind Energy Limited	Ordinary shares	100 %
Yudinn Energy Inc. (i)	Ordinary shares	100 %
Yudinn Energy Limited Partnership	Partnership capital	55 %

Name	Registered office
0874589 B.C. Ltd	c/o McMillan LLP, 1500 Royal Centre, 1055 West Georgia Street, PO Box 11117, Vancouver, BC V6E 4N7, Canada
1042544 Ontario Inc.	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada
AIM Erie Shores Phase II GP Inc.	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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21. Indirectly held subsidiaries (continued)

Barlockhart Moor Wind Energy Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
Barlockhart Moor Wind Energy (extension) Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Blantyre Muir Wind Energy Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
Capel Grange Storage Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Carsington Wind Energy Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
Crossburns Windfarm Limited	36c Longman Drive, Inverness IV1 1SU, United Kingdom
Crimp Wind Power Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
East Galloway Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Eastern Energy Holdings BSC(c)	Suite 11, Building 49, Road 2701, Block 327, Manama/Ai Adliya, Bahrain
Eastern NS Wind Park GP Limited	c/o Stewart McKelvey, Suite 900, 1959 Upper Water Street, Halifax, Nova Scotia B3J 2X2, Canada
Eastern NS Wind Park Limited Partnership	c/o Stewart McKelvey, Suite 900, 1959 Upper Water Street, Halifax, Nova Scotia B3J 2X2, Canada
ENGIE Canada Inc.	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada
ENGIE Canada Services GP Inc.	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada
ENGIE Canada Services LP	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada
ENGIE Development Canada GP	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada
ENGIE Development Canada LP	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada
ENGIE Developments Ireland Limited	Charter House, 2 Pembroke Row, Dublin 2, Ireland
ENGIE Renewables Estates UK Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
ENGIE Renewables Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
ENGIE Windpark LÖVENICH GmbH	Friedrichstraße 200, 10117 Berlin, Germany
ENGIE Windpark Molau GmbH	Friedrichstraße 200, 10117 Berlin, Germany
ENGIE Windpark PECKELSHEIM GmbH	Friedrichstraße 200, 10117 Berlin, Germany
ENGIE Windpark Portfolio 1 GmbH	Friedrichstraße 200, 10117 Berlin, Germany
ENGIE Windpark Portfolio 2 GmbH	Friedrichstraße 200, 10117 Berlin, Germany
ENGIE Windpark Schkortleben Acquisition GmbH	Friedrichstraße 200, 10117 Berlin, Germany

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

21. Indirectly held subsidiaries (continued)

ENGIE Windpark Schkortleben Finance GmbH	Friedrichstraße 200, 10117 Berlin, Germany
ENGIE Windpark Schkortleben GmbH & Co. KG	Dr. Scheele-Straße 16, 06688 Weißenfels OT Großkorbetha Germany
ENGIE Windpark Schkortleben Management GmbH	Friedrichstraße 200, 10117 Berlin, Germany
FHH (Guernsey) Limited	Gategny Court, Gategny Esplanade, St Peter Port, Guernsey, GY1 1WR, Channel Islands
FHH No.1 Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
First Hydro Company	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
First Hydro Finance plc	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
First Hydro Holdings Company	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
Flintshire Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
GDF Suez Energy Canada Inc.	C/O West Windsor Power, 4375, Sandwich Street, WINDSOR N9C 4C8
FUJAIRAH F2 C.V.	Grote Voort 291, 8041 BL Zwolle, Netherlands
GDF Suez Energy Philippines Inc.	Unit 1605, Ayala Tower One, MAKATI CITY, Philippines
International Power (Isle of Man) Limited	Merchants House, 24 North Quay, Douglas IM1 1LE, Isle of Man
International Power (Ras Laffan B) Limited	PO Box 212 One Lefebvre Street, St Peter Port, Guernsey, GY1 4JE, Channel Islands
International Power (Saudi Arabia) Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power (Uch)	30 Finsbury Square, London EC2P 2YU, United Kingdom
International Power (Uch) Services Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power (Fawkes)	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power Fuel Company Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power Holdings B.V.	Grote Voort 291, 8041 BL Zwolle, Netherlands
International Power Italia S.r.l.	viale Giorgio Ribotta, 31 – 00144 Rome (Italy)
International Power Luxembourg Finance Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power Luxembourg Holdings Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power Turkish Wind Holdings Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
International Power Uch Holdings B.V.	Grote Voort 291, 8041 BL Zwolle, Netherlands
IPM (Borelli) Limited	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 2017**

21. Indirectly held subsidiaries (continued)

IPM Energy Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
IPM Energy Trading Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
IPM Holdings (UK) Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
IPM Marketing and Services Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
IPM Operations and Maintenance Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
IPR Turkey (No. 1) Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
IPR Turkey (No. 2) Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
IPSO Holdings BSC(c)	Suite 11, Building 49, Road 2701, Block 327, Manama/Ai Adliya, Bahrain
ITM O&M Company Limited	PO Box 212, St Martins House, Le Bordage, GY1 4JE, ST PETER PORT, Guernsey
Kinskuch Lake Hydro General Partner Inc.	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada
Kinskuch Lake Hydro Limited Partnership	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada
Kintyre Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Labrador Ventus GP Inc.	c/o Stewart McKelvey, 100 New Gower St., Cabot Place, Suite 1100, PO Box 5038 St. John's, Newfoundland A1C 6K3, Canada
Labrador Ventus Limited Partnership	c/o Stewart McKelvey, 100 New Gower St., Cabot Place, Suite 1100, PO Box 5038 St. John's, Newfoundland A1C 6K3, Canada
Levanto Structured Energy (Lux) S.a.r.l.	65, Avenue de la Gare, 1611 Luxemburg, Luxemburg
Maple Creek West Wind Inc.	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada
Mirador Holdings B.V.	Grote Voort 291, 8041 BL Zwolle, Netherlands
Nant y Ffrith Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Nigg Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Normantrail (UK Co 3) Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
North Galloway Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
North Lanarkshire Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
North Yorkshire Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Nottinghamshire Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Parque Eolico da Serra Do Ralo S.A.	Lugar de S. Cornélio, Vie-entre-Vinhas, CELORICO DA BEIRA
Parque Eolio de Mourisca S.A	Avenida 23 de Julho, Freguesia de Almofala, CASTRO DAIRE
Parque Eolio de Nave S.A.	Subestação do Parque Eólico de Nave, Estrada Municipal 1169, Cascano, Vila Cova à Coelheira, VILA NOVA DE PAIVA, Portugal

INTERNATIONAL POWER CONSOLIDATED HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

21. Indirectly held subsidiaries (continued)

Parque Eólico Terras Altas de Fafe	Subestação do Parque Eólico Terras Altas, Lagoa, Freguesia de Várzea Cova, Nações, F. de Sta. Maria dos Olivais, FAFE, Portugal
Portugen Energia S.A.	Central de Ciclo Combinado da Tapada do Outeiro, Broalhos, 4515-430, MEDAS, Portugal
Rugeley Power Generation Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
Rugeley Power Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
Scotia Wind (Craigengelt) Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
Saltend Operations Company Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
Sober Hill Wind Farm Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
South Yorkshire Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Stevenson Hill Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Swindon Power Technical Services Limited	Level 20, 25 Canada Square, London E14 5LQ, United Kingdom
Todd Hill Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Tractebel Management Inc.	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada
Tractebel Windsor Power LP	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada
Uch II Power (Private) Limited	#48, Khayaban-e-Iqbal (Main Margalla Road), F-7/2, ISLAMABAD, Pakistan
UPLHC I LDC	One Capital Place P.O.Box 847 KY1-1103 Grand Cayman, Cayman Islands
UPLHC II LDC	One Capital Place P.O.Box 847 KY1-1103 Grand Cayman, Cayman Islands
Viewfield Wind GP Inc	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada
Viewfield Wind LP Inc	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada
West Windsor Power	105 Commerce Valley Drive West, Suite 410 Markham, ON L3T7W3, Canada
Wrexham Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Ynni Gwynt Maldwyn Cyf	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Ynys Mon Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Ystalyfera Wind Energy Limited	Mynydd Awel, Mold Business Park, Maes Gwern, Mold, CH17 1XN, United Kingdom
Yudinn Energy Inc.	Box 150, Chisasibi, Quebec J0M1E0, Canada
Yudinn Energy Limited Partnership	Box 150, Chisasibi, Quebec J0M1E0, Canada

i An unlimited company

ii The subsidiary was placed into liquidation on 22 November 2016

iii The subsidiary was placed into liquidation on 26 June 2018

iv The subsidiary was placed into liquidation on 4 June 2018