

Registered Number

OC349101

Aptiv International Holdings UK Two LLP

Report and Financial Statements

31 December 2018

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COMPANIES HOUSE

Company information

Members

Aptiv International Holdings (UK) LLP
Aptiv Holdings U.S. Limited

Secretary

D M. Sherbin

Auditor

Ernst & Young LLP
1 Colmore Square
Birmingham B4 6HQ

Solicitors

Pinsent Masons LLP
1 Park Row
Leeds LS1 5AB

Registered Office

1 Park Row
Leeds LS1 5A

Strategic report

The Members present their Strategic Report and the financial statements for the year ended 31 December 2018.

Principal activity and review of the business

Aptiv International Holdings UK Two LLP (the "Partnership") is a wholly-owned indirect subsidiary of Aptiv PLC (the "PLC"). The PLC, together with its subsidiaries and affiliates (collectively, the "Aptiv Group"), is a leading global technology and mobility company serving the automotive sector. The PLC designs and manufactures vehicle components and provides electrical and electronic and active safety technology solutions to the global automotive and commercial vehicle markets. The Partnership was incorporated for the purpose of acquiring substantially all of the non-United States ("U.S.") subsidiaries of the former Delphi Corporation. In May 2018, the Partnership changed its name from Delphi International Holdings LLP to Aptiv International Holdings UK Two LLP.

Principal risks and uncertainties

As discussed further in the Members' Report, the Members have a reasonable expectation that the Partnership will continue its operations for the foreseeable future. There are no significant risks and uncertainties that would impact that conclusion.

Approved by Aptiv International Holdings (UK) LLP, a Designated Member of Aptiv International Holdings UK Two LLP and signed on behalf of the Members on ~~2 SEPTEMBER~~ 2019.

By: 

Allan J. Brazier

Chief Accounting Officer, Aptiv PLC (a Designated Member of Aptiv International Holdings UK Two LLP)

Registered No. OC349101

Members' report

The Members present their report and financial statements for the year ended 31 December 2018.

The Partnership was incorporated under the laws of England and Wales on 30 September 2009. The Partnership is 99.9999 percent owned by Aptiv International Holdings (UK) LLP (hereinafter referred to as "wholly-owned" by Aptiv International Holdings (UK) LLP) and 0.0001 percent owned by Aptiv Holdings U.S. Limited.

In accordance with the Limited Liability Partnership Agreement of Aptiv International Holdings UK Two LLP, Aptiv International Holdings (UK) LLP and Aptiv Holdings U.S. Limited are each Designated Members of the Partnership. As such, either of the Members is individually authorised to approve the annual financial statements of the Partnership in accordance with the Companies Act 2006.

Results and distributions

The profit for the year after taxation amounted to \$8,373 million (2017 – profit of \$2,238 million). The Members do not recommend a final distribution (2017 – \$nil).

Future developments

The Members of the Partnership do not intend to change the principal activities of the Partnership.

Going concern

The Members have a reasonable expectation that the Partnership has access to adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Members have adopted a going concern basis in preparing the financial statements for the periods presented.

Members

The Members during the year were as follows:

Aptiv International Holdings (UK) LLP

Aptiv Holdings U.S. Limited

Political and charitable contributions

The Partnership made no political or charitable contributions during the periods presented.

Employee involvement and disabled employees

The Partnership had no employees for the periods presented.

Disclosure of information to the auditor

So far as each person who was a member at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made inquiries of fellow Members and the Partnership's auditor, each Member has taken all the steps that they are obliged to take as a member in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Members' report (continued)

Auditor

A resolution to reappoint Ernst & Young LLP as auditor will be put to the Members at the Annual General Meeting.

Approved by Aptiv International Holdings (UK) LLP, a Designated Member of Aptiv International Holdings UK Two LLP and signed on behalf of the Members on ~~2 SEPTEMBER~~ 2019.

By: 

Allan J. Brazier

Chief Accounting Officer, Aptiv PLC (a Designated Member of Aptiv International Holdings (UK) LLP)

Statement of Members' responsibilities

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

Legislation applicable to limited liability partnerships requires 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 generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under the relevant legislation 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 or loss of the Partnership for that period. In preparing those 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 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 are sufficient to show and explain the Partnership's transactions and 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 modified by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. 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 Aptiv International Holdings UK Two LLP

We have audited the financial statements of Aptiv International Holdings UK Two LLP (the 'Partnership') for the year ended 31 December 2018 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable in the UK' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Partnership 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

Other information

The other information comprises the information included in the annual report set out on pages 1-5 other than the financial statements and our auditor's report thereon. The Members are responsible for the other information

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

Independent auditor's report (continued)

to the Members of Aptiv International Holdings UK Two LLP

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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
- certain disclosures of Members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Members

As explained more fully in the Statement of Members' responsibilities set out on page 5, the Members 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 Members 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 Members are responsible for assessing the Partnership'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 Members either intend to liquidate the Partnership or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report (continued)

to the Members of Aptiv International Holdings UK Two LLP

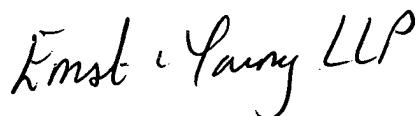
Auditor's responsibilities for the audit of the financial statements

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 <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to Limited Liability Partnerships. Our audit work has been undertaken so that we might state to the 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 Partnership and the Partnership's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Handwritten signature of Nigel Meredith in black ink.

Nigel Meredith (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham, United Kingdom

17 September 2019

Income statement

for the year ended 31 December 2018

	Notes	2018 \$m	2017 \$m
Other operating Income - foreign currency translation income	11	25	105
Operating Income		25	105
Interest payable and similar charges	7	(17)	(51)
Interest receivable and similar income	5	403	393
Other income - dividend income	6	7,963	1,791
Profit on ordinary activities		8,373	2,238

All amounts relate to continuing activities.

There is no comprehensive income other than the profit attributable to the Members of the Partnership of \$8,373 million in the year ended 31 December 2018 (2017 –\$2,238 million).

Statement of financial position

at 31 December 2018

	Notes	2018 \$m	2017 \$m
Fixed assets			
Investments	10	4,533	4,533
Current assets			
Debtors: amounts falling due after more than one year	11	5,306	5,753
Debtors: amounts falling due within one year	11	-	25
		5,306	5,778
Creditors: amounts falling due in less than one year	12	-	(61)
Net current assets		5,306	5,717
Total assets less current liabilities		9,839	10,250
Creditors: amounts falling due after more than one year	12	-	(760)
Net assets		9,839	9,490
Members' equity			
Membership interests		9,839	9,490
Total Members' equity		9,839	9,490

Approved by Aptiv International Holdings (UK) LLP, a Designated Member of Aptiv International Holdings UK Two LLP and signed on behalf of the Members on ~~2 SEPTEMBER~~ 2019.

By: 
Allan J. Brazier
 Chief Accounting Officer, Aptiv PLC (a Designated Member of Aptiv International Holdings (UK) LLP)

Statement of changes in equity

for the year ended 31 December 2018

		Membership interests \$m
Balance at 1 January 2017		9,043
Dividends	6	(1,791)
Profit for the year		<u>2,238</u>
Balance at 31 December 2017		9,490
Dividends	6	(8,024)
Profit for the year		<u>8,373</u>
Balance at 31 December 2018		<u>9,839</u>

Notes to the financial statements

at 31 December 2018

1. General information

Aptiv International Holdings UK Two LLP (the "Partnership") is a wholly-owned indirect subsidiary of Aptiv PLC (the "PLC"). On December 4, 2017, the PLC completed the separation of its former Powertrain Systems segment by means of a spin-off to Aptiv shareholders of all of the outstanding ordinary shares of Delphi Technologies PLC (the "Separation").

The PLC, together with its subsidiaries and affiliates (collectively, the "Aptiv Group"), is a leading global technology and mobility company serving the automotive sector. The PLC designs and manufactures vehicle components and provides electrical and electronic and active safety technology solutions to the global automotive and commercial vehicle markets.

The Partnership was incorporated for the purpose of acquiring substantially all of the non-United States ("U.S.") subsidiaries of the former Delphi Corporation. The Partnership is 99.9999 percent owned by Aptiv International Holdings (UK) LLP (hereinafter referred to as "wholly-owned" by Aptiv International Holdings (UK) LLP) and 0.0001 percent owned by Aptiv Holdings U.S. Limited. In May 2018, the Partnership changed its name from Delphi International Holdings LLP to Aptiv International Holdings UK Two LLP.

The Partnership was incorporated under the laws of England and Wales on 30 September 2009, registration number OC349101. The registered office is 1 Park Row, Leeds LS1 5AB.

2. Statement of compliance

The individual financial statements of the Partnership have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Accounting policies

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 years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 and the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships'. There were no material departures from these standards. The financial statements present information about the Partnership as an individual undertaking and not as a group.

Going concern

The Members of the Partnership are of the view that the Partnership has adequate resources to be able to meet its financial obligations as and when they fall due for a period of at least 12 months from the date of approval of these financial statements. Accordingly, they have concluded that the financial statements should be prepared on the going concern basis. The financial statements do not include any adjustments that would be necessary if the Partnership was no longer a going concern.

Functional Currency

The functional currency of the Partnership is the U.S. dollar. The financial statements are presented in U.S. dollars as management monitors the performance and financial position of the Partnership in U.S. dollars and all values are rounded to the nearest million except when otherwise indicated. The exchange rate between the Great Britain pound sterling ("£") and the U.S. dollar ("\$\$") at 31 December 2018 was £1 = \$1.27070 (2017 – £1 = \$1.35145).

Original issue discount note

The Partnership holds an original issue discount note from another entity in the Aptiv Group which is repayable in full on 19 December 2033. The note does not bear any interest and was issued at a discount. The Company amortises the note discount over the life of the note, and the amortisation is included in the results for the period within interest receivable.

Notes to the financial statements

at 31 December 2018

3. Accounting policies (continued)

Investments

Investments in subsidiary undertakings are stated at cost less any provision for impairments.

Financial instruments

The Partnership has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Partnership becomes party to the contractual provisions of the instrument.

Judgement and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However the nature of estimation means that actual outcomes could differ from those estimates.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The Partnership has taken advantage of the following exemptions:

- i. preparing a statement of cash flows, required under FRS 102 paragraph 1.12(b), on the basis that it is a qualifying entity and its ultimate parent company included the Partnership's cash flows in its own consolidated financial statements.
- ii. from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, on the basis that it is a qualifying entity and its ultimate parent company included financial instrument disclosures in its own consolidated financial statements.
- iii. from the related party disclosures, required under FRS 102 paragraphs 33.8 to 33.14, with respect to the transactions with companies that are wholly owned by the same group of companies, on the basis that it is a qualifying entity and its ultimate parent company included such disclosures in its own consolidated financial statements.

4. Members' remuneration

The Members, as listed on page 1 of the financial statements, did not receive any remuneration for the year ended 31 December 2018 (2017 – nil).

5. Interest receivable and similar income

For the year ended 31 December 2018, the Partnership reported interest receivable of \$403 million related to amounts due from other entities in the Aptiv Group as discussed further in note 11 (Debtors) (2017 – \$393 million).

6. Dividend income

During the year ended 31 December 2018, in a series of transactions effected amongst Aptiv Group companies, the Partnership received a distribution in specie for no consideration from Aptiv Global Investments UK LLP of its shareholding in nuTonomy Inc., Movimento Group AB, Aptiv (UK) Holdings Limited, Aptiv European Holdings (UK) Limited, Aptiv Global Operations Limited, Aptiv Latin America Holdings (Luxembourg) Sarl, Aptiv Financial Investment Services (UK) Limited and Aptiv Global Holdings 2 (Luxembourg) Sarl, which totalled \$3,053 million, as well as a cash distribution of \$4,869 million from Aptiv Global Investments UK LLP. The Partnership also received a cash distribution of \$41 million from Aptiv Global Holdings (UK) Limited. Subsequently, the Partnership declared and made a distribution in specie for no consideration of the shareholdings received from Aptiv Global Investments UK LLP to Aptiv International Holdings (UK) LLP. The Partnership also declared and paid a cash distribution of \$4,971 million to Aptiv International Holdings (UK) LLP.

Notes to the financial statements

at 31 December 2018

6. Dividend income (continued)

Prior to the Separation, in December 2017, in connection with transactions effected amongst Aptiv Group companies to effect the Separation, the Company received a dividend distribution in specie of the holdings of Aptiv Global Holdings (UK) Limited in Delphi Powertrain Systems Holdings SARL of \$1,791 million. The Company subsequently declared and distributed a dividend in specie of its holdings in Delphi Powertrain Systems Holdings S.a.r.l. of \$1,791 million to Aptiv International Holdings (UK) LLP.

7. Interest payable and similar charges

For the year ended 31 December 2018, the Partnership reported interest payable of \$17 million related to amounts due to other entities in the Aptiv Group as discussed further in note 12 (Creditors) (2017 – \$51 million).

8. Staff costs

The Partnership did not have any employees or payroll costs for the year ended 31 December 2018 (2017 – nil).

9. Auditor's remuneration

The remuneration of the auditor in the amount of approximately \$10,800 has been borne by Aptiv Services UK Limited for the audit of the year ended 31 December 2018 (2017 – \$11,000).

10. Investments

As of 31 December 2018 the Partnership's investment in subsidiaries of \$4,533 million (2017 - \$4,533 million) consisted of the 100% ownership of Aptiv Global Holdings (UK) Limited and 99.9999% ownership of Aptiv Global Investments UK LLP.

11. Debtors

	2018 \$m	2017 \$m
Debtors: amounts falling due after more than one year		
Amounts owed by group undertakings	5,306	5,753
Debtors: amounts falling due within one year		
Amounts owed by group undertakings	-	25

As of 31 December 2018 and 2017, the Partnership reported total notes receivable and accrued interest of \$5,306 million and \$5,778 million, respectively. This amount consists of notes receivable and accrued interest from Aptiv Global Investments UK LLP of \$5,306 million (2017 - \$4,913 million) and as of 31 December 2017 from Aptiv Financial Investment Services (UK) Limited of \$865 million. Aptiv Financial Investment Services (UK) Limited fully repaid all principal and interest outstanding to the Partnership on this note during 2018.

Notes to the financial statements

at 31 December 2018

11. Debtors (continued)

The note receivable from Aptiv Global Investments UK LLP relates to an original issue discount note issued 19 December 2016. The note in the amount of \$16,800 million is due in December 2033 and was issued at a discount of \$12,261 million. Changes to the loan note discount for the year ended 31 December 2018 are as follows:

	<i>\$m</i>
Original discount at 1 December 2018	11,887
Amortisation of loan note discount	(393)
Discount at 31 December 2018	<u>11,494</u>

The note receivable from Aptiv Financial Investment Services (UK) Limited related to a €700 million note which carried an interest rate of EURIBOR (effective the first day of the relevant annual interest period) plus 3.75%. Interest on this note receivable was payable in March of each year, and the Partnership reported \$25 million of accrued interest on this note at 31 December 2017. For the year ended 31 December 2018, the partnership recorded a foreign currency translation gain of \$25 million (2018 – gain of \$104 million) related to the principal and interest on this note prior to its repayment.

12. Creditors

	<i>2018</i>	<i>2017</i>
	<i>\$m</i>	<i>\$m</i>
Creditors: amounts falling due in less than one year		
Amounts owed to group undertakings	-	61
Creditors: amounts falling due after more than one year		
Amounts owed to group undertakings	-	760

As of 31 December 2017, the Partnership reported a note payable of \$760 million to Aptiv Financial Investment Services (UK) Limited. In April 2018, the Partnership repaid \$802 million of principal and interest owed to Aptiv Financial Investment Services (UK) Limited in full satisfaction of the note. The note previously carried an interest rate of LIBOR (effective the first day of the relevant annual interest period) plus 4.90%. Interest on this note was payable in March of each year and the Partnership reported \$61 million of accrued interest on this note at 31 December 2017.

13. Ultimate parent undertaking and controlling party

Aptiv PLC is the ultimate parent undertaking of the Partnership. Aptiv PLC is incorporated in Jersey and is traded on the New York Stock Exchange. Its registered address is: 5 Hanover Quay, Grand Canal Dock, Dublin 2, Ireland.

The parent of both the smallest and largest group for which the results of the Partnership were consolidated as of 31 December 2018 was Aptiv PLC. The group financial statements of Aptiv PLC are available from the Securities and Exchange Commission in the U.S.

14. Related party transactions

There were no related party transactions during the period other than with Aptiv Group companies.

The Partnership has taken advantage of the exemptions contained within FRS 102 paragraph 33 and has therefore not disclosed transactions or balances with entities which form part of the Aptiv Group.