

**ERG Wind Italy 1 Limited Liability Partnership
(formerly IP MAESTRALE ENERGY ITALY 1 LLP)**

Registration No. OC311121

FINANCIAL STATEMENTS

For the year ended 31 December 2012

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ERG Wind Italy 1 Limited Liability Partnership (formerly IP MAESTRALE ENERGY ITALY 1 LLP)

Members' report

The Members present their annual report and audited financial statements of the Limited Liability Partnership (the "Partnership") for the year ended 31 December 2012

Principal activities

The principal activity of the Partnership was, until the 6 November 2012, the generation and sale of electricity in Italy. The average number of Members for the year was two. The Partnership had a branch in Italy which was dissolved on the 15 January 2013.

Business review

During the year ended 31 December 2012, the results for the year and the financial position at the year end were considered satisfactory by the Members in light of the group restructuring activity undertaken. As shown in the profit and loss account on page 5 of the financial statements, the Partnership had turnover during the year ended 31 December 2012 of €4,354,000 (2011: €5,046,000) and made a loss for the year ended 31 December 2012 of €6,749,000 (2011: profit of €102,000). The balance sheet on page 6 of the financial statements shows the Partnership's financial position at the year end. The Members' interests decreased from €19,552,000 to €1,000 at 31 December 2012.

A restructuring of the group to which the Partnership belongs occurred during the year. As part of this restructure the Partnership along with other limited liability partnerships in the group subscribed for shares in a new Italian limited liability company, ERG Wind Energy S r l. On the 29 October 2012 the capital of ERG Wind Energy S r l was increased with each partnership contributing in kind the value of the going concerns of their Italian branches. The going concern value of the Italian branches was established by independent valuation. Subsequently, the investment held by each partnership in ERG Wind Energy S r l was transferred to each partnership's members by return of capital. The Italian branches of the partnerships were then dissolved on 15 January 2013.

On the 5 December 2012, a Share Purchase Agreement was entered into between International Power Consolidated Holdings Limited and ERG S p A related to the disposal by International Power Consolidated Holdings Limited of 80% of the issued share capital in ERG Wind Investments Limited (formerly IP Maestrale Investments Limited). ERG Wind Investments Limited indirectly owned the Partnerships. Subsequent to year end on 13 February 2013, the conditions precedent under the Share Purchase Agreement were satisfied, the sale became effective and the Partnership changed its name to ERG Wind Italy 1 Limited Liability Partnership.

Going concern

Following the restructuring of the group, which included the Italian branches of the partnerships being dissolved post year end, the members have decided to apply for the Partnership to be struck off. Therefore the going concern basis of accounting has not been applied in the preparation of these accounts and instead they have been prepared on a break up basis.

As a result of the write down of the net assets of the Partnership as part of the restructuring process the Members believe that the carrying value of assets on the balance sheet of the Partnership at 31 December 2012 represents their fair value. On this basis no further adjustment is considered necessary.

Further details can be found in the statement of accounting policies in the financial statements.

Principal risks and uncertainties

Operating risk

The Partnership was subject to typical risks affecting wind farms. These included wind variability risk and operating risk via its operating and maintenance contracts. The Partnership is required to comply with legal and regulatory requirements. These may be subject to changes, which could have a significant impact on the cash generation of the business since it operates in a regulatory framework.

Interest rate risk

The Partnership had during the year both interest-bearing assets and interest-bearing liabilities. Interest-bearing assets included cash at bank which earned interest at a floating rate and interest bearing loans from group undertakings. The interest-bearing liabilities previously held included an on-loan facility from group undertakings. The rate of interest on the loans is based on an applicable interest rate set out in the facility agreement.

ERG Wind Italy 1 Limited Liability Partnership (formerly IP MAESTRALE ENERGY ITALY 1 LLP)

Members' report (continued)

Allocation of loss

The loss for the year was allocated to Members

Designated Members

The designated Members of the Partnership during the year were as follows

IP Maestrale (MEI 1-4-1) (UK) Limited

IP Maestrale (MEI 1-4-2) (UK) Limited

Subsequent to year end following the sale to ERG SpA on the 13 February 2013, the designated members changed their names to

ERG Wind MEI 1-14-1 (UK) Limited

ERG Wind MEI 1-14-2 (UK) Limited

Members' drawings

Each Member shall be entitled to receive distributions of profits when they are declared by the Board. Such distributions shall be in proportion to each Member's interest on the day on which the particular distribution takes place. There were no transfers of Members' interests from capital to debt during the year or up to the date of signature of the accounts.

Members' and officers' liability insurance

During the year ended 31 December 2012, the Partnership's ultimate parent company, GDF SUEZ S A maintained insurance for the Members' Directors to indemnify them against certain liabilities which they may incur in their capacity as Members or officers of the Partnership, including liabilities in respect of which the Partnership itself is unable to provide an indemnity.

Employees

Details of the number of employees and related costs can be found in note 3 to the financial statements.

Charitable and political donations

The Partnership did not make any political or charitable donations during the year (2011: €nil).

Disclosure of information to auditors

The Members who held office at the date of approval of this Members' report confirm that, so far as they are each aware, there is no relevant audit information of which the Partnership's auditors are unaware, and each Member has taken all the steps that they ought to have taken as a Member to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

Auditors

Deloitte LLP have been appointed as auditors of the Partnership on 9 May 2013.

Approved by the members and signed on behalf of ERG Wind MEI 1-14-1 (UK) Limited and ERG Wind MEI 1-14-2 (UK) Limited by

R. Arthur
24 May 2013

MEMBERS' RESPONSIBILITIES STATEMENT

The Members are responsible for preparing the Members' report and the financial statements in accordance with applicable law and regulations

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the Members to prepare financial statements for each financial year. Under that law the Members have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under Regulation 8 of the Limited Liability Partnerships (Accounting and Audit) (Application of Companies Act 2006) Regulations 2008 the Members 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 Partnership and of the profit and loss of the Partnership for that period.

The financial statements are required by law to give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 Partnership will continue in business.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to limited liability partnerships. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Independent auditor's report to the Members of ERG Wind Italy 1 Limited Liability Partnership
(formerly IP Maestrale Energy Italy 1 LLP)**

We have audited the financial statements of ERG Wind Italy 1 Limited Liability Partnership for the year ended 31 December 2012 which comprise the Profit and Loss Account, Balance Sheet, Reconciliation of Movement in Members' Interests and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the members of the limited liability partnership, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's Members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditor

As explained more fully in the Members' Responsibilities Statement set out on page 3, the members 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 limited liability partnership's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the members, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual 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 limited liability partnership's affairs as at 31 December 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships.

Emphasis of matter – Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

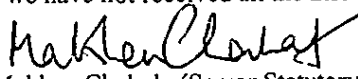
Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to limited liability partnerships 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
- we have not received all the information and explanations we require for our audit.


Makhan Chahal (Senior Statutory Auditor)
for and on behalf of Deloitte LLP,
Chartered Accountants and Statutory Auditor,
London, United Kingdom
29 May 2013

ERG Wind Italy 1 Limited Liability Partnership (formerly IP MAESTRALE ENERGY ITALY 1 LLP)

**Profit and loss account
for the year ended 31 December 2012**

		Year ended 31 December 2012 €'000	Year ended 31 December 2011 €'000
	Note		
Turnover	2	4,354	5,046
Cost of sales		<u>(330)</u>	<u>(176)</u>
Gross profit		4,024	4,870
Other operating income		3	5
Amounts written off net assets	6	(4,821)	-
Administration costs		<u>(5,928)</u>	<u>(4,680)</u>
Operating (loss)/profit before interest and taxation		(6,722)	195
Interest receivable and similar income	4	5	5
Interest payable and similar charges	5	<u>(33)</u>	<u>(45)</u>
(Loss)/profit on ordinary activities before taxation and Members' remuneration	6	(6,750)	155
Tax on (loss)/profit on ordinary activities	7	<u>1</u>	<u>(53)</u>
(Loss)/profit before Members' remuneration and profit share, and (loss)/profit for the year available for discretionary division among Members		<u>(6,749)</u>	<u>102</u>

The Partnership had no other recognised gains or losses in either the current or preceding financial year. Results are derived wholly from continuing operations.

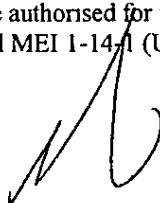
The notes on pages 8 to 12 form part of these financial statements.

ERG Wind Italy 1 Limited Liability Partnership (formerly IP MAESTRALE ENERGY ITALY 1 LLP)

Balance sheet
as at 31 December 2012

	Note	31 December 2012 €'000	31 December 2011 €'000
Current assets			
Debtors (including amounts due in more than one year of €ml (2011 €18,519,000))	8	1	25,890
Cash at bank and in hand		-	36
Total current assets		-	25,926
Creditors amounts falling due within one year	9	-	(5,149)
Net current assets		1	20,777
Total assets less current liabilities		1	20,777
Creditors amounts falling due after more than one year	10	-	(1,225)
Net assets attributable to Members		1	19,552
Represented by:			
Members' other interests:			
Members' equity capital		-	21,066
Other reserves		1	1,873
Advances to Members	11	-	(3,387)
		1	19,552
Total Members' interests			
Members' other interests		1	19,552
		1	19,552

These accounts were authorised for issue by ERG Wind Italy 1 Limited Liability Partnership on 28 May 2013 on behalf of ERG Wind MEI 1-14-1 (UK) Limited and ERG Wind MEI 1-14-2 (UK) Limited by



R. Arthur
Registration No OC317738

The notes on pages 8 to 12 form part of these financial statements.

ERG Wind Italy 1 Limited Liability Partnership (formerly IP MAESTRALE ENERGY ITALY 1 LLP)

**Reconciliation of movements in Members' interests
for the year ended 31 December 2012**

	Note	Members' other Interests			Total
		Members' equity capital €'000	Other reserves €'000	Advances to Members €'000	
Balance at 1 January 2012		21,066	1,873	(3,387)	19,552
Loss for the financial year available for discretionary division among Members		-	(6,749)	-	(6,749)
Members' interests after loss for the year		21,066	(4,876)	(3,387)	12,803
Amounts advanced to Members during the year	11	-	-	(673)	(673)
Return of capital	11	(21,066)	4,877	4,060	(12,129)
Amounts due to/(from) Members:					
Balance at 31 December 2012		-	1	-	1

	Note	Members' other Interests			Total
		Members' equity capital €'000	Other reserves €'000	Advances to Members €'000	
Balance at 1 January 2011		21,066	1,771	(2,831)	20,006
Profit for the financial year available for discretionary division among Members		-	102	-	102
Members' interests after profit for the year		21,066	1,873	(2,831)	20,108
Amounts advanced to Members during the year	11	-	-	(556)	(556)
Amounts due to/(from) Members:					
Balance at 31 December 2011		21,066	1,873	(3,387)	19,552

The notes on pages 8 to 12 form part of these financial statements.

ERG Wind Italy 1 Limited Liability Partnership (formerly IP MAESTRALE ENERGY ITALY 1 LLP)

Notes to the financial statements

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

a. Basis of preparation

ERG Wind Energy Italy 1 Limited Liability Partnership, (the "Partnership") is domiciled in the United Kingdom. It is the responsibility of the Partnership to maintain books, records and accounts in accordance with UK Generally Accepted Accounting Practice (UK GAAP).

The financial statements are prepared in accordance with the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (and those provisions of the Companies Act 2006 referred to therein) and the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" (issued March 2010).

These statutory accounts are presented in Euros, rounded to the nearest thousand. They are prepared on the historical cost basis.

b. Going concern

The financial statements have been prepared on a break up basis and not on a going concern basis following the decision of the Members to apply for the Partnership to be struck off.

The Partnership's activities, together with the factors likely to affect its future development, performance and position are set out in the Member's report on pages 1 and 2.

c. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

d. Members' remuneration and Members' interests

Members' interest earned on Members' balances is treated as Members' remuneration charged as an expense to the profit and loss account in arriving at results available for discretionary division among Members.

Amounts due from Members are classified as part of Members' Interests in advances to Members. This classification is on the basis that the amounts advanced to members are more appropriately considered part of Members' Interests rather than as a current asset. As profits are distributed to the Members such distributions are applied firstly against these advances to Members.

Distributions of profit are payable to Members when such distributions are declared by the Board. The distributions are made in proportion to the Member's interest on the day on which the distribution takes place. The overall policy for Members' drawings takes into account the need to maintain sufficient funds to finance working capital and other needs of the Partnership.

e. Turnover

Turnover represents amounts receivable for electricity supplied net of IVA and is recognised as earned i.e. as electricity is supplied.

f. Foreign currency translation

Transactions denominated in foreign currencies are translated into Euros at the exchange rate ruling on the date of transaction unless related or matching forward foreign exchange contracts have been entered into when the rate specified in the contract is used. At the year end, monetary assets and liabilities expressed in foreign currencies are translated into Euros at the rates of exchange ruling at the balance sheet date. Any gain or loss arising on the restatement of such balances is taken to the Profit and Loss Account.

Notes to the financial statements (continued)

1. Accounting policies (continued)

g. Taxation

The Partnership is liable for Italian taxation on the profit of its Italian Branch. Members are liable for UK taxation on their share of Partnership profits. Consequently, no reserve for UK taxation is made in these financial statements, and the profits are shown within Members' Interests. The foreign tax charge is in respect of the Italian branch.

Deferred tax is provided for on a full provision basis on all timing differences which have arisen but not reversed at the balance sheet date. No timing differences are recognised in respect of gains on sale of assets where those gains have been rolled over into replacement assets. Deferred tax assets are recognised to the extent that they are recoverable, that is, on the basis of all available evidence, it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Any assets and liabilities recognised have not been discounted.

h. Cash flow statement

Under FRS 1, the Partnership is exempt from the requirement to prepare a cash flow statement on the grounds that it is wholly owned subsidiary undertaking included within publicly available consolidated financial statements.

2. Turnover

The Partnership's turnover was to markets outside the United Kingdom in Italy.

3. Employees' remuneration

The Partnership had no employees during this financial year (2011: nil).

4. Interest receivable and similar income

	Year ended 31 December 2012 €'000	Year ended 31 December 2011 €'000
Bank interest	5	1
Other interest	-	4
	<u>5</u>	<u>5</u>

Other interest represented interest earned on outstanding overseas IVA receivable balances.

5. Interest payable and similar charges

	Year ended 31 December 2012 €'000	Year ended 31 December 2011 €'000
Bank interest	1	3
Interest payable to group undertakings	32	42
	<u>33</u>	<u>45</u>

ERG Wind Italy 1 Limited Liability Partnership (formerly IP MAESTRALE ENERGY ITALY 1 LLP)

Notes to the financial statements (continued)

6. (Loss)/ profit on ordinary activities before taxation and Members' remuneration

	Year ended 31 December 2012 €'000	Year ended 31 December 2011 €'000
(Loss)/profit on ordinary activities before taxation and Members remuneration is stated after charging		
Write down of net assets	4,821	-
Operating lease rentals		
– Plant and Machinery	4,837	3,273
– Land and Buildings	38	54
Auditor's remuneration		
– fees payable in respect of audit of these financial statements	5	5
– fees payable for other services	-	-

7. Tax on (loss)/profit on ordinary activities

	Year ended 31 December 2012 €'000	Year ended 31 December 2011 €'000
Analysis of the (credit)/charge for the year		
<i>Current tax (credit)/charge</i>		
Foreign corporation tax	(1)	53
Total tax (credit)/charge for the year	(1)	53

	Year ended 31 December 2012 €'000	Year ended 31 December 2011 €'000
<i>Current tax reconciliation</i>		
(Loss)/profit on ordinary activities before tax	(6,750)	155
Current tax at 24.5% (2011: 26.5%)	(1,654)	41
Loss/(profit) attributable to Members	1,654	(41)
Foreign corporation tax	(1)	53
Total current tax (credit)/charge	(1)	53

On 17 July 2012, the UK Government passed the Finance Act 2012 which reduced the main tax rate of UK corporation tax from 26% to 24% with effect from 1 April 2012, and to 23% from 1 April 2013

8. Debtors

	31 December 2012 €'000	31 December 2011 €'000
Trade debtors	-	397
Corporation tax	-	298
Other debtors	-	627
Prepayments and accrued income	-	22,539
Loans due from group undertakings	1	797
Amounts due from group undertakings	-	1,232
	1	25,890

There are no amounts included within other debtors in the prior year which are not fully recoverable within one year. Loans due from group undertakings are repayable 3 months from the date of the agreement, being the 5 October 2012 or if mutually agreed at an earlier date. Interest is charged at 3 month Euribor rate plus a margin of 0.25%.

Notes to the financial statements (continued)

8. Debtors (continued)

Amounts falling due after more than one year and included in the debtors above are

	31 December 2012 €'000	31 December 2011 €'000
Prepayments and accrued income	-	18,519

9. Creditors: amounts falling due within one year

	31 December 2012 €'000	31 December 2011 €'000
Amounts due to group undertakings	-	4,984
Loans and other debts due to Members (see note 10)	-	137
Trade creditors	-	27
Accruals and deferred income	-	1
	-	5,149

10. Creditors: amounts falling due after more than one year

	31 December 2012 €'000	31 December 2011 €'000
Loans due to Members and group undertakings	-	1,225

Analysis of loans

	€'000	€'000
Total payable	-	1,362
Loans and other debts due to Members (see note 9)	-	(137)
	-	1,225

Borrowings are repayable as follows

	€'000	€'000
Between one and two years	-	176
Between two and five years	-	632
After five years	-	417
		1,225
On demand or within one year	-	137
	-	1,362

Interest on loans due to members was payable at EURIBOR plus a margin of 1.5% bi-annually

11. Members' capital

During the year ended 31 December 2012, as part of the group restructuring exercise, capital repayments were made to ERG Wind MEI 1-14-1 (UK) Limited (80%) and ERG Wind MEI 1-14-2 (UK) Limited (20%) of respectively €9,703k and €2,426k (2011: €nil)

Additional payments of €538k and €135k were made to ERG Wind MEI 1-14-1 (UK) Limited and (80%) and ERG Wind MEI 1-14-2 (UK) Limited (20%), respectively (2011: €445k and €111k respectively) and these have been classified as Advances to Members

ERG Wind Italy 1 Limited Liability Partnership (formerly IP MAESTRALE ENERGY ITALY 1 LLP)

Notes to the financial statements (continued)

12. Financial commitments

As at 31 December 2012, the Partnership was committed to making the following payments under non-cancellable operating leases in the year ending 31 December 2013

	31 December 2012		31 December 2011	
	Land and buildings €'000	Other €'000	Land and buildings €'000	Other €'000
Operating leases which expire				
In over five years	-	-	46	3,141

The above relates to plant and machinery and land and buildings commitments

13. Related party transactions

As at 31 December 2012 the Partnership was a wholly owned subsidiary of GDF SUEZ S A. The Partnership has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

The consolidated financial statements of GDF SUEZ S A, within which the Partnership is included, can be obtained from the address given in note 14.

14. Controlling party and ultimate parent undertaking

The Members of ERG Wind Italy 1 Limited Liability Partnership are ERG Wind MEI 1-14-1 (UK) Limited (80%) and ERG Wind MEI 1-14-2 (UK) Limited (20%), both of which are registered and incorporated in England and Wales.

As at 31 December 2012 the Members consider the Partnership's ultimate parent undertaking and controlling party to be GDF SUEZ S A which was incorporated in France and is headquartered in Paris, France. The largest group in which the results of the Company were consolidated for the year ended 31 December 2012 was that headed by GDF SUEZ S A. Copies of its consolidated financial statements are available from its registered office at 1 Place Samuel de Champlain, 92400 Courbevoie, Paris, France.

Subsequent to year end, following the satisfaction of the conditions precedent under the Share Purchase Agreement on 13 February 2013, the Members now consider the Partnership's ultimate parent undertaking and controlling party to be ERG S p A whose registered office is Via De Marini no 1, 16149 Genova, Italy.