

# INEOS Finance PLC

Annual report and financial statements

Registered number 7084307

31 December 2017



## Contents

Strategic report	3
Directors' report	4
Independent auditors' report to the members of INEOS Finance PLC	6
Profit and Loss Account	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes (forming part of the financial statements)	13

## Strategic report

The directors present their strategic report on the Company for the year ended 31 December 2017.

### Business overview

The principal activity of the Company is to act as a finance company for the INEOS Group Holdings SA group of companies. There has been no change from the prior year.

### Business review

The directors consider the development of the Company's business during the year to be satisfactory.

The results of the Company are set out in the profit and loss account on page 10 which shows a result for the financial year ended 31 December 2017 of €nil (2016: €nil). The directors do not recommend the payment of a final dividend (2016: €nil).

In February 2017 the Company completed a refinancing of the Senior Secured Term Loans. The Term Loans due 2020 (€1,098.7 million) and the Term Loans due 2022 (€834.8 million) were redeemed, with new tranches of Term Loans due 2022 (€1,725.0 million) and Term Loans due 2024 (€875.0 million) being issued.

In November 2017 the Company issued €550 million of Senior Secured Notes due 2025. The proceeds from the new Notes, along with the proceeds from the full repayment of the INEOS Styrolution Term Loan owed to INEOS Holdings Limited, were used to partially repay the Senior Secured Term Loans. The remaining Term Loans were refinanced with a lower interest margin and a new maturity date of March 31, 2024.

The net funding raised by the Company is directly linked to funding loans that it makes to INEOS Holdings Limited.

### Objectives and strategy

The directors do not expect any change in the Company's activities during the next financial year as the Company will continue to act as a finance company.

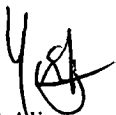
### Principal risks and uncertainties

The management of the business and execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company are discussed in the context of the group as a whole, and are provided in the annual report of parent company INEOS Group Holdings S.A., which does not form part of this report.

### Key performance indicators

The directors of INEOS Group Holdings S.A. manage the group's operations on a divisional basis. For this reason, the Company's directors believe that analysis using performance indicators of the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of INEOS Finance PLC. The development, performance and position of the group, including this Company, are discussed in the group's annual report which does not form part of this report.

Approved and signed by order of the board



Y S Ali  
Company Secretary  
09 April 2018

## Directors' report

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

### Directors

The directors who held office during the year and up to the date of signing the financial statements are as follows:

J F Ginns  
G W Leask

### Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of changes in interest rate risk, credit risk and liquidity risk. The Company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company where appropriate. The Company manages its credit exposures with a set of policies for on-going credit checks to ensure it only transacts with reputable counterparties.

### Future developments

The directors do not expect any change in the Company's activities during the next financial year.

### Dividends

The directors do not recommend the payment of an interim or final dividend (2016: £nil).

### Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors 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.

## **Directors' report (continued)**

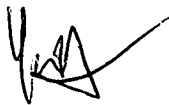
### **Disclosure of information to auditors**

The directors confirm that as far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and that they have taken all steps necessary as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### **Independent auditors**

PricewaterhouseCoopers LLP are deemed to be reappointed in accordance with an elective resolution made under section 489 of the Companies Act 2006.

Approved and signed by order of the board



Y S Ali

**Company Secretary**

INEOS Finance PLC

Hawkslease, Chapel Lane, Lyndhurst, SO43 7FG

09 April 2018

## Independent auditors' report to the members of INEOS Finance PLC

### Report on the audit of the financial statements

#### Opinion

In our opinion, INEOS Finance PLC's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2017; the Profit and Loss Account, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### Basis for opinion

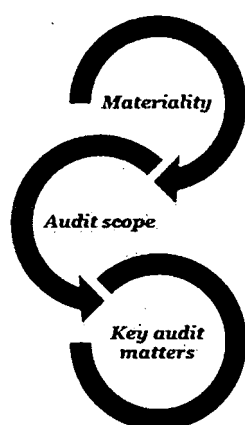
We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### Our audit approach

##### Overview



Overall materiality: €34,000,000 (2016: €27,000,000), based on 1% of total assets.

Statutory audit

We have no key audit matters to report.

## Independent auditors' report to the members of INEOS Finance PLC (continued)

### *The scope of our audit*

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

### *Key audit matters*

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We determined that there were no key audit matters applicable to the Company to communicate in our report.

### *How we tailored the audit scope*

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

### *Materiality*

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	€34,000,000 (2016: €27,000,000).
How we determined it	1% of total assets.
Rationale for benchmark applied	The Company is a wholly-owned subsidiary which is an intermediate finance Company not producing consolidated financial statements and with no significant trading activities. The appropriate benchmark to consider for materiality is total assets.

We agreed with the Board that we would report to them misstatements identified during our audit above €1,700,000 (2016: €1,350,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

### *Conclusions relating to going concern*

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

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

## **Independent auditors' report to the members of INEOS Finance PLC (continued)**

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### **Strategic report and Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

### **Responsibilities for the financial statements and the audit**

#### ***Responsibilities of the directors for the financial statements***

As explained more fully in the Statement of directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### ***Auditors' 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 auditors' 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.



## **Independent auditors' report to the members of INEOS Finance PLC (continued)**

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### ***Use of this report***

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

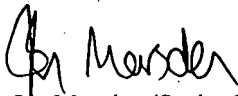
### **Other required reporting**

#### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Ian Marsden (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle upon Tyne  
09 April 2018

**Profit and Loss Account**  
*for the year ended 31 December 2017*

	<i>Note</i>	<b>2017</b> <b>€'m</b>	2016 €'m
Interest receivable and similar income	4	<b>112.1</b>	112.1
Interest payable and similar expenses	5	<b>(112.1)</b>	(112.1)
		<hr/>	<hr/>
<b>Result before taxation</b>		-	-
		<hr/>	<hr/>
Tax on result	6	-	-
		<hr/>	<hr/>
<b>Result for the financial year</b>		-	-
		<hr/> <hr/>	<hr/> <hr/>

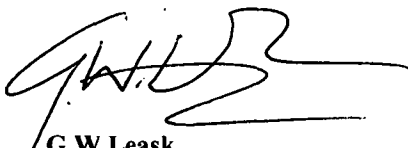
All activities of the Company relate to continuing operations.

The Company has no recognised other comprehensive income and therefore no separate statement of comprehensive income has been presented.

**Balance Sheet**  
*At 31 December 2017*

	<i>Note</i>	<b>2017 €'m</b>	<b>2017 €'m</b>	<b>2016 €'m</b>	<b>2016 €'m</b>
<b>Current assets</b>					
Debtors: amounts falling due within one year	7	28.2		25.2	
Debtors: amounts falling due after more than one year	7	3,359.4		2,683.9	
		<hr/>		<hr/>	
		3,387.6		2,709.1	
<b>Creditors: amounts falling due within one year</b>	8	(28.1)		(25.1)	
		<hr/>		<hr/>	
<b>Net current assets</b>			3,359.5		2,684.0
<b>Creditors: amounts falling due after more than one year</b>	9	(3,359.4)		(2,683.9)	
		<hr/>		<hr/>	
			(3,359.4)		(2,683.9)
<b>Net assets</b>			<hr/> 0.1 <hr/>		<hr/> 0.1 <hr/>
<b>Capital and reserves</b>					
Called up share capital	11		0.1		0.1
Profit and loss account			-		-
			<hr/>		<hr/>
<b>Total shareholders' funds</b>			<hr/> 0.1 <hr/>		<hr/> 0.1 <hr/>

The financial statements on pages 10 to 20 were approved by the Board of Directors on 09 April 2018 and signed on its behalf by:

  
**G W Leask**  
Director

Company registered number: 7084307

**Statement of Changes in Equity**  
*for the year ended 31 December 2017*

	Called up share capital €'m	Profit and loss account €'m	Total shareholders' funds €'m
Balance at 1 January 2016	0.1	-	0.1
<b>Total comprehensive result for the year</b>	-	-	-
Result for the financial year	-	-	-
<b>Balance at 31 December 2016</b>	<b>0.1</b>	<b>-</b>	<b>0.1</b>

	Called up share capital €'m	Profit and loss account €'m	Total shareholders' funds €'m
Balance at 1 January 2017	0.1	-	0.1
<b>Total comprehensive result for the year</b>	-	-	-
Result for the financial year	-	-	-
<b>Balance at 31 December 2017</b>	<b>0.1</b>	<b>-</b>	<b>0.1</b>

## Notes

(forming part of the financial statements)

### 1 Accounting policies

INEOS Finance PLC is a public company, limited by shares, incorporated, registered and domiciled in England UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of INEOS Group Holdings SA include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 *Share Based Payments* in respect of group settled share based payments;
- Certain disclosures required by IAS 36 *Impairment of assets* in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The accounting policies set out below have, unless otherwise stated, been applied consistently on the going concern basis, to all periods presented in these financial statements and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

#### 1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 1.2 Going concern

Based on the budgeted cash flows of the Company and taking into account the facilities available, the directors continue to adopt the going concern basis in preparing the financial statements.

#### 1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

**Notes (continued)**  
*(forming part of the financial statements)*

**1 Accounting policies (continued)**

**1.4 Non-derivative financial instruments**

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

*Trade and other debtors*

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

*Trade and other creditors*

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Investments in jointly controlled entities, associates and subsidiaries are carried at cost less impairment.

*Interest-bearing borrowings*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

**1.5 Derivative financial instruments**

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

**1.6 Intra-group financial instruments**

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

**1.7 Impairment excluding stocks and deferred tax assets**

*Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

**1.8 Provisions**

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

**Notes (continued)**  
(forming part of the financial statements)

**1 Accounting policies (continued)**

**1.9 Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

**2 Auditors' remuneration**

Fees receivable by the Company's auditors and their associates in respect of services to the Company and its associates, are disclosed on a consolidated basis in the consolidated financial statements of INEOS Group Holdings S.A..

**3 Staff costs and Directors' remuneration**

The Company had no employees during the current or previous year.

Neither the directors nor the secretary received any emoluments during the current or previous year in respect of their services to the Company.

**4 Interest receivable and similar income**

	2017 €'m	2016 €'m
Interest receivable from group undertakings	112.1	112.1

**5 Interest payable and similar expenses**

	2017 €'m	2016 €'m
Interest expense on Senior Secured Notes and Term Loans	112.1	112.1

**Notes (continued)**  
*(forming part of the financial statements)*

**6 Tax on result**

There is no tax charge recognised for the financial year (2016: nil). This is equal (2016: equal) to the standard rate of corporation tax in the UK of 19.25% (2016: 20%).

**7 Debtors**

	2017 €'m	2016 €'m
Amounts owed by group undertakings falling due within one year	28.2	25.2
Amounts owed by group undertakings falling due in more than one year	3,359.4	2,683.9

Amounts owed to group undertakings are unsecured funding loans that are directly related to the Senior Secured Notes and Term Loans issued by the Company.

**8 Creditors: amounts falling due within one year**

	2017 €'m	2016 €'m
Senior Secured Term Loan (due 2020) (note 10)	-	11.2
Senior Secured Term Loan (due 2022) (note 10)	-	8.5
Senior Secured Term Loan (due 2024) (note 10)	20.6	-
Accruals and deferred income	7.5	5.4
	28.1	25.1

**9 Creditors: amounts falling due after more than one year**

	2017 €'m	2016 €'m
Senior Secured Term Loan (due 2020) (note 10)	-	1,087.6
Senior Secured Term Loan (due 2022) (note 10)	-	826.3
Senior Secured Term Loan (due 2024) (note 10)	2,039.4	-
Senior Secured Notes due 2023 (note 10)	770.0	770.0
Senior Secured Notes due 2025 (note 10)	550.0	-
	3,359.4	2,683.9



**Notes (continued)**  
*(forming part of the financial statements)*

**10 Interest-bearing loans and borrowings**

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	2017 €'m	2016 €'m
<b>Creditors: amounts falling due after more than one year</b>		
Senior Secured Term Loan (due 2020)	-	1,087.6
Senior Secured Term Loan (due 2022)	-	826.3
Senior Secured Term Loan (due 2024)	2,039.4	-
Senior Secured Notes due 2023	770.0	770.0
Senior Secured Notes due 2025	550.0	-
	<hr/> 3,359.4	<hr/> 2,683.9
	<hr/>	<hr/>
	2017 €'m	2016 €'m
<b>Creditors: amounts falling due within less than one year</b>		
Senior Secured Term Loan (due 2020)	-	11.2
Senior Secured Term Loan (due 2022)	-	8.5
Senior Secured Term Loan (due 2024)	20.6	-
	<hr/> 20.6	<hr/> 19.7
	<hr/>	<hr/>

**Senior Secured Term Loans**

The Company together with INEOS US Finance LLC, a fellow subsidiary, has outstanding borrowings under a senior credit facilities agreement (the 'Senior Secured Term Loans' or 'Term Loans') dated April 27, 2012 (as amended and restated).

In February 2017, the Group completed a refinancing of the Senior Secured Term Loans. The Term Loans due 2018 were repaid in full, the Term Loans due 2020 were extended to March 2022 and a new tranche of €1.4 billion Term Loans due 2024 were issued. The entire facility was repriced and the Applicable Margin on the Euro denominated Term Loans was reduced to 2.50% and on the US dollar denominated Term Loans was reduced to 2.75%. The LIBOR floor was also reduced to 0.75% on the Euro denominated Term Loans and was removed for the US dollar denominated Term Loans.

In November 2017 the Company issued €550 million of Senior Secured Notes due 2025. The proceeds from the new Notes, along with the proceeds from the full repayment of the Styrolution Term Loan, were used to partially repay the Senior Secured Term Loans. The remaining Term Loans were refinanced with a lower interest margin and a new maturity date of March 31, 2024.

The Senior Secured Term Loan outstanding at December 31, 2017 were €2,060.0 million (2016: €1,933.5 million) of which €20.6 million (2016: €19.7 million) is due within one year.

The Term Loans are to be repaid in equal quarterly instalments, in aggregate annual amounts equal to 1% of the original principal amount of the Term Loans. The Term Loans are denominated in Euros and mature on March 31, 2024.

The Term Loans bear interest at a rate per annum to EURIBOR (subject to a floor of 0.5% per annum) plus the Applicable Margin. As at December 31, 2017 the Applicable Margin for the Term Loan is 2.00%.

**Notes (continued)**  
*(forming part of the financial statements)*

**10 Interest-bearing loans and borrowings (continued)**

**Senior Secured Term Loans (continued)**

The Senior Secured Term Loans rank pari passu with the Senior Secured Notes due 2023, Senior Secured Notes due 2025 and are structurally senior to the Senior Notes due 2024 (held by INEOS Group Holdings S.A., a parent company). The notes are guaranteed by INEOS Group Holdings S.A., INEOS Holdings Limited and certain of their subsidiaries on a senior secured basis. The Term Loans and the guarantees are secured by first ranking liens on the same assets (subject to certain exceptions) that secure INEOS Holdings Limited's obligations under the senior secured notes.

The Term Loans have numerous customary operating and financial incurrence covenants including covenants relating to, among other things, limitations on indebtedness, ability to give guarantees, creation of security interests, making acquisitions and investments, disposing of assets and paying dividends. The Term Loans have no financial maintenance covenants.

**Senior Secured Notes due 2023**

In May 2015 the Company issued €770 million of Senior Secured Notes due 2023. The Senior Secured Notes due 2023 are listed on the Luxembourg Stock Exchange. The Senior Secured Notes due 2023 bear interest at 4.0% per annum, payable semi-annually in arrears on May 1 and November 1 of each year. Unless previously redeemed as noted below, the Senior Secured Notes due 2023 will be redeemed by the Company at their principal amount on May 1, 2023.

The Senior Secured Notes due 2023 will be subject to redemption at any time on or after May 1, 2018, at the option of the Issuer, in whole or in part, on not less than 30 nor more than 60 days' prior notice at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the 12-month period beginning May 1 of the year indicated below:

Year	2023 Euro Fixed Rate Notes Redemption Price
2018.....	102.000%
2019.....	101.000%
2020 and thereafter.....	100.000%

In each case, the redemption premium will be in addition to accrued and unpaid interest, if any, to the redemption date (subject to the rights of holders of record on relevant record dates to receive interest due on an interest payment date).

The Senior Secured Notes due 2023 rank pari passu with the Senior Secured Term Loans and Senior Secured Notes due 2025 and are structurally senior to the Senior Notes due 2024 (held by INEOS Group Holdings S.A., a parent company). The notes are guaranteed by INEOS Group Holdings S.A., INEOS Holdings Limited and certain of their subsidiaries on a senior secured basis. The notes and the guarantees are secured by first ranking liens on the same assets (subject to certain exceptions) that secure INEOS Holdings Limited's obligations under the Senior Secured Term Loans.

The Indenture contains a number of operating and financial covenants including limitations on indebtedness, restricted payments, transactions with affiliates, liens, sale of assets and dividend payments.

**Notes (continued)**  
*(forming part of the financial statements)*

**10 Interest-bearing loans and borrowings (continued)**

**Senior Secured Notes due 2025**

In November 2017 the Company issued €550 million of Senior Secured Notes due 2025. The proceeds from the new Notes were used to partially repay the Senior Secured Term Loans. The Senior Secured Notes due 2025 are listed on the Luxembourg Stock Exchange. The Senior Secured Notes due 2025 bear interest at 2.125% per annum, payable semi-annually in arrears on May 15 and November 15 of each year. Unless previously redeemed as noted below, the Senior Secured Notes due 2025 will be redeemed by the Company at their principal amount on November 15, 2025.

The Senior Secured Notes due 2025 will be subject to redemption at any time on or after November 15, 2020, at the option of the Issuer, in whole or in part, on not less than 10 nor more than 60 days' prior notice at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the 12-month period beginning November 15 of the year indicated below:

Year	Redemption Price
2020 .....	101.0625%
2021 .....	100.53125%
2022 and thereafter .....	100.000%

In each case, the redemption premium will be in addition to accrued and unpaid interest, if any, to the redemption date (subject to the rights of holders of record on relevant record dates to receive interest due on an interest payment date).

The Senior Secured Notes due 2025 rank pari passu with the Senior Secured Term Loans and Senior Secured Notes due 2023 and are structurally senior to the Senior Notes due 2024 (held by INEOS Group Holdings S.A., a parent company). The notes are guaranteed by INEOS Group Holdings S.A., INEOS Holdings Limited and certain of their subsidiaries on a senior secured basis. The notes and the guarantees are secured by first ranking liens on the same assets (subject to certain exceptions) that secure INEOS Holdings Limited's obligations under the Senior Secured Term Loans.

The Indenture contains a number of operating and financial covenants including limitations on indebtedness, restricted payments, transactions with affiliates, liens, sale of assets and dividend payments.

**11 Called up share capital**

	2017 €'m	2016 €'m
<b>Allotted, called up and fully paid</b>		
50,000 (2016: 50,000) Ordinary shares of £1 each	0.1	0.1
	<hr/>	<hr/>
Shares classified in shareholders' funds	0.1	0.1
	<hr/>	<hr/>

As the reporting currency of the Company is the Euro, share capital has been converted to Euros at the effective rate of exchange ruling at the date of issuance.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

**Notes (continued)**  
**(forming part of the financial statements)**

**12 Contingent liabilities**

The Company is party to a Senior Secured Term Loans agreement dated 27 April 2012 (as amended). The total outstanding indebtedness under the Senior Secured Term Loans agreement at 31 December 2017 was €3,450.5 million (2016: €4,604.6 million). The Company is a guarantor under the Senior Secured Term Loans agreement. These obligations are secured by fixed and floating charges over the assets of the Company.

The Company is party to the Senior Secured Notes due 2023 Indenture dated 05 May 2015 and the Senior Secured Notes due 2025 Indenture dated 03 November 2017. The total outstanding indebtedness under the Senior Secured Notes at 31 December 2017 was €1,320.0 million (2016: €770.0 million). The Company is a guarantor under the Senior Secured Notes Indentures. These obligations are secured by fixed and floating charges over the assets of the Company.

The Company is party to the Senior Notes due 2024 Indenture dated 9 August 2016. The total outstanding indebtedness under the Senior Notes at 31 December 2017 was €1,068.8 million (2016: €2,289.0 million). The Company is a guarantor under the Senior Notes Indentures. These guarantees are on an unsecured senior subordinated basis.

**13 Controlling parties**

As at 31 December 2017 the immediate parent undertaking was INEOS Holdings Limited, a company incorporated in England and Wales.

The ultimate parent company at 31 December 2017 was INEOS Limited, a company incorporated in Isle of Man. INEOS Group Holdings S.A. is the parent undertaking of the only group of undertakings to consolidate these financial statements. Copies of the financial statements of INEOS Group Holdings SA can be obtained from the Company Secretary, 58, rue Charles Martel, Luxembourg, L-2134, Luxembourg.

The directors regard Mr J A Ratcliffe to be the ultimate controlling party by virtue of his majority shareholding in the ultimate parent undertaking INEOS Limited.