

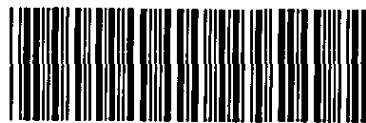
IP MAESTRALE ENERGY ITALY 16 LLP

Registration No. OC317738

FINANCIAL STATEMENTS

For the year ended 31 December 2008

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IP MAESTRALE ENERGY ITALY 16 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 2008. The prior period comparatives relate to the period 1 September 2007 to 31 December 2007.

Principal activities

The principal activity of the Partnership is the generation and sale of electricity in Italy. The average number of Members for the year was four. The Partnership's ultimate parent undertaking is International Power plc ("IPR"), a company listed on the London Stock Exchange. The Partnership has a branch in Italy.

Business review

During the year ended 31 December 2008 the results and the financial position at the year end were considered satisfactory by the Members who expect continued growth in the foreseeable future.

As shown in the profit and loss account on page 5 of the financial statements, the Partnership made a profit for the year ended 31 December 2008 of €14,786,000. In the period ended 31 December 2007, the profit for the period was €266,000.

The balance sheet on page 6 of the financial statements shows the Partnership's financial position at the year end. The Members' interests increased from €80,492,000 to €88,023,000 at 31 December 2008.

Principal risks and uncertainties

Operating risk

The Partnership is subject to typical risks affecting wind farms. These include wind variability risk and operating risk via its operating and maintenance contracts. The Partnership is also required to comply with legal and regulatory requirements.

Interest rate risk

The Partnership has both interest-bearing assets and interest-bearing liabilities. Interest-bearing assets include cash at bank which earns interest at a floating rate.

Interest-bearing liabilities include an on-loan facility from group undertakings. The rate of interest on the loan is based on an applicable interest rate set out in the facility agreement.

Designated Members

The Designated Members of the Partnership during the year and subsequently were as follows:

| | |
|----------------------------------------|--------------------------|
| IP Maestrale (MEI 1-14-1) (UK) Limited | |
| IP Maestrale (MEI 1-14-2) (UK) Limited | |
| RCG Lywood | (resigned 16 April 2009) |
| DJG Royds | (resigned 16 April 2009) |

Allocation of profit

The profit for the year remains unallocated to Members.

IP MAESTRALE ENERGY ITALY 16 LLP

Members' report (continued)

Members' drawings

Each Member shall be entitled to receive dividends by way of distributions of profits when they are declared by the Board. Such dividends shall be distributed in proportion to each Members' interest on the day on which the particular distribution of dividends 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.

Future developments

There have been no significant events since the balance sheet date, except as disclosed below and in note 13, which should be considered for a proper understanding of these financial statements.

Members and officers' liability insurance

During the year ended 31 December 2008, the Partnership's ultimate parent undertaking, International Power plc, 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 (period ended 31 December 2007: £nil).

Post balance sheet events

On 16 April 2009, RCG Lywood and DJG Royds resigned as Designated Members.

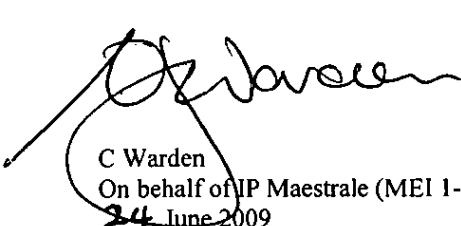
On 30 April 2009, the 0.4% interest of the partnership which was held equally by RCG Lywood and DJG Royds, was sold to IP Maestrale (MEI 1-14-1) (UK) Limited and IP Maestrale (MEI 1-14-2) (UK) Limited, for consideration of €17,400, in the proportion 80:20.

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

Pursuant to section 487 of The Limited Liability Partnerships (Accounts and Audit)(Application of Companies Act 2006) Regulations 2008 the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.



C Warden

On behalf of IP Maestrale (MEI 1-14-1) (UK) Limited, and IP Maestrale (MEI 1-14-2) (UK) Limited.

24 June 2009

IP MAESTRALE ENERGY ITALY 16 LLP

Statement of Members' responsibilities in respect of the Members' report and the financial statements

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

The law relating to Limited Liability Partnerships (LLPs) requires the Members to prepare financial statements for each financial period. Under that law the Members have elected to prepare the financial statements in accordance with applicable law and UK Accounting Standards (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 LLP and of the profit or loss of the LLP for that period.

In preparing these financial statements, the Members 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 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 LLP will continue in business.

Under the Limited Liability Partnerships Regulations 2001, the Members are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its financial statements comply with those regulations. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.

Independent auditor's report to the Members of IP Maestrale Energy Italy 16 LLP

We have audited the financial statements of IP Maestrale Energy Italy 16 LLP for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Reconciliation of Movement in Members' Interests and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Members of the Limited Liability Partnership (LLP), as a body, in accordance with section 235 of the Companies Act 1985, as required by Regulation 3 of the Limited Liability Partnerships Regulations 2001. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's Members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Members and auditors

As described in the Statement of Members' responsibilities on page 3, the Members are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 if, in our opinion, the LLP 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 Members' remuneration and other transactions is not disclosed.

We read the Members' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

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 Members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the LLP's circumstances, consistently applied and adequately disclosed.

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 affairs of the LLP as at 31 December 2008 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered accountants
Registered auditor
24 June 2009

8 Salisbury Square
London
EC4Y 8BB

IP MAESTRALE ENERGY ITALY 16 LLP

**Profit and loss account
for the year ended 31 December 2008**

| | Note | Year ended 31 December 2008 €'000 | 122 day period ended 31 December 2007 €'000 |
|-----------------------------------------------------------------------------------------------------------------------------------------|------|-----------------------------------------|------------------------------------------------------|
| Turnover | 2 | 28,185 | 10,360 |
| Cost of sales | | (411) | (98) |
| Gross profit | | 27,774 | 10,262 |
| Other operating income | | 81 | - |
| Administration costs | | (7,972) | (6,942) |
| Operating profit and profit before interest and taxation | 4 | 19,883 | 3,320 |
| Interest receivable and similar income | 5 | 1,579 | 18 |
| Interest payable and similar charges | 6 | (1,041) | (587) |
| Profit on ordinary activities before taxation and Members' remuneration | | 20,421 | 2,751 |
| Tax on profit on ordinary activities | 7 | (5,635) | (2,485) |
| Profit before Members' remuneration and profit share, and profit for the year/period available for discretionary division among Members | | 14,786 | 266 |

**Statement of total recognised gains and losses
for the year ended 31 December 2008**

| | Year ended 31 December 2008 €'000 | 122 day period ended 31 December 2007 €'000 |
|----------------------------------------------------------------------------------------------|-----------------------------------------|------------------------------------------------------|
| Profit for the year/period and total recognised gains and losses relating to the year/period | 14,786 | 266 |
| Prior period adjustments | - | 5,525 |
| Total gains and losses recognised since last financial statements | 14,786 | 5,791 |

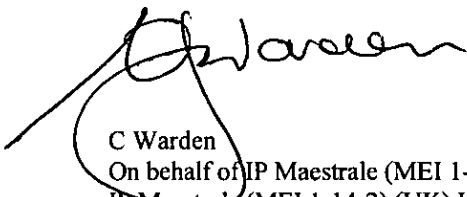
The notes on pages 8 to 12 form part of these financial statements.

IP MAESTRALE ENERGY ITALY 16 LLP

Balance sheet
as at 31 December 2008

| | Note | 31 December 2008 €'000 | 31 December 2007 €'000 |
|------------------------------------------------------------------------------------------|------|------------------------------|------------------------------|
| Current assets | | | |
| Stocks | 8 | 485 | 192 |
| Debtors (including amounts due in more than one year of €79,843,000 (2007: €84,906,000)) | 9 | 113,033 | 116,816 |
| Cash at bank and in hand | | 898 | 1,412 |
| Total current assets | | 114,416 | 118,420 |
| Creditors: amounts falling due within one year | 10 | (26,393) | (37,928) |
| Net current assets | | 88,023 | 80,492 |
| Total assets less current liabilities | | 88,023 | 80,492 |
| Net assets attributable to Members | | 88,023 | 80,492 |
| Represented by: | | | |
| Members' loan capital | 11 | 770 | 8,025 |
| Members' other interests: | | | |
| Members' equity capital | | 82,768 | 82,768 |
| Other reserves | | 4,485 | (10,301) |
| | | 88,023 | 80,492 |
| Total Members' interests | | | |
| Members' loan capital | | 770 | 8,025 |
| Members' other interests | | 87,253 | 72,467 |
| | | 88,023 | 80,492 |

These accounts were authorised for issue by IP Maestrale Energy Italy 16 LLP on June 2009 on behalf of IP Maestrale (MEI 1-14-1) (UK) Limited and IP Maestrale (MEI 1-14-2) (UK) Limited.


C Warden
On behalf of IP Maestrale (MEI 1-14-1) (UK) Limited, and
IP Maestrale (MEI 1-14-2) (UK) Limited.

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

IP MAESTRALE ENERGY ITALY 16 LLP

**Reconciliation of movements in Members' interests
for the year ended 31 December 2008**

| | Note | Members' loan capital | Members' other Interests | | Total |
|----------------------------------------------------------------------------------|------|-----------------------|--------------------------|----------------|---------|
| | | | Members' equity capital | Other reserves | |
| | | €'000 | €'000 | €'000 | €'000 |
| Balance at 1 January 2008 | | 8,025 | 82,768 | (10,301) | 80,492 |
| Profit for the financial year available for discretionary division among Members | | - | - | 14,786 | 14,786 |
| Members' interests after profit for the year | | 8,025 | 82,768 | 4,485 | 95,278 |
| Repayment of capital | 11 | (7,255) | - | - | (7,255) |
| Balance at 31 December 2008 | | 770 | 82,768 | 4,485 | 88,023 |

| | Note | Members' loan capital | Members' other Interests | | Total |
|------------------------------------------------------------------------------------|------|-----------------------|--------------------------|----------------|---------|
| | | | Members' equity capital | Other reserves | |
| | | €'000 | €'000 | €'000 | €'000 |
| Balance at 31 August 2007 as originally stated | | 9,196 | 82,768 | (16,092) | 75,872 |
| Prior period restatement | | - | - | 5,525 | 5,525 |
| Balance at 1 September 2007 as restated | | 9,196 | 82,768 | (10,567) | 81,397 |
| Profit for the financial period available for discretionary division among Members | | - | - | 266 | 266 |
| Members' interests after profit for the period | | 9,196 | 82,768 | (10,301) | 81,663 |
| Repayment of capital | 11 | (1,171) | - | - | (1,171) |
| Balance at 31 December 2007 | | 8,025 | 82,768 | (10,301) | 80,492 |

Members' loan capital is generally not repayable, except in certain specified instances, such as retirement from the Partnership, which occurs with immediate effect. The nature and amount of the repayment is dependent of various different parameters.

In the event of winding up, the amount included in "Members' loan capital" will rank equally with unsecured creditors.

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

IP MAESTRALE ENERGY ITALY 16 LLP

Notes to the financial statements

1. Accounting policies

a. Basis of preparation

IP Maestrale Energy Italy 16 LLP, (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 Regulations 2001 (and those provisions of the Companies Act 1985 referred to therein) and the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" May 2002 (Revised March 2006).

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

b. Stocks

Plant spares are valued at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing stocks to their present location and condition.

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' capital is not repayable and is therefore classified as equity.

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

Distributions of profit are payable to Members when such distributions are declared by the Board. The distributions are made in proportion to the Members' 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 VAT and is recognised when earned.

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' Interest. 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 (period ended 31 December 2007: nil).

4. Operating profit

| | Year ended 31 December 2008 €'000 | 122 day period ended 31 December 2007 €'000 |
|-----------------------------------------------|-----------------------------------------|------------------------------------------------------|
| Operating profit is stated after charging: | | |
| Operating lease rentals – plant and machinery | 6,628 | 2,385 |
| Operating lease rentals – land and buildings | 61 | 21 |

Auditor's remuneration of €6,914 in respect of the statutory audit for the year ended 31 December 2008 is borne by International Power plc, the Partnership's ultimate parent undertaking (period ended 31 December 2007: €9,072). No other services have been performed (period ended 31 December 2007: €nil).

5. Interest receivable and similar income

| | Year ended 31 December 2008 €'000 | 122 day period ended 31 December 2007 €'000 |
|---------------|-----------------------------------------|------------------------------------------------------|
| Bank interest | 1,579 | 18 |

IP MAESTRALE ENERGY ITALY 16 LLP

Notes to the financial statements (continued)

6. Interest payable and similar charges

| | Year ended 31 December 2008 €'000 | 122 day period ended 31 December 2007 €'000 |
|----------------------------------------|-----------------------------------------|------------------------------------------------------|
| Bank interest | 7 | 1 |
| Interest payable to group undertakings | 915 | 317 |
| Other interest | 119 | 269 |
| | <u>1,041</u> | <u>587</u> |

7. Tax on profit on ordinary activities

| | Year ended 31 December 2008 €'000 | 122 day period ended 31 December 2007 €'000 |
|------------------------------------------------|-----------------------------------------|------------------------------------------------------|
| Analysis of charge for the year/period | | |
| <i>Current tax charge</i> | | |
| Foreign Corporation tax | 5,635 | 2,975 |
| <i>Deferred tax credit (see note 9)</i> | | |
| Origination and reversal of timing differences | - | (490) |
| Total tax charge for the year/period | <u>5,635</u> | <u>2,485</u> |

| | Year ended 31 December 2008 €'000 | 122 day period ended 31 December 2007 €'000 |
|--------------------------------------------------------------|-----------------------------------------|------------------------------------------------------|
| <i>Current tax reconciliation</i> | | |
| Profit on ordinary activities before tax | <u>20,421</u> | <u>2,751</u> |
| Current tax at 28.5% (period ended 31 December 2007: 30%) | 5,820 | 825 |
| Profit attributable to Members | (5,820) | (825) |
| Foreign Corporation tax | <u>5,635</u> | <u>2,975</u> |
| Total current tax charge | <u>5,635</u> | <u>2,975</u> |

The deferred tax credit relates to timing differences arising from income and expenditure.

IP MAESTRALE ENERGY ITALY 16 LLP

Notes to the financial statements (continued)

8. Stocks

| | 31 December 2008 €'000 | 31 December 2007 €'000 |
|--------------|------------------------------|------------------------------|
| Plant spares | 485 | 192 |

9. Debtors: amounts recoverable within one year

| | 31 December 2008 €'000 | 31 December 2007 €'000 |
|-------------------------------------|------------------------------|------------------------------|
| Deferred tax asset | - | 490 |
| Trade debtors | 3,427 | 1,274 |
| Amounts due from group undertakings | 10,643 | 13,237 |
| Other debtors | 13,395 | 13,907 |
| Prepayments, and accrued income | 85,568 | 87,908 |
| | <u>113,033</u> | <u>116,816</u> |

Included within other debtors are overseas VAT balances of €11,921,000 (2007: €12,307,000) which are not fully recoverable within one year (see below).

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

| | 31 December 2008 €'000 | 31 December 2007 €'000 |
|--------------------------------|------------------------------|------------------------------|
| Deferred tax asset | - | 490 |
| Other debtors | 11,921 | 12,307 |
| Prepayments and accrued income | 67,922 | 72,109 |
| | <u>79,843</u> | <u>84,906</u> |

The deferred tax credit relates to timing differences arising from income and expenditure.

10. Creditors: amounts falling due within one year

| | 31 December 2008 €'000 | 31 December 2007 €'000 |
|-----------------------------------|------------------------------|------------------------------|
| Loan due to group undertakings | 15,813 | 16,728 |
| Trade creditors | 1,442 | 96 |
| Amounts due to group undertakings | 5,351 | 4,149 |
| Corporation tax | 3,257 | 4,274 |
| Other creditors | 486 | 388 |
| Accruals and deferred income | 44 | 12,293 |
| | <u>26,393</u> | <u>37,928</u> |

11. Members' capital

During the year ended 31 December 2008, capital repayments of €5,804k and €1,451k were made to IP Maestrale (MEI 1-14-1) (UK) Limited and IP Maestrale (MEI 1-14-2) (UK) Limited respectively (2007: €937k and €234k respectively).

IP MAESTRALE ENERGY ITALY 16 LLP

Notes to the financial statements (continued)

12. Financial commitments

As at 31 December 2008, the Partnership was committed to making the following payments under non-cancellable operating leases in the year ending 31 December 2009:

| | 31 December 2008 | | 31 December 2007 | |
|------------------------------------------------------|--------------------------------|----------------|--------------------------------|----------------|
| | Land and buildings €'000 | Other €'000 | Land and buildings €'000 | Other €'000 |
| Operating leases which expire: In over five years | 61 | 31,687 | 61 | 31,684 |

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

13. Post balance sheet events

On 16 April 2009, RCG Lywood and DJG Royds resigned as Designated Members.

On 30 April 2009, the 0.4% interest of the partnership which was held equally by RCG Lywood and DJG Royds, was sold to IP Maestrale (MEI 1-14-1) (UK) Limited and IP Maestrale (MEI 1-14-2) (UK) Limited, for consideration of €17,400, in the proportion 80:20.

14. Related party transactions

As at 31 December 2008 the Partnership was a wholly owned subsidiary of International Power plc the ultimate parent undertaking. 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 International Power plc, within which the Partnership is included, can be obtained from the address given in note 15.

15. Controlling party and ultimate parent undertaking

The Members of IP Maestrale Energy Italy 16 LLP are IP Maestrale (MEI 1-14-1) (UK) Limited (80%) and IP Maestrale (MEI 1-14-2) (UK) Limited (20%).

As at 31 December 2008, IP Maestrale Energy Italy 16 LLP was controlled by IP Maestrale (MEI 1-14-1) (UK) Limited, a company registered and incorporated in England and Wales. IP Maestrale (MEI 1-14-1) (UK) Limited (Trinergy (MEI 1-14-1) (UK) Limited) is controlled by International Power plc.

As at 31 December 2008, the smallest and largest group of undertakings for which group accounts are prepared was International Power plc.

As at 31 December 2008, International Power plc was the Partnership's ultimate parent undertaking. Copies of the accounts of International Power plc may be obtained from the following address:

Senator House
85 Queen Victoria Street
London
EC4V 4DP