

Registered in England and Wales, No. 4084626

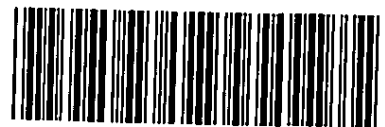
AES TEP Power Investments Limited
(Formerly Alstom Power Investment Projects II Ltd.)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2007

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COMPANIES HOUSE

AES TEP Power Investments Limited
(Formerly Alstom Power Investment Projects II Ltd.)

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AES TEP Power Investments Limited
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OFFICERS AND PROFESSIONAL ADVISERS

Directors:

The following directors were in office during the financial year ended 31 March 2007 and subsequently, except where noted.

D Vitter (resigned 1 July 2006)
A D Cledwyn-Davies (Resigned 9 February 2007)
M Flicker (Resigned 9 February 2007)
John McLaren (appointed 9 February 2007)
Neil Hopkins (appointed 9 February 2007, resigned 30 April 2009)
Donald Lehman (appointed 30 April 2009)

Company's Secretary:

A D Cledwyn-Davies (Resigned 9 February 2007)
Neil Hopkins (appointed 9 February 2007, resigned 30 April 2009)
Donald Lehman (appointed 30 April 2009)

Register Office:

37-39 Kew Foot Road
Richmond
Surrey
TW92SS

Auditors:

KPMG LLP
2 Cornwall Street
Birmingham
B3 2DL

AES TEP Power Investments Limited
(Formerly Alstom Power Investment Projects II Ltd.)

DIRECTORS' REPORT
Year Ended 31 March 2007

The Directors present their report and the financial statements for the year ended 31 March 2007.

PRINCIPAL ACTIVITIES

The Company is an intermediary holding company. It received no income and incurred only penalty charges and professional fees during the year to 31 March 2007.

On 18 June 2007, the company changed its name from Alstom Power Investment Projects II Limited to AES TEP Power Investments Limited.

On 8 February 2007, the entire share capital of the company was sold to AES TEG/TEP Holding BV.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The Company is a holding company for AES TEP Power Investments Limited (formerly ALSTOM Power Tamuin II Holdings Ltd). It does not expect to increase investments during the coming year.

On 29 January it was agreed that Alstom NV, the company's former immediate parent undertaking, waive the outstanding debt of \$42,753,699 owed to it by AES TEP Power II Investments Limited (the company's subsidiary undertaking) in return for the issue of one share in AES TEP Power Investments Limited. As part of the same agreement, AES TEP Power II Investments Limited issued one share to AES TEP Power Investments Limited for consideration of \$42,753,699 in order to capitalise the debt in the books of AES TEP Power II Investments Limited.

DIRECTORS

The membership of the Board is shown on page 1.

DISCLOSURE OF INFORMATION TO AUDITORS

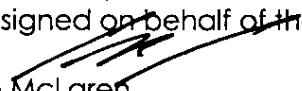
The directors who held office at the date of approval of this report confirms that:

1. So far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

AES TEP Power Investments Limited
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2. The director have taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the Board of directors
And signed on behalf of the Board


John McLaren
Director
29 May 2009.

AES TEP Power Investments Limited
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**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT
AND THE FINANCIAL STATEMENTS**

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

United Kingdom Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statement in accordance with UK Accounting Standard and applicable law (UK Generally Accepted Accounting Practice)

The financial statements are required by law to 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures being disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

AES TEP Power Investments Limited
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALSTOM POWER INVESTMENT PROJECTS II LIMITED

We have audited the financial statements of AES TEP Power Investments, Limited for the year ended 31 March 2007 which comprise the profit and loss account and the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 bylaw, 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities on page 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

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We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

BIRMINGHAM

29 May 2009

AES TEP Power Investments Limited
(Formerly Alstom Power Investment Projects II Ltd.)

PROFIT & LOSS ACCOUNT
Year Ended 31 March 2007

	Notes	2007 £	2006 £
Administrative expenses	(2)	<u>(5,417)</u>	-
Loss before taxation		(5,417)	-
Taxation	(3)	<u>-</u>	-
Loss for the financial year		<u>(5,417)</u>	-

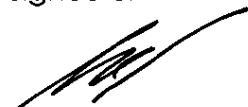
AES TEP Power Investments Limited
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BALANCE SHEET
31 March 2007

	Notes	2007 £	2006 £
FIXED ASSETS - Investment in subsidiary	(4)	21,811,260	1,000
CURRENT ASSETS			
Debtors (including £706,853 (2006: £nil) due after more than one year)	(5)	706,854	1
Creditors - amounts falling due within one year	(6)	(6,417)	(1,000)
NET CURRENT LIABILITIES		700,437	(999)
Creditors - amounts falling due more than one year	(6)	(706,853)	0
NET ASSETS		21,804,844	1
CAPITAL AND RESERVES			
Share capital	(8)	2	1
Share Premium	(8)	21,810,259	0
Profit and loss account	(8)	(5,417)	0
TOTAL EQUITY SHAREHOLDERS FUNDS		21,804,844	1

These financial statements were approved by the Board of Directors on 29 May 2009.

Signed on behalf of the Board of Directors



John McLaren
Director

AES TEP Power Investments Limited
(Formerly Alstom Power Investment Projects II Ltd.)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2007

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statement.

a. Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard 1 (revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the group in its own published consolidated financial statements.

As the company is ultimately a wholly owned subsidiary of AES Corporation, the company 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 (or investees of the group qualifying as related parties).

Consolidated financial statements have not been presented on the basis of the exemption under Section 228A of the Companies Act 1985 that the company is a wholly owned subsidiary of AES Corporation.

b. Fixed asset investments. Investments held as fixed assets are stated at cost less provision for any impairment.

c. Taxation. Taxation on profit on ordinary activities is that which has become or becomes payable in respect of the profits of the period, and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

2. LOSS BEFORE TAXATION

Loss before taxation is stated after charging.

	2007	2006
	£	£
Auditors remuneration – audit of these financial statements	3,917	-
Penalty fees	1,500	-

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3. TAXATION

Analysis of charge in the current year.

	2007 £	2006 £
Current tax charge	-	-
Deferred tax charge	-	-
Total tax charge for the year	-	-

Factors affecting tax charge/credit for the current year

The tax credit for the year is lower than the standard rate of corporation tax in the UK at 30% (2006: 30%). The difference is due to expenses that are disallowable for tax.

	2007 £	2006 £
Loss on ordinary activities before tax	(5,417)	-
Loss on ordinary activities at standard UK corporation tax rate of 30% (2006:30%)	(1,625)	-
Effect of:		
Non-deductible expenses	450	-
Losses carried forward	1,175	-
Total tax charge for the year	-	-

Deferred tax assets of £1,175 (2006: nil) in respect of revenue losses have not been recognised as there is insufficient evidence that the assets will be recovered. The assets would be recovered if the company made suitable taxable profits in the future.

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4. FIXED ASSET INVESTMENTS

	2007 £	2006 £
At 1 April	1,000	1,000
Additions	21,810,260	-
At 31 March	<u>21,811,260</u>	<u>1,000</u>

The fixed asset investments represent all the shares in its subsidiary company AES TEP Power II Investment Limited (formerly ALSTOM Power Tamuin II Holdings Ltd), registered in England. This company acts as a holding company investing in an overseas subsidiary which is engaged in owning and operating building a power plant in Mexico

On 6 February 2007, AES TEP Power II Investments Limited issued share at a premium of US\$42,753,699

A charge exists over the shares in favour of Bankers Trust Company as Collateral Agent for the benefit of certain secured parties.

5. DEBTORS

	2007 £	2006 £
Amounts due from Group companies	<u>706,854</u>	<u>1</u>

Included in the above is £706,853 (2006: £nil) due after more than one year.

6. CREDITORS

	2007 £	2006 £
Accruals	5,417	
Amounts due to Group companies	1,000	1,000
Amounts falling due within one year	<u>6,417</u>	<u>1,000</u>
Amounts due to Group companies	<u>706,853</u>	-
Amounts falling due after more than one year	<u>706,853</u>	-

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7. SHARE CAPITAL

	2007 £	2006 £
Authorized 100 (2006: 100) ordinary, equity shares of £1 each	100	100
Allotted, called up and fully paid 2 (2006: 1) ordinary, equity shares of £1 each	2	1

On 29 January 2007 the company issued one share to its immediate parent undertaking for consideration of US\$42,753,999.

8. RECONCILIATION OF MOVEMENT IN SHARE HOLDERS FUND

	Issued Share capital £	Share Premium £	Profit and Loss account £	Total £
At 1 April 2006	1	0	0	1
Loss for the year	0	0	(5,417)	(5,417)
Issue of shares	1	21,810,259	0	21,810,260
At 31 March 2007	2	21,810,259	(5,417)	21,804,844

9. PARENT UNDERTAKINGS

The Company's immediate parent undertaking since February 9, 2007 is AES TEG/TEP Holdings BV, a company incorporated in Netherlands (before that date was ALSTOM NV, a company incorporated in the Netherlands).

The Company's ultimate parent undertaking and ultimate controlling party is AES Corporation, a company incorporated in the State of Delaware, USA (ALSTOM in 2006, a company incorporated in France). A copy of AES corporation's financial statements can be obtained from the Securities and Exchange Commission, 450 5th street NW, Washington DC 20549, USA

The largest and smallest group in which the results of the Company are consolidated is that headed by AES Corporation (ALSTOM in 2006).