

Horizon Nuclear Power Services Limited

Annual Report and Financial Statements
for the year ended 31 March 2017



Registered Number 06812099

Horizon Nuclear Power Services Limited

Annual Report and Financial Statements for the year ended 31 March 2017

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Directors

Stephen Gomersall
Duncan Hawthorne
Sang Hoon Lee
Katsumi Nagasawa
Timothy Stone
Masahide Tanigaki

Company Secretary

James Jones

Auditor

Ernst & Young LLP
The Paragon
Counterslip
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BS1 6BX

Registered Office

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1420 Charlton Court
Gloucester Business Park
Gloucester GL3 4AE

Horizon Nuclear Power Services Limited

Strategic report for the year ended 31 March 2017

Principal activities and review of the business, including subsequent events

Principal Activities

Horizon Nuclear Power Services Limited ("Horizon" or the "Company") is incorporated and domiciled in the UK. The principal activity of the Company is to provide support to the affiliate companies; Horizon Nuclear Power Limited, Horizon Nuclear Power Oldbury Limited, Horizon Nuclear Power Wylfa Holdings Limited and Horizon Nuclear Power Wylfa Limited (together "the Group"). The Company is a fully owned subsidiary of Horizon Nuclear Power Limited (the "Shareholder").

Review of business

Throughout the year, the Company has continued to provide support for the development and preparatory work relating to the sites at Wylfa and Oldbury, owned respectively by its associate companies Horizon Nuclear Power Wylfa Limited and Horizon Nuclear Power Oldbury Limited, towards obtaining the necessary consents to construct and operate new nuclear power plants.

Going forward, the Company will continue to provide support to the development of the sites at Wylfa and Oldbury, as well as providing support to any alternative low carbon electricity generation in which the Group may invest.

Duncan Hawthorne, joined the Company as Chief Executive Officer in May 2016 having previously been CEO of Bruce Power, where he ran one of the world's largest nuclear power plants. He is an internationally known and widely respected nuclear industry leader and Former Chairman of the World Association of Nuclear Operators.

A significant reorganisation of the business resulted in a stronger focus on delivery of the project goals.

To help develop its future operational workforce, the Company launched its own technical apprenticeship scheme with a first intake of ten apprentices. A second tranche of up to 12 apprentices will join the Company in 2017.

Subsequent events following the reporting period end

Under the terms of a share purchase agreement entered into on 15th May 2017, the entire share capital of Horizon Nuclear Power Services Limited was transferred from Horizon Nuclear Power Limited to Horizon Nuclear Power Wylfa Holdings Limited. As consideration for the transfer, Horizon Nuclear Power Wylfa Holdings Limited allotted 8,398,001 ordinary shares of £1.00 fully paid to Horizon Nuclear Power Limited. Under the terms of a share purchase agreement entered into on 16th May 2017, the entire share capital of Horizon Nuclear Power Services Limited was transferred from Horizon Nuclear Power Wylfa Holdings Limited to Horizon Nuclear Power Wylfa Limited. As consideration for the transfer, Horizon Nuclear Power Wylfa Limited allotted 8,398,001 ordinary shares of £1.00 fully paid to Horizon Nuclear Power Wylfa Holdings Limited.

Key Performance Indicators

The principal key performance indicators the Company applies to manage its activities are cost optimisation and programme management against development milestones. Cost optimisation is managed by the Company's Commercial and Finance departments. Programme management milestones are set at the start of each financial year and reviewed on a regular basis.

Horizon Nuclear Power Services Limited

Strategic report for the year ended 31 March 2017 (continued)

Risk and Risk Management

We recognise the need for risk management in order to support the achievement of Horizon's strategy, and adopt best practice and appropriate corporate codes. The identification and management of key risks for Horizon is achieved through a risk register which is updated and reviewed on a regular basis. This ensures that the prioritised risks are focused on, mitigating actions are feasible and effective and the residual risk is appropriate. A Risk & Audit Committee meets on a quarterly basis to review the priority risks raised and to ensure that the risk processes are maturing to reflect the complexity and maturity of the Horizon organisation. The committee is mandated by appropriate Terms of Reference in order to fulfil its remit set by the Board of Directors. Key risks faced by Horizon are predominately from Political, Economic, Societal and Regulatory sources of risk. The risk process is an iterative process that continually assesses the dynamic risk environment faced by Horizon and there may be additional risks that are unknown and could have a positive (opportunity) or adverse (threat) effect on Horizon in meeting its strategy.

In addition, the directors have identified the need to manage the Company's material financial risks, which are principally around cash flow and liquidity management. These risks are monitored by the Finance function which develops cash flow forecasts and funding schedules for the Company. The Company is funded by its Shareholder, which is itself funded by Hitachi, Limited (the "Ultimate Shareholder").

The Company's cash position is expected to satisfy any short-term liquidity requirements.

Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability. No assets or liabilities at the end of the year are deemed to carry a significant cash flow risk.

The Company currently does not have any significant credit or market risks, and is exposed to limited foreign exchange risk in the normal course of business.

Financial position

The Company recorded a profit after tax of £1,957k during the year covered by these financial statements (2016: profit of £3,070k). The Company's total asset position as at 31 March 2017 was £29,757k (2016: £27,134k).

Distributions, capital raising and share repurchases

The Company has not issued any shares during the year.

The directors do not propose a dividend for the year ended 31 March 2017 (2016: nil).

Capital management

Capital comprises equity attributable to the parent company. The current primary objective of the Company's capital management is to ensure the Company is adequately funded to meet its financial obligations as they fall due.

Horizon Nuclear Power Services Limited

Strategic report for the year ended 31 March 2017 (continued)

The Strategic Report on pages 2 - 4 was approved by the Board of Directors on 27 June 2017 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'SML-2', is written over the printed name and title.

Sang Moon Lee
Director
27 June 2017

Horizon Nuclear Power Services Limited

Directors' report for the year ended 31 March 2017

The directors present their report and the audited financial statements of the Company for the year ended 31 March 2017.

Going concern basis

Under its cost plus service agreement with Horizon Nuclear Power Wylfa Limited, the Company will be recovering all costs from Horizon Nuclear Power Wylfa Limited for the foreseeable future. Horizon Nuclear Power Wylfa Limited is itself funded by the Ultimate Shareholder, therefore the Company will be able to meet its financial obligations and liabilities as they fall due for at least the forthcoming twelve months from the date of approval of these financial statements. Accordingly, the directors are satisfied that the going concern basis remains appropriate for the preparation of the financial statements.

Political donations

No political donations were made by the Company during the year (2016: nil).

Employees

The number of employees within the Company at the end of the year was 276 (2016: 321). The reduction was a result of an organisational restructuring designed to ensure that the capability of the organisation continues to align with business objectives in each phase of the Group's development.

Disabled Employees

The Company ensures that full consideration is given within the recruitment process to applications for employment from disabled persons where the candidate's aptitudes and abilities adequately meet the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion. Where existing employees become disabled, the Company will endeavour to provide continuing employment wherever practicable, in the same or an alternative position and to provide appropriate training to achieve this aim.

Subsequent events following the reporting period end

Under the terms of a share purchase agreement entered into on 15th May 2017, the entire share capital of Horizon Nuclear Power Services Limited was transferred from Horizon Nuclear Power Limited to Horizon Nuclear Power Wylfa Holdings Limited. As consideration for the transfer, Horizon Nuclear Power Wylfa Holdings Limited allotted 8,398,001 ordinary shares of £1.00 fully paid to Horizon Nuclear Power Limited. Under the terms of a share purchase agreement entered into on 16th May 2017, the entire share capital of Horizon Nuclear Power Services Limited was transferred from Horizon Nuclear Power Wylfa Holdings Limited to Horizon Nuclear Power Wylfa Limited. As consideration for the transfer, Horizon Nuclear Power Wylfa Limited allotted 8,398,001 ordinary shares of £1.00 fully paid to Horizon Nuclear Power Wylfa Holdings Limited.

Future developments

The future developments of the Company are presented in the Strategic Report.

Horizon Nuclear Power Services Limited

Directors' report for the year ended 31 March 2017 (continued)

Directors and their interests

The directors who held office during the year and to the date of this report were:

Stephen Gomersall
Duncan Hawthorne
Sang Hoon Lee
Katsumi Nagasawa
Timothy Stone
Masahide Tanigaki
Tatsuro Ishizuka (resigned on 30 June 2016)

None of the directors has any interest in the shares of the Company or its shareholder.

Statement of Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 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.

In accordance with Section 418, each director in office at the date the directors' report is approved, confirms that:

(a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

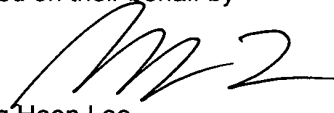
Horizon Nuclear Power Services Limited

Directors' report for the year ended 31 March 2017 (continued)

Independent auditors

Ernst & Young LLP have indicated their willingness to continue as auditors of the Company and to remain in office subject to the approval of the directors.

The Directors' Report on pages 5 - 7 was approved by the Board of Directors on 27 June 2017 and signed on their behalf by



Sang Hoon Lee
Director
27 June 2017

Independent auditor's report to the members of Horizon Nuclear Power Services Limited

We have audited the financial statements of Horizon Nuclear Power Services Limited for the year ended 31 March 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statements of Changes in Equity, the Statement of Cash Flow and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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.

Respective responsibilities of directors and auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- ▶ have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- ▶ have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditor's report to the members of Horizon Nuclear Power Services Limited (continued)

Opinion on other matter 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.
- ▶ 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 light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Strategic Report or Directors' Report.

We have nothing to report in respect of the following matters where 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.



Jane Barwell (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol

Date: 29 June 2017

Horizon Nuclear Power Services Limited

Statement of comprehensive income for the year ended 31 March 2017

	<i>Note</i>	2017 £'000	2016 £'000
Revenue		85,925	60,455
Staff costs	2	(31,793)	(24,898)
Operating costs	3	(47,428)	(31,691)
Exceptional operating costs	4	(4,010)	-
Operating profit		2,694	3,866
Finance income	6	23	30
Foreign exchange gain		9	5
Loss on asset disposal		(615)	(26)
Other non-operating income		-	2
Profit before tax on ordinary activities		2,111	3,877
Tax expense on ordinary activities	7	(154)	(807)
Profit for the period, attributable to equity shareholders		1,957	3,070
Actuarial (loss)/gain on defined benefit pension scheme	17	(2,056)	650
Deferred tax on defined benefit pension scheme	8	315	(139)
Current tax on defined benefit pension scheme		53	-
Total other comprehensive (loss)/gain for period		(1,688)	511
Total comprehensive income for the year, attributable to equity shareholders		269	3,581

All amounts relate to continuing operations.

The notes on pages 14 to 37 form an integral part of these financial statements.

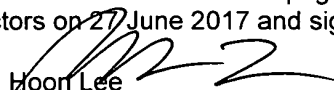
Horizon Nuclear Power Services Limited

Statement of financial position as at 31 March 2017

	Note	2017 £'000	2016 £'000
Assets			
Non-current assets			
Property, plant and equipment	9	7,227	8,265
Intangible assets	10	2,099	3,990
Deferred tax asset	8	724	511
Retirement benefit asset	17	-	319
		10,050	13,085
Current assets			
Trade and other receivables	11	8,701	6,104
Cash and cash equivalents		11,006	7,945
		19,707	14,049
Total assets		29,757	27,134
Equity and liabilities			
Equity attributable to shareholders			
Share capital	12	8,398	8,398
Retained earnings		7,279	7,010
Total equity		15,677	15,408
Liabilities			
Non-current liabilities			
Retirement benefit obligations	17	1,479	-
Provisions	15	123	39
		1,602	39
Current liabilities			
Trade and other payables	13	12,411	11,082
Provisions	15	67	605
		12,478	11,687
Total liabilities		14,080	11,726
Total equity and liabilities		29,757	27,134

The notes on pages 14 to 37 form an integral part of these financial statements.

The financial statements on pages 10 to 37 were approved and authorised for issue by the Board of Directors on 27 June 2017 and signed on their behalf by


Sang Hoon Lee
Director
27 June 2017

Horizon Nuclear Power Services Limited
Registered Number: 06812099

Horizon Nuclear Power Services Limited

Statement of changes in equity for the year ended 31 March 2017

	<i>Note</i>	Share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 31 March 2016		8,398	7,010	15,408
Total comprehensive income for the year		-	269	269
Balance at 31 March 2017		8,398	7,279	15,677

Comparative figures are shown below for the twelve months to 31 March 2016.

	<i>Note</i>	Share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 31 March 2015		8,398	3,429	11,827
Total comprehensive income for the year		-	3,581	3,581
Balance at 31 March 2016		8,398	7,010	15,408

The notes on pages 14 to 37 form an integral part of these financial statements.

Horizon Nuclear Power Services Limited

Statement of cash flow for the year ended 31 March 2017

	2017 £'000	2016 £'000
Cash flows from operating activities		
Operating profit	2,694	3,866
Depreciation	1,323	1,262
Amortisation	1,436	905
Defined benefit service cost	552	855
Payment to defined benefit pension scheme	(809)	(933)
Increase in receivables	(2,597)	(1,934)
Increase in payables	1,338	3,461
(Decrease)/Increase in provisions	(454)	94
Taxation (paid)/refunded	-	26
Net cash generated from operating activities	3,483	7,602
Cash flows from investing activities		
Purchase of property, plant and equipment	(294)	(7,233)
Purchase of intangible assets	(151)	(2,398)
Other loss on disposals	-	(26)
Interest income	23	30
Other non-operating income	-	2
Net cash used in investing activities	(422)	(9,625)
Net cash generated from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	3,061	(2,023)
Cash and cash equivalents at beginning of period	7,945	9,968
Cash and cash equivalents at end of period	11,006	7,945

The notes on pages 14 to 37 form an integral part of these financial statements.

Comparative figures are shown for the twelve months to 31 March 2016.

Some amounts in the statement of cash flows were reclassified to conform to the current year presentation.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017

1 Accounting policies

Horizon Nuclear Power Services Limited is a private company limited by shares incorporated and domiciled in the UK.

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

These financial statements provide financial data for the year ended 31 March 2017.

Basis of preparation

These financial statements are prepared on a going concern basis, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and International Financial Reporting Interpretations Committee (IFRIC) interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed on page 18.

Going concern basis

Following implementation of the cost plus service agreement with Horizon Nuclear Power Wylfa Limited, the Company will be recovering all costs from Horizon Nuclear Power Wylfa Limited for the foreseeable future. Horizon Nuclear Power Wylfa Limited is itself funded by the Ultimate Shareholder, therefore the Company will be able to meet its financial obligations and liabilities as they fall due for at least the forthcoming twelve months from the date of approval of these financial statements.

Accordingly, the directors are satisfied that the going concern basis remains appropriate for the preparation of the financial statements.

Foreign currency translation

The financial statements are presented in sterling, which is the Company's functional currency and the Shareholder's presentation currency. All values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

Foreign currency transactions are recorded at the exchange rate prevailing at the date of the transaction or valuation, where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income within other expenses.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

1 Accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are shown at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items and is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Freehold land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over the estimated useful lives of the assets.

Ranges of estimated useful lives are as follows:

Fixtures and Fittings	5 years
IT equipment	3 years

Intangible assets

Software purchased or developed by the Company for own use is capitalised as an intangible asset at cost and amortised over its estimated useful life using the straight line method, usually considered to be 3 years.

Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at fair value and if there is objective evidence that the Company will not collect the full amount of the receivable, this is recognised through the statement of comprehensive income. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Cash and cash equivalents

Cash and cash equivalents represent cash in hand and at bank and cash held to the Company's order within its agents' accounts, for example solicitors and land agents.

Share capital

Ordinary shares are classified as equity.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

1 Accounting policies (continued)

Recharge services to Horizon Group companies

The Company has a service agreement to provide power station project delivery services and general and administrative services to another company within the Horizon Group, Horizon Nuclear Power Wylfa Limited, on a cost plus basis, effective from 1 April 2013. Ongoing costs are recharged on a monthly basis.

Other external costs incurred that specifically related to another Group company were passed through to that company at cost. These are shown within operating costs.

Current and deferred income tax

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the reporting period end date in the United Kingdom. Management periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting period end date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax liabilities are not recognised if the temporary difference arises from goodwill.

Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as *operating leases*. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

1 Accounting policies (continued)

Financial instruments

The Company classifies its financial instruments into the following categories:

- Loans and receivables
- Derivative instruments
- Financial assets available for sale
- Liabilities at amortised cost

The classification is dependent on the purpose for which the financial asset is acquired or liability incurred. Management determines the classification of its financial assets or financial liabilities at the time of the initial recognition and re-evaluates such designation at least at each reporting date.

On initial recognition, financial instruments are measured at fair value plus, in the case of financial instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent measurement is recognised directly through profit and loss.

The company has elected to not apply hedge accounting as prescribed in IAS 39, Financial Instruments Recognition and measurement.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

1 Accounting policies (continued)

Recent accounting developments

At the date of authorisation of the financial statements of Horizon Nuclear Power Limited for the year ended 31 March 2017, the following Standards and Interpretations relevant to the business of the Group were in issue but not yet effective:

Standard/Interpretation		Effective date
IFRS 9 Financial Instruments (issued in 2010)	May early adopt	Annual periods beginning on or after 1 January 2018
Amendments to IFRS 7 and IFRS 9 Mandatory Effective Date and Transition Disclosures	May early adopt	Annual periods beginning on or after 1 January 2018
Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39	May early adopt	Annual periods beginning on or after 1 January 2018
IFRS 15 Revenue from Contracts with Customers	May early adopt	Annual periods beginning on or after 1 January 2018
IFRS 9 Financial Instruments (issued in 2014)	May early adopt	Annual periods beginning on or after 1 January 2018
IFRS 16 Leases	May early adopt	Annual periods beginning on or after 1 January 2019
Amendments to IAS 12 - Recognition of Deferred Tax Assets for Unrealised Losses	May early adopt	Annual periods beginning on or after 1 January 2017
Amendments to IAS 7 - Disclosure Initiative	May early adopt	Annual periods beginning on or after 1 January 2017

The Company has considered the above new standards, interpretations and amendments to published standards that are not yet effective. The Company has concluded that they are either not relevant to the Company or that they would not have a significant impact on the Company's financial statements.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

1 Accounting policies (continued)

Employee benefit costs

The Company provides a defined benefit scheme for employees of the Company that were in a defined benefit scheme with the previous shareholders. For all other employees, the Company provides a defined contribution scheme.

Details of the defined benefit scheme are set out in note 17. The defined contribution scheme allows employee contributions of between 3%, and 6% with the Company doubling these to a maximum employer contribution of 12% of pensionable salary. Company contributions to the defined contribution plan are disclosed in note 2.

Financial risk factors

Details about the Company's assessment of financial risk factors are included within the Strategic Report on page 3.

Significant accounting estimates and judgements

Preparation of financial statements pursuant to IFRS requires assumptions and estimates to be made, which have an impact on the recognised value of the assets and liabilities carried on the statement of financial position, on income and expenses, and on the disclosure of contingent liabilities.

All assumptions and estimates are based on the circumstances and forecasts prevailing on the reporting period end date. Although management uses its best estimates and judgements, actual results could differ from these estimates as future confirming events occur. The judgements, estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below.

Recoverability of deferred income tax asset

The Company has recorded a deferred income tax asset in its financial statements which requires judgement for determining the extent of its recoverability at each balance sheet date. Management assesses recoverability with reference to approved forecasts of future taxable profits. These forecasts require the use of assumptions and estimates.

Defined benefit pension plan

The Company has recognised a liability for defined benefit pension plan in the amount of £1,479k (2016: £319k asset). A number of assumptions are made in order to calculate the liability, including discount rate, rate of return on plan assets, future salary and pension increases. A relatively minor change in any of these assumptions can have a significant impact on the carrying amount of the defined benefit obligation.

Provisions

The Company has recognised provisions for dilapidations in its financial statements which requires management to make judgements. The judgements, estimates and associated assumptions necessary to calculate these provisions are based on historical experience and other reasonable factors.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

2 Staff costs, directors' emoluments and key management remuneration

(a) Staff costs

	2017 £'000	2016 £'000
Wages and salaries	25,956	20,118
Social security costs	2,974	2,256
Other pension costs	2,230	2,239
Other staff costs	633	285
Total staff costs	31,793	24,898

Pension costs comprise employer contributions to a defined contribution pension scheme of £1,678k (2016: £1,384k) and the employer service cost in relation to the Company's defined benefit scheme of £552k (2016: £855k).

Following the advice of the Scheme trustee, and in addition to normal monthly employer contributions, the Company made top up contributions to its defined benefit pension scheme during the year of £249k (2016: £125k) (note 17).

Average number of employees during the year	312	291
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All staff employed are office staff (2016: all office).

The Company employs a number of contractors to fill key roles while recruitment of permanent staff is underway. The average number of contractors employed during the year ended 31 March 2017 was 61 (2016: 52) with a total cost of £7,462k (2016: £5,742k).

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

2 Staff costs, directors' emoluments and key management remuneration (continued)

(b) Directors' emoluments and key management remuneration

One of the directors is employed by the Company and received remuneration during the financial year. The non-executive director received a fee of from the Company during the year. The costs of both of their services are fully recharged to Horizon Nuclear Power Wylfa Limited as it is not practical to separately identify their service costs to this company. Remaining directors' salaries are paid by the other Hitachi group companies and it is not practicable to separately allocate the value of their services to the Company.

Key management remuneration is as follows:

	2017 £'000	2016 £'000
Short term employee benefits	7,755	2,794
Pensions and other post-retirement benefits	128	218
Total remuneration	7,883	3,012

Short term employee benefits comprise salary and benefits earned during the year, including bonuses payable within 12 months of the reporting date.

Pensions and other post-retirement benefits comprise the estimated cost to the Company of providing pension benefits to key management in respect of the current year of service.

There are no other transactions with the directors or key management employees or companies in which they have significant influence.

Horizon Nuclear Power Services pays Hitachi Europe Limited for a number of services which include support for key management meetings. Further details are provided in note 16.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

3 Operating costs

	2017 £'000	2016 £'000
Depreciation	1,323	1,262
Amortisation	1,436	905
Operating lease costs	985	1,054
Other expenses	43,684	28,470
Total operating costs	47,428	31,691

4 Exceptional operating costs

	2017 £'000	2016 £'000
Restructuring costs	4,010	-
Total exceptional operating costs	4,010	-

During the financial year ended 31 March 2017, exceptional operating costs were recognised an organisational restructuring designed to ensure that the capability of the organisation continues to align with business objectives in each phase of the Company's development (2016: Nil).

5 Auditors remuneration

	2017 £'000	2016 £'000
Fees payable to the Company's auditor for the audit of the financial statements	13	13

6 Finance income

	2017 £'000	2016 £'000
Finance income, being interest on deposits	23	30
Finance income	23	30

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

7 Tax expense on ordinary activities

	2017 £'000	2016 £'000
Current tax on profit	52	-
Deferred tax charge	(3)	801
Deferred tax prior year adjustment	80	(57)
Effect of changes in tax rates	25	63
Tax charge	154	807

The tax (credit)/charge is lower than (2016: higher than) the standard rate of corporate tax in the UK of 20% (2016: 20%). The differences are reconciled below.

	2017 £'000	2016 £'000
Profit before tax	2,111	3,877
Tax charge calculated at the standard rate of corporation tax of 20% (2016: 20%)	422	786
Tax effects of:		
Non-deductible expenses	-	31
Impact of recognising deferred tax at a different rate	25	63
Adjustment in respect of prior periods	80	(57)
Pension adjustment	-	(16)
Effects of group relief/ other reliefs	(373)	-
Tax charge	154	807

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 (on 26 October 2015) and 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. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

8 Deferred taxation

The Company recognises a deferred tax asset as described below.

	2017 £'000	2016 £'000
Deferred taxation:		
Accelerated capital allowances	463	501
Tax losses	-	66
Other temporary differences	261	(56)
	724	511
Movement in deferred tax provision	2017 £'000	2016 £'000
Deferred tax at beginning of year	511	1,457
Deferred tax charge to income statement	(102)	(807)
Deferred tax credit/(charge) to other comprehensive income	315	(139)
Deferred tax asset at end of year	724	511

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

9 Property, plant and equipment

	Fixtures and fittings £'000	IT equipment £'000	Total £'000
Cost			
Balance at 31 March 2016	8,056	4,875	12,931
Additions	28	71	99
Transfers	-	195	195
Disposals	-	(9)	(9)
Balance at 31 March 2017	8,084	5,132	13,216
Accumulated Depreciation			
Balance at 31 March 2016	(1,276)	(3,390)	(4,666)
Charge for the year	(727)	(596)	(1,323)
Disposals	-	-	-
Balance at 31 March 2017	(2,003)	(3,986)	(5,989)
Net book value			
Balance at 31 March 2016	6,780	1,485	8,265
Balance at 31 March 2017	6,081	1,146	7,227

Transfers relate to costs reallocated from Software.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

9 Property, plant and equipment (continued)

Comparative figures are shown below for the twelve months to 31 March 2016.

	Fixtures and fittings £'000	IT equipment £'000	Total £'000
Cost			
Balance at 31 March 2015	4,556	4,011	8,567
Additions	5,975	1,258	7,233
Disposals	(2,475)	(394)	(2,869)
Balance at 31 March 2016	8,056	4,875	12,931
Accumulated Depreciation			
Balance at 31 March 2015	(2,787)	(3,460)	(6,247)
Charge for the period	(950)	(312)	(1,262)
Disposals	2,461	382	2,843
Balance at 31 March 2016	(1,276)	(3,390)	(4,666)
Net book value			
Balance at 31 March 2015	1,769	551	2,320
Balance at 31 March 2016	6,780	1,485	8,265

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

10 Intangible assets

	Software £'000	Total £'000
Cost		
Balance at 31 March 2016	5,931	5,931
Additions	346	346
Transfers	(195)	(195)
Disposal	(704)	(704)
Balance at 31 March 2017	5,378	5,378
Amortisation		
Balance at 31 March 2016	(1,941)	(1,941)
Charge for the year	(1,436)	(1,436)
Disposal	98	98
Balance at 31 March 2017	(3,279)	(3,279)
Net book value		
Balance at 31 March 2016	3,990	3,990
Balance at 31 March 2017	2,099	2,099

Transfers relate to costs reallocated to IT equipment.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

10 Intangible assets (continued)

Comparative figures are shown below for the twelve months to 31 March 2016.

	Software £'000	Total £'000
Cost		
Balance at 31 March 2015	3,598	3,598
Additions	2,398	2,398
Disposal	(65)	(65)
Balance at 31 March 2016	5,931	5,931
Amortisation		
Balance at 31 March 2015	(1,101)	(1,101)
Charge for the year	(905)	(905)
Disposal	65	65
Balance at 31 March 2016	(1,941)	(1,941)
Net book value		
Balance at 31 March 2015	2,497	2,497
Balance at 31 March 2016	3,990	3,990

11 Trade and other receivables

	2017 £'000	2016 £'000
Amounts due from related parties (see note 16)	6,960	4,190
Other prepayments	135	518
Other receivables	1,606	1,396
Trade and other receivables	8,701	6,104

The other receivables within trade and other receivables do not contain impaired assets.

The fair values of cash and short term deposits, trade receivables, other receivables, trade payables and other current liabilities approximate to their carrying value, largely because of their short term nature.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

12 Share capital

	Number of shares issued '000	Ordinary shares £'000
Balance at 31 March 2016 and at 31 March 2017	8,398	8,398

Comparative figures are shown below for the twelve months to 31 March 2016.

	Number of shares issued '000	Ordinary shares £'000
Balance at 31 March 2015 and 31 March 2016	8,398	8,398

The total authorised number of ordinary shares is 1,000,000,000 shares of £1.00 each. The issued and paid ordinary share capital is 8,398,001 shares.

13 Trade and other payables

	2017 £'000	2016 £'000
Trade payables due to third parties	1,200	1,154
Amount due to related parties (note 16)	419	1,136
Accrued expenses	10,767	8,747
Other payables	25	45
Trade and other payables	12,411	11,082

The fair values of cash and short term deposits, trade receivables, other receivables, trade payables and other current liabilities approximate to their carrying value, largely because of their short term nature.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

14 Commitments and contingent liabilities

The Company has the following commitments:

(a) Operating lease commitments:

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 £'000	2016 £'000
Within one year	1,260	1,263
In the second to fifth year inclusive	3,966	3,974
in more than five years	8,434	9,469
Total lease commitments	13,660	14,706

Operating lease payments represent rentals payable by the Company for its headquarter buildings.

The lease for a new headquarter building was entered into on 24 December 2015 (with a term effective from 12 October 2015 for a 15 year term to 11 October 2030). The annual cost is £973k subject to a 5 yearly rent review. The remaining leases for its occupation of 1412, 1414 and 1415 Charlton Court remain in effect subject to group sharing arrangements with Hitachi Nuclear Europe Limited.

The lease expenditure charged to the statement of comprehensive income during the year is disclosed in note 3.

(b) Other contract commitments:

The Company has signed contracts with a company for guarding office locations. These contracts are subject to a 6 month cancellation notice period. The minimum amount payable for the 6 month notice period on cancellation of the contracts is £210k (2016: £270k).

The Company has a three year agreement with an IT provider for the delivery of core infrastructure and a managed IT service. Horizon can terminate for convenience 12 months after the Effective Date, by providing at least 180 days' written notice. The minimum amount payable is £1,845k (2016: £525k).

The Company has entered into a three year agreement with a software provider for software licences. The contract can be terminated on 60 days notice, but existing enrolments continue in force until expiry of the three years. The minimum amount payable is £187k (2016: £nil).

The Company has a facilities caretaking contract which is subject to a 6 month cancellation notice period. The minimum amount payable for the 6 month cancellation period is £120k (2016: £100k).

The Company has a catering contract for the canteen area in the office building. This is subject to a 6 month cancellation notice period. The minimum amount payable for the 6 month cancellation period is £21k (2016: £21k).

The Company has a contract with a professional project finance individual with a commitment of £162k (2016: £162k).

The Company has entered into a number of memberships which are non-cancellable. The minimum amount payable in relation to these memberships is estimated to be £2,506k (2016: £177k).

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

15 Provisions

	Dilapidation provision £'000
At 31 March 2016	
Current	605
Non-current	39
	<hr/> 644
Charged to income statement	84
Unused amounts reversed	(208)
Utilised	(330)
	<hr/>
At 31 March 2017	190
Analysed as:	
Current	67
Non-current	123
	<hr/>
	190
	<hr/>

This provision is to cover dilapidation costs payable upon vacation of premises.

16 Related party transactions

The Company has a Service fee agreement with its affiliate, Horizon Nuclear Power Wylfa Limited. Under the terms of the agreement the Company provides nuclear power station project delivery costs and general and administrative service costs to Horizon Nuclear Power Wylfa Limited on a cost plus basis.

The Company has contracted with Hitachi Europe Limited for the provision of business support services including accounting, HR, financial systems data hosting and management support, and the Company has received consultancy from Hitachi Consulting UK Limited.

Other related party transactions relate to cash balance transfers and direct cost recharges.

Transactions between related parties are on an arms' length basis under normal commercial terms. Payables to non-Horizon Group companies are normally due within 30 days of invoice date. Payables and receivables between Horizon Group companies do not normally have fixed payment dates, with the exception of the service fee charge to Horizon Nuclear Power Wylfa Limited, which is payable within 30 days of invoice date.

The Company considers that key management are also related parties. Disclosures in relation to key management remuneration are included in note 2.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

16 Related party transactions (continued)

	2017 £'000	2016 £'000
<i>Value of costs charged by/transfers from related parties during the year:</i>		
- from Hitachi Europe Limited – provision of services	3,060	2,724
- from Hitachi Consulting UK Limited	543	120
- from Hitachi GE Nuclear Energy Limited	89	-
- Hitachi Limited	3	-
 <i>Value of costs transferred during the year:</i>		
- to Horizon Nuclear Power Oldbury Limited	18	128
- to Horizon Nuclear Power Wylfa Limited	85,925	59,015
- to Horizon Nuclear Power Limited	35	34
- to Horizon Nuclear Power Wylfa Holdings Limited	6	-
 <i>Period-end balances due from:</i>		
- Horizon Nuclear Power Oldbury Limited	2,485	657
- Horizon Nuclear Power Wylfa Limited	4,361	3,459
- Horizon Nuclear Power Limited	102	68
- Horizon Nuclear Power Wylfa Holdings Limited	12	6
 <i>Period-end balances due to:</i>		
- Hitachi Europe Limited	395	907
- Hitachi Consulting UK Limited	24	229

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

17 Retirement benefit obligations

Employee defined benefit pension costs

For some employees, the Company operates a funded pension plan providing benefits based on final pensionable pay. The Company has established a ring fenced section in the Prudential Platinum Pension Scheme (the "Scheme") for this purpose. The assets of the Scheme are held in a separate trustee administered fund.

The results of an actuarial valuation were updated to the accounting date by an independent qualified actuary in accordance with IAS19. The discount rate is based on the yields on AA rated sterling corporate bond yields at the reporting date.

The pensioner mortality tables adopted are 100% of the S2NA standard mortality tables and long-term improvement rates in line with the "CMI 2015" projections with a long term annual improvement rate of 1.25% based on each member's actual date of birth.

Contributions are set based on funding valuations carried out at least every three years. The funding target for the Scheme is set for the scheme to hold assets equal in value to the accrued benefits based on projected salaries. At the last valuation as at 31 December 2013, a deficit was revealed which means that the Company currently pays deficit contributions of around £250,000 pa towards this.

There is a risk to the Company that adverse experience could lead to a requirement for the Company to make additional contributions to recover any further deficit that arises.

The estimated amount of employer contributions expected to be paid to the Scheme during 2017/18 is £700k (2016/17 actual: £810k). These contributions include the deficit contributions referred to above, as well as regular contributions towards ongoing accrual of benefits and the premiums for insured benefits on death-in-service. However, they exclude member contributions paid by the Company through salary sacrifice.

The weighted average duration of the projected accrued benefit payments is 25 years.

Remeasurements are recognised immediately through other comprehensive income.

Amounts recognised in the statement of comprehensive income during the year in respect of the Scheme are as follows:

	2017 £'000	2016 £'000
Employer's part of current service cost	630	862
Past service credit	(50)	-
Net interest credit	(28)	(7)
Total expense recognised in statement of comprehensive income	552	855

The estimated total service cost for the financial year ending 31 March 2018 is £665k.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

17 Retirement benefit obligations (continued)

The amounts to be recognised immediately in other comprehensive loss are as follows:

	2017 £'000	2016 £'000
Actuarial losses/(gains)	2,056	(650)
Amount to recognise in other comprehensive loss/(income)	2,056	(650)
The cumulative amount of actuarial losses recognised in other comprehensive loss is:	3,602	1,546

Other key assumptions used:

	Actual 2017	Actual 2016
Principal actuarial assumptions:		
Retail Price Inflation	3.2%	3.0%
Consumer price inflation	2.1%	2.0%
Discount rate	2.5%	3.6%
Pension increases in payment (LPI 5%)	3.1%	2.9%
General salary increases	3.2%	3.5%
Life expectancy of male/female aged 60 in 2017	27/30 yrs.	28/30 yrs.
Life expectancy of male/female aged 60 in 2037	29/32 yrs.	30/32 yrs.

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

17 Retirement benefit obligations (continued)

Sensitivities to changes in assumptions and conditions are set out below:

(Decrease)/increase in pension obligation:	2017 £'000
Discount rate + 0.1%	(400)
Retail price inflation assumption + 0.1%	400
Salary assumption + 0.1%	80
Life expectancy + 1 year	450

These sensitivities have been calculated to show the movement in the deferred benefit obligation in isolation, and assuming no other changes in market conditions at the accounting date. In practice the impact of changes to the discount rate or RPI inflation would be likely to be offset to a degree by a change in the fair value of the assets.

The amount included in the statement of financial position arising from the Company's obligations in respect of the Scheme is as follows:

	2017 £'000	2016 £'000
Present value of defined benefit obligation	(15,803)	(11,364)
Fair value of plan assets	14,324	11,683
	<hr/>	<hr/>
(Deficit)/Asset	(1,479)	319
	<hr/>	<hr/>
Net (liability)/asset in statement of financial position	(1,479)	319
	<hr/>	<hr/>

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

17 Retirement benefit obligations (continued)

Reconciliation of present value of plan liabilities	2017 £'000	2016 £'000
Opening defined benefit obligation	11,364	11,064
Employer's part of current service cost	630	862
Interest on plan liabilities	400	364
Contributions by plan participants	114	150
Actuarial losses/(gains) due to:		
Experience on benefit obligation	(61)	7
Changes in financial assumptions	4,102	(1,030)
Changes in demographic assumptions	(171)	-
Benefits paid	(525)	(53)
Past service costs	(50)	-
Closing defined benefit obligation	15,803	11,364
Reconciliation of fair value of plan assets	2017 £'000	2016 £'000
Opening fair value of plan assets	11,683	10,655
Interest on plan assets	428	371
Actual return on plan assets less interest in plan assets	1,814	(373)
Contributions by the employer	810	933
Contributions by plan participants	114	150
Benefit payments	(525)	(53)
Closing fair value of plan assets	14,324	11,683

Horizon Nuclear Power Services Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

17 Retirement benefit obligations (continued)

The current allocation of plan assets is as follows:

	2017 Current Allocation	2017 £'000	2016 Current Allocation	2016 £'000
Index-linked gilts	50%	7,206	50%	5,819
Corporate bonds	49%	7,058	50%	5,864
Insured annuities	1%	60	-	-
Total	100%	14,324	100%	11,683

The plan assets are held exclusively within instruments with quoted market prices in an active market. The plan does not invest in property occupied by the Company or in financial securities issued by the Company.

The investment strategy is set by the trustees of the Scheme with input from the Company. The current strategy is to invest exclusively in index linked gilts and corporate bonds, to mitigate the volatility in the Scheme's funding level due to changes in investment markets.

18 Subsequent events following the reporting period end

Under the terms of a share purchase agreement entered into on 15th May 2017, the entire share capital of Horizon Nuclear Power Services Limited was transferred from Horizon Nuclear Power Limited to Horizon Nuclear Power Wylfa Holdings Limited. As consideration for the transfer, Horizon Nuclear Power Wylfa Holdings Limited allotted 8,398,001 ordinary shares of £1.00 fully paid to Horizon Nuclear Power Limited. Under the terms of a share purchase agreement entered into on 16th May 2017, the entire share capital of Horizon Nuclear Power Services Limited was transferred from Horizon Nuclear Power Wylfa Holdings Limited to Horizon Nuclear Power Wylfa Limited. As consideration for the transfer, Horizon Nuclear Power Wylfa Limited allotted 8,398,001 ordinary shares of £1.00 fully paid to Horizon Nuclear Power Wylfa Holdings Limited.

19 Ultimate parent undertaking

The immediate parent undertaking and smallest group to consolidate these financial statements is Horizon Nuclear Power Limited. Copies of Horizon Nuclear Power Limited consolidated financial statements can be obtained from: Sunrise House, 1420 Charlton Court, Gloucester Business Park, Gloucester, GL3 4AE.

The ultimate parent undertaking and largest group to consolidate these financial statements is Hitachi, Limited incorporated in Japan. Copies of Hitachi, Limited consolidated financial statements can be obtained from: 6-6, Marunouchi 1-Chome, Chiyoda-ku, Tokyo, 100-8280 Japan.