

**Company Registration No. 3878758**

**AES UK DATACENTER SERVICES LIMITED**

**Report and Financial Statements  
31 December 2006**



**AES UK DATACENTER SERVICES LIMITED**  
**REPORT AND FINANCIAL STATEMENTS 2006**

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## **AES UK DATACENTER SERVICES LIMITED**

### **REPORT AND FINANCIAL STATEMENTS 2006**

#### **OFFICERS AND PROFESSIONAL ADVISERS**

##### **DIRECTORS**

The following directors were in office during the financial year ended 31 December 2006, except where noted

William Hoagland III  
Jay Kloosterboer  
Dale Perry  
George Coulter  
Garry Levesley (resigned 19 May 2006)

##### **SECRETARY**

Neil Hopkins

##### **REGISTERED OFFICE**

37- 39 Kew Foot Road  
Richmond  
Surrey  
TW9 2SS

##### **BANKERS**

Citibank London N A

##### **AUDITORS**

Deloitte & Touche LLP  
Chartered Accountants  
London

# AES UK DATACENTER SERVICES LIMITED

## DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2006. The directors' report has been prepared in accordance with the special provisions relating to small companies under Section 246(4) of the Companies Act of 1985.

### PRINCIPAL ACTIVITY

The principal activity of the company is the development and maintenance of the IT servers which support all AES companies within the Europe, CIS and Africa regions.

### REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The company is expected to continue in its role in developing and maintaining the IT servers which support all AES companies within the Europe, CIS and Africa regions.

### RESULTS FOR THE YEAR AND DIVIDENDS

The company's results for 2006 showed a loss of £646,788 (2005 £nil). The directors do not recommend the payment of a dividend (2005 £nil).

### DIRECTORS

The directors of the company who served during the year (except as noted) and thereafter are shown on page 2.

### SUBSEQUENT EVENTS

Subsequent events since 31 December 2006 are disclosed in note 12 to the accounts.

### INFORMATION TO AUDITORS

Each of the directors 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
- (2) the director has 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.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



Neil Hopkins  
Director  
24 ~~X~~ September 2008

# **AES UK DATACENTER SERVICES LIMITED**

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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, 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 that 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 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AES UK DATACENTER SERVICES LIMITED**

We have audited the financial statements of AES UK Datacenter Services Limited for the year ended 31 December 2006, which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. 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 auditors' 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 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 director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 implication 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 judgements 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.

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 United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 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.

*Deloitte & Touche LLP*

**Deloitte & Touche LLP**  
Chartered Accountants and Registered Auditors  
London

26 September 2008

## AES UK DATACENTER SERVICES LIMITED

### PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2006

	Note	2006 £'000	2005 £'000
Administrative expenses		<u>(647)</u>	<u>-</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2	<b>(647)</b>	<b>-</b>
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<b><u>(647)</u></b>	<b><u>-</u></b>

All of the results relate to continuing operations in both the current and previous year

There are no recognised gains or losses or other movements in shareholder's funds for the current or preceding financial year other than as stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses has been presented.

# AES UK DATACENTER SERVICES LIMITED


## BALANCE SHEET

As at 31 December 2006

	Notes	2006 £'000	2005 £'000
<b>FIXED ASSETS</b>			
Tangible assets	5	2,773	-
<b>CURRENT ASSETS</b>			
Debtors	6	403	-
<b>CREDITORS, amounts falling due within one year</b>	7	(191,823)	-
<b>NET CURRENT LIABILITIES</b>		(191,420)	-
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(188,647)	-
<b>CREDITORS: amounts falling due after more than one year</b>	7	-	(188,000)
<b>NET LIABILITIES</b>		(188,647)	(188,000)
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	1,000	1,000
Profit and loss account	9	(189,647)	(189,000)
<b>SHAREHOLDER'S FUNDS</b>	10	(188,647)	(188,000)

These financial statements were approved by the Board of Directors on *24 Sept* 2008

Signed on behalf of the Board of Directors



Neil Hopkins  
Director



# AES UK DATACENTER SERVICES LIMITED

## NOTES TO THE ACCOUNTS

For the year ended 31 December 2006

### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below and have all been applied consistently in both the current and preceding year.

#### Accounting convention

The financial statements have been prepared under the historical cost convention.

#### Tangible fixed assets

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The estimated useful lives are:

Computer equipment	3 years
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#### Foreign currency

Transactions expressed in foreign currencies are translated into sterling at the rates of exchange prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rates ruling at the period end.

#### Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

## AES UK DATACENTER SERVICES LIMITED

### NOTES TO THE ACCOUNTS

For the year ended 31 December 2006

#### 2. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The loss on ordinary activities before taxation is stated after charging

	2006 £'000	2005 £'000
Depreciation – owned assets (Note 5)	394	-

Auditors' remuneration for the audit of the company's annual accounts for the current year of £7,500 (2005 £nil) was borne by AES Electric Limited, a fellow subsidiary undertaking

#### 3 STAFF COSTS

The average monthly number of employees was three (2005 nil) Their aggregate remuneration comprised of

	2006 £'000	2005 £'000
Wages and salaries	76	-
Social security costs	9	-
Other pension costs	5	-
	90	-

No directors received remuneration in respect of qualifying services to the company

#### 4. TAX ON LOSS ON ORDINARY ACTIVITIES

	2006 £'000	2005 £'000
Current tax		
UK corporation tax	-	-

# AES UK DATACENTER SERVICES LIMITED

## NOTES TO THE ACCOUNTS

For the year ended 31 December 2006

### 4. TAX ON LOSS ON ORDINARY ACTIVITIES (continued)

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

	2006 £'000	2005 £'000
<b>Loss on ordinary activities before taxation</b>	<u>(647)</u>	<u>-</u>
Tax on loss on ordinary activities at standard UK corporation tax rate of 30% (2005 – 30%)	(194)	-
Fixed asset timing differences	(1)	-
Other permanent differences	204	-
Group relief to be claimed for no consideration	<u>(9)</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Deferred tax assets of £56,700,000 (2005 £56,700,000) in respect of capital losses have not been recognised as there is insufficient evidence that the assets will be recovered. The assets would be recovered if the company makes suitable taxable profits in the future.

Under the Finance Act 2007 the rate of UK corporation tax has reduced from 30% to 28% with effect from 1 April 2008. The change in the UK corporation tax rate will reduce the deferred tax asset not recognised at 31 December 2006 by £3,780,000. This is a non-adjusting post balance sheet event and has no impact on the net assets of the company at 31 December 2006.

The acquisition and subsequent liquidation of AES Devin Co. in December 2007 as disclosed in note 12 will also reduce the deferred tax asset not recognised at 31 December 2006 by £9,993,000. This is also a non-adjusting post balance sheet event and has no impact on the net assets of the company at 31 December 2006.

# AES UK DATACENTER SERVICES LIMITED

## NOTES TO THE ACCOUNTS For the year ended 31 December 2006

### 5. TANGIBLE FIXED ASSETS

	Computer equipment £'000
<b>Cost:</b>	
At 1 January 2006	-
Additions	3,167
	<u>3,167</u>
At 31 December 2006	<u>3,167</u>
<b>Accumulated depreciation:</b>	
At 1 January 2006	-
Charge for the year	394
	<u>394</u>
At 31 December 2006	<u>394</u>
<b>Net book value:</b>	
At 31 December 2006	<u>2,773</u>
At 31 December 2005	<u>-</u>

### 6. DEBTORS

	2006 £'000	2005 £'000
<b>Amounts falling due within one year:</b>		
Prepayments and accrued income	403	-
	<u>403</u>	<u>-</u>
	<u>403</u>	<u>-</u>

### 7. CREDITORS

	2006 £'000	2005 £'000
<b>Amounts falling due within one year:</b>		
Amounts owed to group undertakings	3,823	-
Amounts owed to immediate parent company	188,000	-
	<u>191,823</u>	<u>-</u>
<b>Amounts falling due after one year:</b>		
Amounts owed to immediate parent company	-	188,000
	<u>-</u>	<u>188,000</u>

# AES UK DATACENTER SERVICES LIMITED

## NOTES TO THE ACCOUNTS

For the year ended 31 December 2006

### 7. CREDITORS (continued)

The amounts owed to the immediate parent company have no fixed repayment date and are interest free. On 7 December 2007 a Deed of Release was provided by the immediate parent company which irrevocably and unconditionally released the company from any and all claims under the £188,000,000 loan agreement dated 30 November 1999.

### 8. CALLED UP SHARE CAPITAL

	2006 £'000	2005 £'000
<b>Authorised.</b> 1,000,000,000 ordinary shares of £1 each	1,000,000	1,000,000
<b>Called up, allotted and fully paid</b> 1,000,002 ordinary shares of £1 each	1,000	1,000

### 9. RESERVES

	2006 £'000	2005 £'000
Loss for the year	(647)	-
At 1 January	(189,000)	(189,000)
At 31 December	(189,647)	(189,000)

### 10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2006 £'000	2005 £'000
Loss for the year	(647)	-
Opening shareholder's funds	(188,000)	(188,000)
Closing shareholder's funds	(188,647)	(188,000)

## **AES UK DATACENTER SERVICES LIMITED**

### **NOTES TO THE ACCOUNTS**

**For the year ended 31 December 2006**

#### **11. ULTIMATE PARENT COMPANY**

The immediate parent undertaking and controlling party is AES Drax Financing Inc , a company incorporated in the State of Delaware

The ultimate parent company and controlling entity, and parent of the smallest and largest group for which consolidated accounts are prepared of which this company is a part, is the AES Corporation, a company incorporated in the State of Delaware, USA Copies of the parent company's financial statements can be obtained from the Securities and Exchange Commission, 450 5th Street NW, Washington DC 20549, USA

The company has taken advantage of the exemption granted by Financial Reporting Standard (FRS) 8 "Related Party Disclosures" not to disclose transactions with other undertakings within, and related parties of, The AES Corporation Group The company is also exempt from preparing a cash flow statement under the terms of FRS 1 (Revised 1996) as it is a wholly owned subsidiary, for which the ultimate parent company prepares consolidated accounts which include the results of the company and are publically available

#### **12. SUBSEQUENT EVENTS**

On 7 December 2007 the Company acquired 253,657 \$1 ordinary shares in the capital of AES Devin Co , a fellow group undertaking and private unlimited company incorporated in Ireland, for £209,000,000

On 8 December, 2007, AES Devin Co was liquidated and the Company received assets from the liquidation amounting to £209,000,000 The Company assigned these assets to AES Venezuela Finance, a fellow group undertaking and private unlimited company incorporated in England and Wales, in settlement of the purchase price consideration