
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

**REPORT OF A FOREIGN ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16
OF THE SECURITIES EXCHANGE ACT OF 1934**

May 31, 2017

Commission File Number 001-36761

Kenon Holdings Ltd.

**1 Temasek Avenue #36-01
Millenia Tower
Singapore 039192
(Address of principal executive offices)**

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

If “Yes” is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

EXHIBITS 99.1 AND 99.2 TO THIS REPORT ON FORM 6-K ARE INCORPORATED BY REFERENCE IN THE REGISTRATION STATEMENT ON FORM S-8 (FILE NO. 333-201716) OF KENON HOLDINGS LTD. AND IN THE PROSPECTUSES RELATING TO SUCH REGISTRATION STATEMENT.

Exhibits

99.1 Press Release, dated May 31, 2017: Kenon Holdings Reports Q1 2017 Results and Additional Updates

99.2 Q1 2017 Summary Financial Information for Kenon, IC Power and Qoros and Reconciliation of Certain non-IFRS Financial Information

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

KENON HOLDINGS LTD.

Date: May 31, 2017

By: /s/ Yoav Doppelt

Name: Yoav Doppelt

Title: Chief Executive Officer



-IC Power continued to grow in Q1 2017-

*Driven by the completion of greenfield projects
and the acquisition of distribution business*

Kenon Holdings Reports First Quarter 2017 Results and Additional Updates

Singapore, May 31, 2017. Kenon Holdings Ltd. (NYSE: KEN, TASE: KEN) announces its results for Q1 2017 and additional updates on its businesses.

Key Highlights

IC Power

- IC Power's revenues in Q1 2017 increased by 29% to \$544 million, as compared to \$422 million in Q1 2016.
- IC Power's net income attributable to Kenon in Q1 2017 was \$12 million (\$15 million excluding finance expenses due to intercompany loans owing to Kenon¹), as compared to \$13 million (\$14 million excluding finance expenses due to intercompany loans owing to Kenon) in Q1 2016.
- IC Power's Adjusted EBITDA² in Q1 2017 increased by 47% to \$146 million, as compared to \$99 million in Q1 2016.
- IC Power's distribution segment generated revenues of \$139 million, net income of \$12 million and Adjusted EBITDA² of \$24 million in Q1 2017.
- In April 2017, IC Power entered into an agreement to acquire 95% of the shares of Zomet, which is developing a project for the construction of a natural gas-powered power plant, using an open cycle conventional technology, with an installed capacity of 396 MW, in Israel.

Discussion of Results for the Three Months Ended March 31, 2017

Kenon's consolidated results of operations from its operating companies essentially comprise the consolidated results of IC Power Ltd. ("IC Power"). The results of Qoros Automotive Co., Ltd. ("Qoros") and ZIM Integrated Shipping Ltd. ("ZIM") are reflected under results from associates.

¹ Net income excluding finance expenses due to intercompany loans owing to Kenon is a non-IFRS measure. IC Power's finance expenses due to intercompany notes owing to Kenon were \$3 million and \$1 million in Q1 2017 and Q1 2016, respectively.

² Adjusted EBITDA is a non-IFRS measure. See Exhibit 99.2 of Kenon's Form 6-K dated May 31, 2017 for the definition of IC Power's Adjusted EBITDA and a reconciliation to IC Power's, and each of its segments', net income.

See Exhibit 99.2 of Kenon's Form 6-K dated May 31, 2017, for summary consolidated financial information for Kenon, IC Power and Qoros and a reconciliation of non-IFRS measures to the nearest IFRS measure.

IC Power

IC Power's segments are Generation and Distribution. IC Power's Generation business is further segmented by geography: Peru, Israel, Central America and Other.

The following discussion of IC Power's results of operations is derived from IC Power's consolidated financial statements.

Summary Financial Information of IC Power by Segment

Three Months Ended March 31, 2017							
(in USD millions)							
	Generation				Distribution	Adjustments	Total
	Peru	Israel	Central America	Other ¹	Guatemala		
Revenues	172	99	88	46	139	-	544
Cost of Sales ²	(102)	(70)	(65)	(29)	(109)	-	(375)
Net Income (loss)	22	11	6	(31)	12	2	22
Adjusted EBITDA	64	28	20	10	24	-	146

Three Months Ended March 31, 2016							
(in USD millions)							
	Generation				Distribution	Adjustments	Total
	Peru	Israel	Central America	Other ¹	Guatemala		
Revenues	121	90	75	35	101	-	422
Cost of Sales ²	(79)	(65)	(57)	(22)	(79)	-	(302)
Net Income (loss)	16	13	2	(15)	3	2	21
Adjusted EBITDA	39	22	15	8	15	-	99

1. IC Power's Other segment includes the results of certain of IC Power's generation assets. In addition, IC Power's Other segment also includes expenses and other adjustments relating to its headquarters and intermediate holding companies, including amortization of purchase price allocations recorded in connection with IC Power's acquisition of Energuate, which allocations were recorded by Inkia, one of IC Power's intermediate holding companies.

2. Excludes depreciation and amortization.

- *Revenues*—\$544 million in Q1 2017, as compared to \$422 million in Q1 2016. The increase was primarily due to the commencement of commercial operations of Samay I (Peru segment) in May 2016, and CDA (Peru segment) in August 2016, as well as an increase in the revenue of IC Power's distribution business (as the Q1 2016 results of IC Power's distribution business only reflect the results since the consolidation of such business on January 22, 2016);
- *Cost of sales*—\$375 million in Q1 2017, as compared to \$302 million in Q1 2016, primarily as a result of the items described above with respect to the increase in revenues;
- *Net income*—\$22 million in Q1 2017, as compared to \$21 million in Q1 2016. The main changes in net income in Q1 2017, compared to Q1 2016, include:
 - a \$9 million increase in the net income of IC Power's distribution business primarily because their results for Q1 2016 were only consolidated from January 22, 2016;
 - a \$6 million increase in the net income of the Peru segment primarily due to an increase of \$4 million and \$3 million in the net income of CDA and Samay I, respectively, due to the commencement of their commercial operations in Q3 and Q2 2016, respectively;

- a \$4 million increase in the net income of the Central America segment driven by an increase of \$2 million in the net income of Kanan (Panama), due to the commencement of its commercial operations in Q2 2016; and
- a \$16 million decrease in the Other segment principally as a result of (1) a \$20 million asset impairment in connection with the sale of Surpetroil (Colombia); (2) a \$3 million interest expense related to the \$100 million Overseas Facility (since May 2016); and (3) a \$2 million increase in finance expenses related to the \$220 million notes issued by IC Power to Kenon in March 2016. These effects were partially offset by \$10 million in other income received by IC Power Distribution Holdings (“ICPDH”), the holding company of IC Power’s distribution businesses from the prior owner of Energuate, as a result of a working capital adjustment in connection with the acquisition of Energuate in January 2016 (as described below).

IC Power’s net income attributable to Kenon in Q1 2017 was \$12 million (\$15 million excluding finance expenses due to intercompany loans owing to Kenon³), as compared to \$13 million (\$14 million excluding finance expenses due to intercompany loans owing to Kenon) in Q1 2016; and

- *Adjusted EBITDA*—\$146 million in Q1 2017, as compared to \$99 million in Q1 2016, primarily due to the commencement of commercial operations of CDA (\$18 million increase), Samay I (\$12 million increase) and Kanan (\$5 million increase) in Q2 and Q3 2016, and an increase of \$8 million in Energuate’s Adjusted EBITDA (as the Q1 2016 results of IC Power’s distribution business only reflect the results since the consolidation of such business on January 22, 2016).

A discussion of revenues, cost of sales, net income and Adjusted EBITDA for IC Power’s generation business by segment for Q1 2017, as compared to Q1 2016 is as follows:

Generation - Peru Segment

Three Months Ended March 31, 2017					
Entity	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
(\$ millions)					
Kallpa	75	\$ 108	\$ 70	\$ 34	\$ 13
CDA	75	31	11	18	5
Samay I	75	33	21	12	4
TOTAL		\$ 172	\$ 102	\$ 64	\$ 22

Three Months Ended March 31, 2016					
Entity	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
(\$ millions)					
Kallpa	75	\$ 121	\$ 79	\$ 39	\$ 14
CDA	75	-	-	-	1
Samay I	75	-	-	-	1
TOTAL		\$ 121	\$ 79	\$ 39	\$ 16

³ Net income excluding finance expenses due to intercompany loans owing to Kenon is a non-IFRS measure. IC Power’s finance expenses relating to intercompany notes owing to Kenon were \$3 million and \$1 million in Q1 2017 and Q1 2016, respectively.

- *Revenues*—\$172 million in Q1 2017, as compared to \$121 million Q1 2016, primarily as a result of the contribution to revenues of CDA and Samay I, which commenced operations in Q3 and Q2 2016. The increase was partially offset by a \$13 million decrease in Kallpa's revenues, primarily as a result of a 12% decrease in the volume of energy sold and a 7% decrease in Kallpa's average selling price, due to the current oversupply of capacity in the Peruvian power market, which has resulted in (i) downward pressure on prices and (ii) certain Peruvian distribution companies who are eligible to purchase energy as unregulated customers purchasing energy directly from power generators;
- *Cost of sales*—\$102 million in Q1 2017, as compared to \$79 million in Q1 2016, primarily as a result of the contribution of cost of sales from CDA and Samay I. The increase was partially offset by a decrease of Kallpa's cost of sales, primarily due to a \$5 million decrease in Kallpa's energy purchases due to lower prices;
- *Net income*—\$22 million in Q1 2017, as compared to \$16 million Q1 2016, primarily as a result of the commencement of commercial operations of CDA and Samay I; and
- *Adjusted EBITDA*—\$64 million in Q1 2017, as compared to \$39 million in Q1 2016, primarily as a result of the commencement of commercial operations of CDA and Samay I. This increase was partially offset by a decrease in Kallpa's Adjusted EBITDA, due to the factors described above.

Generation - Israel Segment

Three Months Ended March 31, 2017					
Entity	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
(\$ millions)					
OPC-Rotem	80	\$ 87	\$ 59	\$ 28	\$ 12
OPC-Hadera	100	12	11	-	(1)
TOTAL		\$ 99	\$ 70	\$ 28	\$ 11

Three Months Ended March 31, 2016					
Entity	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
(\$ millions)					
OPC-Rotem	80	\$ 77	\$ 54	\$ 22	\$ 13
OPC-Hadera	100	13	11	-	-
TOTAL		\$ 90	\$ 65	\$ 22	\$ 13

- *Revenues*—\$99 million in Q1 2017, as compared to \$90 million in Q1 2016, primarily as a result of a \$10 million increase in revenues contributed by OPC-Rotem as a result of a 12% increase in OPC-Rotem's average energy selling price, due to the new electricity tariffs introduced by the Israel Electricity Authority (the "EA") in January 2017, as well as fluctuations of the Israeli Shekel exchange rate;
- *Cost of sales*—\$70 million in Q1 2017, as compared to \$65 million in Q1 2016, primarily as a result of a \$3 million increase in OPC-Rotem's regulatory expense costs, as a result of an increase in the tariffs;
- *Net income*—\$11 million in Q1 2017, as compared to \$13 million in Q1 2016, primarily due to an increase in OPC-Rotem's depreciation, as well as exchange rate fluctuations of the Israeli Shekel against the US dollar; and

- *Adjusted EBITDA*—\$28 million in Q1 2017, as compared to \$22 million in Q1 2016, primarily due to the increase in electricity tariffs, as well as exchange rate fluctuations of the Israeli Shekel against the US dollar.

Generation - Central America Segment

Entity (Country)	Three Months Ended March 31, 2017				
	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
	(\$ millions)				
ICPNH (Nicaragua)	61-65	25	16	9	3
Kanan (Panama)	100	19	14	5	-
Nejapa and Cenέργica (El Salvador)	100	32	27	4	3
Puerto Quetzal (Guatemala)	100	15	11	2	1
Guatemel (Guatemala) ¹	100	2	2	-	-
Eliminations		(5)	(5)	-	(1)
TOTAL		\$ 88	\$ 65	\$ 20	\$ 6

1. In January 2016, IC Power acquired Guatemel, an electricity trading company, as part of its acquisition of its distribution businesses. However, Guatemel's results are included within IC Power's generation business as a result of its business line.

Entity (Country)	Three Months Ended March 31, 2016				
	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
	(\$ millions)				
ICPNH (Nicaragua)	61-65	23	13	10	4
Kanan (Panama)	100	15	14	-	(2)
Nejapa and Cenέργica (El Salvador)	100	21	16	3	2
Puerto Quetzal (Guatemala)	100	15	13	2	(1)
Guatemel (Guatemala)	100	1	1	-	-
Eliminations					(1)
TOTAL		\$ 75	\$ 57	\$ 15	\$ 2

- *Revenues*—\$88 million in Q1 2017, as compared to \$75 million in Q1 2016. The increase in revenues was primarily due to (i) a \$7 million increase in Nejapa's revenues due to a 52% increase in average energy selling prices in connection with an increase in HFO prices, (ii) a \$4 million increase in Cenergica's revenue from energy trading, (iii) a \$4 million increase in Kanan's revenues in Q1 2017 as compared to Q1 2016, as Kanan was only partially operated in Q1 2016 and (iv) a \$2 million increase in ICPNH's revenue due to a 81% increase in Tipitapa's average energy selling price in connection with an increase in HFO prices;
- *Cost of sales*—\$65 million in Q1 2017, as compared to \$57 million in Q1 2016, primarily as a result of (i) a \$7 million increase in Nejapa's cost of sales mainly due to an increase in HFO prices and (ii) a \$3 million increase in ICPNH's cost of sales due to an increase in HFO prices. These effects were partially offset by a \$2 million decrease in Puerto Quetzal's fuel costs as a result of a 71% decrease in the volume of energy generated;

- *Net income*—\$6 million in Q1 2017, as compared to \$2 million in Q1 2016, primarily due to an increase of \$2 million in Kanan's net income, due to the commencement of its commercial operations in April 2016, and a \$2 million increase in Puerto Quetzal's net income due to lower finance expenses; and
- *Adjusted EBITDA*—\$20 million in Q1 2017, as compared to \$15 million in Q1 2016, primarily due to a \$5 million increase in Kanan's Adjusted EBITDA, due to the commencement of its commercial operations in April 2016.

Generation - Other Segment

Entity (Country)	Three Months Ended March 31, 2017				
	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
	(\$ millions)				
COBEE (Bolivia)	100	12	4	7	4
Central Cardones (Chile)	87	4	-	3	1
Colmito (Chile)	100	6	5	1	-
CEPP (Dominican Republic)	97	11	9	1	-
JPPC (Jamaica)	100	11	10	-	(1)
Surpetroil (Colombia)	60	2	1	-	-
IC Power Distribution Holdings (non-operating holdco)	100	-	-	-	8
Inkia & Other (non-operating holdcos)	100	-	-	(1)	(33)
IC Power, ICPI & Other (non-operating holdcos)	100	-	-	(1)	(9)
RECSA (Guatemala) ¹	100	-	-	-	-
Eliminations					(1)
TOTAL		\$ 46	\$ 29	\$ 10	\$ (31)

1. In January 2016, IC Power acquired RECSA, an electricity transmission company, as part of its acquisition of its distribution business. However, RECSA's results are included within IC Power's generation business as a result of its business line.

Entity (Country)	Three Months Ended March 31, 2016				
	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
	(\$ millions)				
COBEE (Bolivia)	100	12	4	7	4
Central Cardones (Chile)	87	2	—	2	—
Colmito (Chile)	100	6	5	—	—
CEPP (Dominican Republic)	97	6	5	—	(1)
JPPC (Jamaica)	100	7	7	—	(1)
Surpetroil (Colombia)	60	2	1	—	—
IC Power Distribution Holdings (non-operating holdco)	100	—	—	—	(2)
Inkia & Other (non-operating holdcos)	100	—	—	—	(10)
IC Power, ICPI & Other (non-operating holdcos)	100	—	—	(1)	(4)
Eliminations					(1)
TOTAL		\$ 35	\$ 22	\$ 8	\$ (15)

- *Revenues*—\$46 million in Q1 2017, as compared to \$35 million in Q1 2016, primarily as a result of (i) a \$5 million increase in CEPP's revenues as a result of a 77% increase in the volume of energy sold as a result of PPAs which commenced in November 2016 and March 2017, respectively and (ii) a \$4 million increase in JPPC's revenues as a result of a 60% increase in JPPC's selling prices, due to an increase in HFO prices;
- *Cost of sales*—\$29 million in Q1 2017, as compared to \$22 million in Q1 2016, primarily as a result of (i) a \$4 million increase in CEPP's cost of sales due to an increase in CEPP's energy purchases as a result of lower energy generation, and (ii) a \$3 million increase in JPPC's fuel expenses as a result of higher HFO prices;
- *Net loss*—\$31 million in Q1 2017, as compared to \$15 million in Q1 2016, primarily due to (i) a \$20 million asset impairment due to the sale of Surpetroil; and (ii) a \$5 million increase in finance expenses in IC Power's holding companies, including (a) a \$3 million interest expense related to the \$100 million Overseas Facility and (b) a \$2 million increase in finance expenses related to the \$220 million notes issued by IC Power to Kenon in March 2016. These effects were partially offset by the \$10 million payment received by ICPDH as a result of the working capital adjustment in connection with the acquisition of Energuate in January 2016; and
- *Adjusted EBITDA*—\$10 million in Q1 2017, as compared to \$8 million in Q1 2016.

Distribution Segment

Entity	Three Months Ended March 31, 2017				
	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
				(\$ millions)	
DEORSA	93	\$ 61	\$ 48	\$ 10	\$ 5
DEOCSA	91	78	61	14	7
TOTAL		\$ 139	\$ 109	\$ 24	\$ 12

Entity	Three Months Ended March 31, 2016 ¹				
	Ownership Interest (%)	Revenues	Cost of Sales	Adjusted EBITDA	Net Income
				(\$ millions)	
DEORSA	93	\$ 43	\$ 34	\$ 6	\$ 2
DEOCSA	91	58	45	9	1
TOTAL		\$ 101	\$ 79	\$ 15	\$ 3

1. The results of IC Power's distribution segment reflect the results of such segment since January 22, 2016, the date on which IC Power's distribution business was acquired and consolidated.

- *Revenues*—\$139 million in Q1 2017, as compared to \$101 million in Q1 2016, as IC Power's distribution businesses' results for Q1 2016 only reflected the 69 days after such businesses were acquired and consolidated, and due to increased revenues from energy sales due to a higher tariff;

- *Cost of sales*—\$109 million in Q1 2017, as compared to \$79 million in Q1 2016, as IC Power’s distribution businesses’ results for Q1 2016 only reflected the 69 days after such businesses were acquired and consolidated, and due to a \$4 million increase in Energuate’s energy purchase expenses due to an increase in the price of energy purchases;
- *Net income*—\$12 million in Q1 2017, as compared to \$3 million in Q1 2016, primarily due to the factors discussed above; and
- *Adjusted EBITDA*—\$24 million in Q1 2017, as compared to \$15 million in Q1 2016, due to the factors discussed above.

Capital Expenditures

IC Power’s capital expenditures were \$40 million in Q1 2017, including \$24 million in capital expenditures for maintenance of existing facilities (which included \$6 million for Energuate) and \$16 million in capital expenditures for construction of the OPC-Hadera plant.

Liquidity and Capital Resources

As of March 31, 2017, IC Power had cash and cash equivalents of \$283 million, no short-term deposits, restricted cash of \$126 million (including long-term portion), and total outstanding consolidated indebtedness of \$3,145 million (excluding IC Power’s \$145 million note payable to Kenon), consisting of \$501 million of short-term indebtedness, and \$2,644 million of long-term indebtedness.

In April 2017, IC Power loaned \$50 million to Kenon.

For information regarding the Energuate bond issuance, loan and repayment of the ICPDH credit facility, as well as IC Power Israel Ltd.’s (“ICPI”) bond issuances and repayment of its credit facility, see “—*Business Developments—Energuate Bonds*” and “—*Business Developments—ICPI Bonds and Restructuring*.”

Business Developments

Update on the Construction of the OPC-Hadera Plant

OPC-Hadera is constructing a 140 MW co-generation power plant in Israel. IC Power expects that the total cost of the OPC-Hadera plant will be approximately \$250 million (including the acquisition price of NIS 60 million (approximately \$16 million)).

Construction of the OPC-Hadera plant began in June 2016, and the plant is expected to commence commercial operations by early 2019. As of March 31, 2017, OPC-Hadera had invested an aggregate of \$89 million in the project and completed approximately 50% of the project.

In March 2017, following the full investment of the project’s equity contribution, OPC-Hadera made its first drawings under the NIS 1 billion (approximately \$261 million) loan agreement relating to the project.

Zomet Acquisition

In April 2017, IC Power entered into an agreement to acquire 95% of the shares of Zomet. Zomet is developing a project for the construction of a natural gas-powered power plant in Israel, with an installed capacity of 396 MW, using open-cycle conventional technology.

The consideration for the transaction is expected to be approximately \$24 million, subject to adjustments pertaining to the installed capacity of the Zomet project and subject to the payment milestones stipulated in the agreements.

The completion of the transaction is conditional upon the fulfillment of closing conditions, including receipt of the necessary regulatory approvals, including the approval of the EA for a new conditional license for electricity generation (the approval request was submitted in May 2017) and the approval of the Anti-Trust Commissioner (which approval was received in April 2017).

Update on Kanan Plant

In April 2017, Kanan's 92 MW power plant experienced a fire. As a result, Kanan's 37 MW barge and 55 MW barge were placed off-line. Kanan has property and business interruption insurance for its power plant. Kanan is seeking coverage for the costs of the outage, including repair and replacement costs and loss of profits, as appropriate, from its insurance coverage.

Although Kanan's management is still assessing the impact of the damage and the resulting outage, IC Power does not expect the fire and outage to have a material adverse effect on its financial results.

Sale of Surpetroil and Impairment

In April 2017, IC Power sold its 60% interest in Surpetroil for \$1 million. As result of this transaction, IC Power identified impairment indicators in such assets and conducted an impairment analysis, which resulted in IC Power recording an asset impairment in the amount of \$20 million in Q1 2017.

Energuate Bonds

In May 2017, Energuate issued senior notes in an aggregate principal amount of \$330 million. In connection with the issuance of the notes, Energuate also entered into a Guatemalan-quetzales denominated loan in the amount of approximately \$120 million. The proceeds of the notes and loan were used to repay in full Energuate indebtedness (representing approximately \$317 million as of December 31, 2016) and IC Power's \$120 million ICPDH Credit Agreement (which was entered in connection with IC Power's acquisition of Energuate in January 2016).

The notes accrue interest at a rate of 5.875%, and the loan accrues interest at the weighted average rate (*TASA Activa Promedio Ponderada*), as published by the Guatemalan Central Bank, less 6.0% (subject to a floor rate of 7.0%). Final maturity of the bonds and loan will occur in 2027.

Energuate Working Capital Adjustment

The purchase price for IC Power's acquisition of Energuate was subject to a working capital adjustment. IC Power and Actis LLP ("Actis"), the prior owner of Energuate, disagreed as to the amount of this adjustment. Pursuant to the share purchase agreement, an accounting firm determined the amount of the adjustment. In April 2017, the accounting firm determined that Actis was required to pay \$10 million to IC Power in relation to the working capital adjustment. In May 2017, Actis made such payment to IC Power. Such payment is reflected in IC Power's Q1 2017 results.

ICPI Bonds and Restructuring

In May 2017, ICPI issued bonds in an aggregate principal amount of NIS320 million (approximately \$89 million). The bonds bear interest at a rate of 4.95%, which is payable semi-annually beginning in 2018, with final maturity occurring in December 2030. The proceeds of the bonds were partially used to repay in full ICPI's mezzanine loan (bearing interest at a rate of 7.75% per annum, linked to the Israeli consumer price index) in the amount of \$62 million (including an early prepayment cost of \$6 million).

In May 2017, IC Power completed a restructuring of ICPI, whereby ICPI, which is the holding company of OPC-Rotem, also became the holding company of OPC-Hadera.

Update on Agua Clara Project

IC Power is developing a 50 MW wind project in the Dominican Republic, which is expected to commence commercial operations in 2018. IC Power has entered into a PPA with a government entity for a period of 20 years, which is subject to the grant of a concession. In May 2017, IC Power was granted such concession.

IC Power is in the process of selecting an EPC contractor and lenders for the project. The total project cost is estimated to be approximately \$100 million, of which approximately 70% is expected to be debt-financed.

Qoros⁴

The following discussion of Qoros' results of operations below is derived from Qoros' consolidated financial statements.

Revenues

Revenues decreased by 21% to RMB406 million (\$59 million) in Q1 2017, as compared to RMB512 million (\$74 million) in Q1 2016. The decrease in revenues in Q1 2017 reflects an approximately 24% decrease in car sales from approximately 4,900 cars in Q1 2016 to approximately 3,700 cars in Q1 2017.

Cost of Sales

Cost of sales decreased by 22% to RMB477 million (\$69 million) in Q1 2017, as compared to RMB611 million (\$89 million) in Q1 2016. The decrease in cost of sales is primarily due to the decrease in the number of cars sold in Q1 2017.

Selling, General and Administrative Expenses

Selling, general and administrative expenses decreased by 32% to RMB100 million (\$14 million) in Q1 2017, as compared to RMB147 million (\$21 million) in Q1 2016. The decrease reflects cost-cutting measures implemented by Qoros, including a reduction in advertising, marketing and promoting and personnel expenses.

Net Finance Costs

Net finance costs increased by 57% to RMB77 million (\$11 million) in Q1 2017, as compared to RMB49 million (\$7 million) in Q1 2016, primarily due to a decrease in finance income as a result of exchange rate effects.

⁴ Convenience translations of RMB amounts into US Dollars use a rate of 6.9:1.

Loss for the Period

Loss for the period decreased by 8% to RMB283 million (\$41 million) in Q1 2017, as compared to RMB308 million (\$45 million) in Q1 2016.

EBITDA⁵

Qoros' EBITDA improved to negative RMB89 million (\$13 million) in Q1 2017 from negative RMB131 million (\$19 million) in Q1 2016. The improvement in EBITDA was mainly due to a reduction in advertising, marketing and promoting and personnel expenses in Q1 2017, as well as the improvement in Qoros' product mix.

Liquidity

As of March 31, 2017, Qoros had total loans and borrowings (excluding shareholder loans) of RMB5.2 billion (\$754 million) and current liabilities (excluding shareholder loans) of RMB3.6 billion (\$528 million), including trade and other payables of RMB2.4 billion (\$342 million), and current assets of RMB1.4 billion (\$203 million), including cash and cash equivalents of RMB65 million (\$9 million). Qoros uses a portion of its liquidity to make debt service payments. Qoros is currently required to make principal payments on its RMB3 billion facility and will be required to make principal payments on its RMB1.2 billion (\$174 million) facility and RMB700 million (\$101 million) facility beginning in August 2017 and May 2018, respectively. Qoros' lenders have agreed, subject to final documentation, to reschedule principal payments under the RMB3 billion and RMB1.2 billion originally scheduled to be made in 2017 and 2018, with principal payments now scheduled to be made between 2019 and 2022 (in the case of the RMB3 billion facility) and between 2019 and 2024 (in the case of the RMB1.2 billion facility).

Qoros' principal sources of liquidity have been cash inflows received from financing activities, including long term loans, short term facilities and capital contributions (in the form of equity contributions, or convertible or non-convertible shareholder loans), and cash flows from car sales. Qoros has fully utilized its RMB3 billion syndicated credit facility, RMB1.2 billion syndicated credit facility and its RMB700 million credit facility, and will require additional financing, including the renewal or refinancing of its working capital facilities, to fund its development and operations.

In March 2017, Kenon agreed to fund up to RMB777 million (\$114 million) to Qoros in two equal tranches, concurrently with a reduction in its back-to-back guarantees to Chery. The first tranche of loans were provided to Qoros in March 2017 in the amount of RMB388 million (\$57 million). In April 2017, Kenon funded a part of the second tranche in the amount of RMB100 million (\$15 million). The proceeds of these loans have been used to support Qoros' ordinary course working capital requirements, debt service requirements and investments in new initiatives, such as new-energy vehicles, while Qoros continues its fund raising efforts.

Qoros actively manages its trade payables, accrued expenses and other operating expenses in connection with the management of its liquidity requirements and resources.

Business Updates

Car Sales

In the three months ended March 31, 2017 Qoros' sales decreased by approximately 24% to approximately 3,700 vehicles, as compared to the three months ended March 31, 2016.

⁵ EBITDA is a non-IFRS measure. See Exhibit 99.2 of Kenon's Form 6-K dated May 31, 2017 for the definition of Qoros' EBITDA and a reconciliation to its total loss for the applicable period.

Dealerships

Qoros' strategy includes expanding its dealer network and opening new points of sales. As of March 31, 2017, Qoros' dealership network included 118 points of sales, 13 additional points of sales under construction and memorandums of understanding with respect to the potential development of 13 additional points of sales.

Qoros is seeking to increase the size of its dealer network by expanding into smaller Chinese cities (i.e., Tier 3 and Tier 4 cities) and creating incentives for its high-performing dealers to open additional points of sales.

Strategic Partnership with Yibin Municipal Government ("Yibin")

In April 2017, Qoros, together with Chery and Yibin, signed a three-party agreement on strategic cooperation. In addition, Chery, Yibin (through its investment platform company), Quantum, and Qoros have signed an investment agreement that provides for joining Yibin as a strategic partner with Qoros and for a collaboration on conventional and new energy projects in Yibin, Sichuan Province, subject to certain conditions. According to the agreements, Yibin, through its investment platform company, will establish with Qoros an NEV manufacturing base in Yibin. To date, the conditions have not been met and the parties remain in discussions.

ZIM

Discussion of ZIM's Results for Q1 2017

In Q1 2017, ZIM's revenues increased by 4% to approximately \$655 million, as compared to approximately \$630 million in Q1 2016. The increase was primarily driven by an increase in income from containerized cargo in an amount of approximately \$32 million, as ZIM carried approximately 598 thousand TEUs in Q1 2017, representing a 4% increase as compared to Q1 2016, in which ZIM carried approximately 577 thousand TEUs.

ZIM's operating expenses in Q1 2017 decreased by 5% to \$571 million, as compared to \$598 million in Q1 2016. The decrease was primarily driven by (i) a \$36 million, or 29%, decrease in lease expenses of vessels and containers, (ii) a \$9 million, or 3%, decrease in expenses related to cargo handling and (iii) a \$6 million, or 11%, decrease in port expenses, partially offset by a \$22 million, or 36%, increase in bunker expenses.

ZIM's net loss attributable to ZIM's owners in Q1 2017 was \$8 million, as compared to \$58 million in Q1 2016.

ZIM publishes its results on its website. For more information, see www.ZIM.com. This website, and any information referenced therein, is not incorporated by reference herein.

Additional Kenon Updates and Information

Kenon's (Unconsolidated) Liquidity and Capital Resources

As of March 31, 2017, cash, gross debt, and net debt⁶ (a non-IFRS financial measure, which is defined as gross debt minus cash) of Kenon (unconsolidated) were \$43 million, \$228 million and \$185 million, respectively.

⁶ Kenon's gross debt and net debt do not include Kenon's back-to-back guarantee obligations in respect of Qoros' indebtedness as discussed herein and shareholder loans from Kenon's major shareholder Ansonia Holdings Singapore B.V.

Kenon has fully drawn its \$200 million credit facility from Israel Corporation Ltd. As of March 31, 2017, \$228 million was outstanding under the facility, including interest and fees.

In March 2017, Kenon funded RMB 388 million (approximately \$57 million) to Qoros, reducing Kenon's back-to-back guarantee obligations to Chery from RMB850 million (approximately \$125 million) to RMB425 million (approximately \$63 million).

In April 2017, Kenon funded an additional RMB100 million (approximately \$15 million) to Qoros, further reducing Kenon's back-to-back guarantee obligations to Chery from RMB425 million to approximately RMB320 million (approximately \$46 million).

Set forth below is an overview of Kenon's back-to-back guarantee obligations, after giving effect to the reduction of the back-to-back guarantees discussed above.

	Timing	Amount of Loans to Qoros	Amount of Guarantee Obligations Prior to Loan	Release of Kenon Guarantees to Chery	Remaining Guarantee Obligations Post-Loan
First Tranche Loans	Completed in March 2017	RMB388 million	RMB850 million (plus interest and fees) ¹	RMB425 million (plus certain interest and fees)	RMB425 million (plus certain interest and fees)
Second Tranche Loans					
<i>April Disbursement</i>	Completed in April 2017	RMB100 million	RMB425 million (plus interest and fees)	RMB105 million (plus interest and fees)	RMB 320 million (plus interest and fees)
<i>Remaining Disbursements</i>	At Kenon's discretion	RMB288 million	RMB320 million (plus interest and fees)	RMB320 million (plus interest and fees)	—
Total		RMB777 million	—	RMB850 million (plus interest and fees)	—

1. Kenon's major shareholder Ansonia has committed to fund RMB25 million (approximately \$4 million) of Kenon's back-to-back guarantee obligations in certain circumstances.

In April 2017, Kenon borrowed \$50 million from IC Power.

Investors' Conference Call

Kenon's management will host a conference call for investors and analysts on June 5, 2017. To participate, please call one of the following teleconferencing numbers:

Singapore: 3158-3851
US: 1-888-668-9141
Israel: 03-918-0609
UK: 0-800-917-5108
International: +65-3158-3851

The call will commence at 9:00 am Eastern Time, 6:00 am Pacific Time, 2:00 pm UK Time, 4:00 pm Israel Time and 9:00 pm Singapore Time.

About Kenon

Kenon is a holding company that operates dynamic, primarily growth-oriented businesses. The companies it owns, in whole or in part, are at various stages of development, ranging from established, cash-generating businesses to early stage development companies. Kenon's businesses consist of:

- IC Power (100% interest) – a leading owner, developer and operator of power generation and distribution facilities in the Latin American, Caribbean and Israeli power markets;
- Qoros (50% interest) – a China-based automotive company;
- ZIM (32% interest) – an international shipping company; and
- Primus Green Energy, Inc. (91% interest) – an early stage developer of alternative fuel technology.

Kenon remains committed to its strategy to realize the value of its businesses for its shareholders. In connection with this strategy, Kenon may provide its shareholders with direct access to its businesses, which may include spin-offs, listings, offerings, distributions or monetization of its businesses. Kenon is actively exploring various ways to materialize this strategy in a rational and expeditious manner. For further information on Kenon's businesses and strategy, see Kenon's publicly available filings, which can be found on the SEC's website at www.sec.gov. Please also see <http://www.kenon-holdings.com> for additional information.

Caution Concerning Forward-Looking Statements

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to statements about (i) with respect to IC Power, statements with respect to the expected installed capacity and cost, financing, and timing of the completion of IC Power's OPC-Hadera and Agua Clara projects, statements with respect to the Zomet project, including the expected acquisition cost, installed capacity, fuel source and technology of the plant, the use of proceeds of IC Power's various bond issuances, IC Power's strategy to recoup the costs associated with the Kanan outage from its insurance coverage and the scope of such coverage, and the expected effect of the Kanan outage on IC Power's results, (ii) with respect to Qoros, statements with respect to Qoros' liquidity requirements and sources of funding and plans to continue to seek financing, the agreement by Qoros' lenders to waive certain financial covenants under Qoros' RMB3 billion facility and reschedule amortization payments under Qoros' debt facilities, Qoros' strategy to expand its dealer network, and statements with respect to the partnership with Yibin and Qoros' plans to collaborate on new energy and conventional projects and build an NEV manufacturing base, (iii) with respect to Kenon, statements with respect to Kenon's strategy and (iv) other non-historical matters. These statements are based on Kenon's management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond Kenon's control, which could cause the actual results to differ materially from those indicated in such forward-looking statements. Such risks include (i) with respect to IC Power, risks relating to IC Power's failure to complete the development of the OPC-Hadera and Agua Clara projects on a timely basis, within expected budget, or at all, IC Power's inability to complete the Zomet acquisition or complete the project as contemplated, IC Power's ability to recover the costs of the Kanan outage from its insurance coverage, the extent of the effect of the Kanan outage on IC Power's business, and IC Power's ability to use the proceeds of its bond issuances as contemplated, (ii) with respect to Qoros, risks relating to changes in events and circumstances with respect to Qoros and its ability to obtain financing, changes which may affect Qoros' ability to obtain the final documentation in connection with its agreements with its lenders as discussed above, Qoros' ability to execute its strategy to expand its dealer network and Qoros' ability to satisfy the closing conditions to its partnership with Yibin and complete its contemplated projects, as expected, (iii) with respect to Kenon, changes in events and circumstances which may affect its strategy and (iv) other risks and factors, including those risks set forth under the heading "Risk Factors" in Kenon's Annual Report on Form 20-F filed with the SEC and other filings. Except as required by law, Kenon undertakes no obligation to update these forward-looking statements, whether as a result of new information, future events, or otherwise.

Contact Info

Kenon Holdings Ltd.

Barak Cohen

VP Business Development and IR

barakc@kenon-holdings.com

Tel: +65 6351 1780

Jonathan Fisch

Director, Investor Relations

jonathanf@kenon-holdings.com

Tel: +1 917 891 9855

External Investor Relations

Ehud Helft / Kenny Green

GK Investor Relations

kenon@gkir.com

Tel: +1 646 201 9246

Financial Information for the First Quarter Ended March 31, 2017 of Kenon, IC Power and Qoros

Table of Contents

[Appendix A: Summary Kenon consolidated financial information](#)

[Appendix B: Summary IC Power consolidated financial information](#)

[Appendix C: Definition of IC Power's Adjusted EBITDA and non-IFRS reconciliation](#)

[Appendix D: Summary operational information of IC Power's generation assets](#)

[Appendix E: Summary Financial Information of IC Power's Subsidiaries and Associated Company](#)

[Appendix F: Summary Qoros consolidated financial information](#)

[Appendix G: Definition of Qoros' EBITDA and non-IFRS Reconciliation](#)

Appendix A*Summary Kenon consolidated financial information*

Kenon Holdings Ltd
Unaudited Condensed Consolidated Statements of Financial Position

	March 31,	December 31
	2017	2016
	\$ millions	
Current assets		
Cash and cash equivalents	328	327
Short-term investments and deposits	110	90
Trade receivables, net	285	284
Other current assets, including derivatives instruments	53	50
Income tax receivable	4	11
Inventories	89	92
Total current assets	869	854
Non-current assets		
Investments in associated companies	185	208
Deposits, loans and other receivables, including derivative instruments	186	177
Deferred taxes, net	26	25
Property, plant and equipment, net	3,553	3,497
Goodwill and intangible assets, net	366	377
Total non-current assets	4,316	4,284
Total assets	5,185	5,138
Current liabilities		
Loans and debentures	501	483
Trade payables	289	286
Other payables, including derivative instruments	113	91
Guarantee deposits from customers	61	57
Provisions	61	119
Income tax payable	16	9
Total current liabilities	1,041	1,045
Non-current liabilities		
Loans, excluding current portion	2,042	1,973
Debentures, excluding current portion	850	857
Derivative instruments	44	45
Deferred taxes, net	223	225
Trade payables	41	44
Other non-current liabilities	55	55
Total non-current liabilities	3,255	3,199
Total liabilities	4,296	4,244
Equity		
Share capital	1,267	1,267
Shareholder transaction reserve	27	27
Translation reserve	(12)	(22)
Capital reserve	11	12
Accumulated deficit	(622)	(603)
Equity attributable to owners of the Company	671	681
Non-controlling interests	218	213
Total equity	889	894
Total liabilities and equity	5,185	5,138

Kenon Holdings Ltd
Unaudited Condensed Consolidated Statements of Profit or Loss

	For the three months ended March 31,	
	2017	2016
	\$ millions	
Revenue	544	422
Cost of sales and services (excluding depreciation)	(374)	(302)
Depreciation	(45)	(33)
Gross profit	125	87
Selling, general and administrative expenses	(34)	(31)
Impairment of assets	(20)	-
Other income	13	2
Operating profit	84	58
Financing expenses	(62)	(38)
Financing income	9	4
Financing expenses, net	(53)	(34)
Share in losses of associated companies, net of tax	(22)	(40)
Profit/(Loss) before income taxes	9	(16)
Income taxes	(19)	(12)
Loss for the year	(10)	(28)
Attributable to:		
Kenon's shareholders	(20)	(36)
Non-controlling interests	10	8
Loss for the period	(10)	(28)
Basic/diluted loss per share attributable to Kenon's shareholders (in dollars):		
Basic/diluted loss per share	(0.38)	(0.67)

Kenon Holdings Ltd and subsidiaries
Unaudited Condensed Consolidated Statements of Cash Flows

	For the Three Months ended March 31	
	2017	2016
	\$ millions	
Cash flows from operating activities		
Loss for the period	(10)	(28)
Adjustments:		
Depreciation and amortization	48	36
Impairment of assets	20	—
Financing expenses, net	53	34
Share in losses of associated companies, net of tax	22	40
Capital loss, net	1	5
Income taxes	19	12
	153	99
Change in inventories	3	(3)
Change in trade and other receivables	(2)	(25)
Change in trade and other payables	(38)	(29)
Change in provisions and employee benefits	-	(40)
Cash generated from operating activities	116	2
Income taxes paid, net	(15)	(11)
Net cash provided by/(used in) operating activities	101	(9)

Kenon Holdings Ltd and subsidiaries
Unaudited Condensed Consolidated Statements of Cash Flows, continued

	For the Three Months Ended March 31	
	2017	2016
	\$ millions	
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	2	-
Short-term deposits and loans, net	(19)	225
Business combinations, less cash acquired	-	(182)
Investment in associated company	-	(43)
Sale of securities held for trade and available for sale, net	-	6
Acquisition of property, plant and equipment	(40)	(97)
Acquisition of intangible assets	(1)	(2)
Interest received	1	2
Payment of deferred acquisition consideration	-	(1)
Payment to release financial guarantee	(57)	-
Net cash used in investing activities	(114)	(92)
Cash flows from financing activities		
Dividend paid to non-controlling interests	(7)	(3)
Proceeds from issuance of shares to holders of non-controlling interests in subsidiaries	-	2
Receipt of long-term loans and issuance of debentures	78	104
Repayment of long-term loans and debentures	(40)	(81)
Short-term credit from banks and others, net	5	107
Interest paid	(33)	(24)
Net cash provided by financing activities	3	105
(Decrease)/increase in cash and cash equivalents	(10)	4
Cash and cash equivalents at beginning of the period	327	384
Effect of exchange rate fluctuations on balances of cash and cash equivalents	11	1
Cash and cash equivalents at end of the period	328	389

Information regarding reportable segments

Information regarding activities of the reportable segments are set forth in the following table.

	IC Power*		Qoros***	Other	Adjustments	Total
	Generation**	Distribution				
	\$ Millions					
For the three months ended March 31, 2017						
Total sales	405	139	-	-	-	544
Adjusted EBITDA****	122	24	-	(4)	-	142
Depreciation and amortization	43	5	-	-	-	48
Financing income	(1)	(8)	-	(3)	3	(9)
Financing expenses	48	8	-	9	(3)	62
Other items:						
Impairment of assets	20	-	-	-	-	20
Other income	(10)	-	-	-	-	(10)
Share in (profits)/losses of associated companies	-	-	21	1	-	22
	100	5	21	7	-	133
Profit/(loss) before taxes	22	19	(21)	(11)	-	9
Income taxes	12	7	-	-	-	19
Profit/(loss) for the period	10	12	(21)	(11)	-	(10)

* The total assets and liabilities of IC Power are \$5.0 billion and \$4.1 billion at March 31, 2017, respectively.

** Includes holding company.

*** Associated company.

**** Adjusted EBITDA is a non-IFRS measure.

	IC Power*		Qoros****	Other	Adjustments	Total
	Generation**	Distribution***				
	\$ Millions					
For the three months ended March 31, 2016						
Total sales	321	101	-	-	-	422
Adjusted EBITDA*****	84	15	-	(5)	-	94
Depreciation and amortization	31	5	-	-	-	36
Financing income	-	(2)	-	(3)	1	(4)
Financing expenses	24	8	-	7	(1)	38
Other items:						
Share in losses of associated companies	-	-	26	14	-	40
	55	11	26	18	-	110
Profit/(loss) before taxes	29	4	(26)	(23)	-	(16)
Income taxes	10	2	-	-	-	12
Profit/(loss) for the period	19	2	(26)	(23)	-	(28)

* The total assets and liabilities of IC Power are \$4.9 billion and \$3.8 billion at March 31, 2016, respectively.

** Includes holding company.

*** Operating since January 22, 2016.

**** Associated company.

***** Adjusted EBITDA is a non-IFRS measure.

Information regarding associated companies

	Carrying amounts of investment in associated companies		Equity in the net (losses) / earnings of associated companies	
	as at		for the year ended	
	March 31	December 31	March 31	March 31
	2017	2016	2017	2016
	\$ millions		\$ millions	
ZIM	80	82	(1)	(15)
Qoros	96	117	(21)	(26)
Others	9	9	-	1
	185	208	(22)	(40)

Contributions of Principal Operations to Loss attributable to Kenon's Shareholders

	Three Months Ended March 31,	
	2017	2016
	(US\$ millions)	
IC Power	12	14
Qoros	(21)	(26)
ZIM	(1)	(16)
Other	(10)	(8)
Loss attributable to Kenon's shareholders	(20)	(36)

Appendix B**Summary IC Power unaudited consolidated financial information****IC Power's Consolidated Statement of Income**

	For the Three Months ended March 31,	
	2017	2016
	US\$ million	US\$ million
Sales	544	422
Cost of sales (excluding depreciation and amortization)	(375)	(302)
Depreciation and amortization	(45)	(33)
Gross profit	124	87
General, selling and administrative expenses	(29)	(26)
Asset write-off	(20)	-
Other income	13	2
Operating income	88	63
Financing expenses	(56)	(32)
Financing income	9	2
Financing expenses, net	(47)	(30)
Share in income of associate	-	-
Income before taxes	41	33
Taxes on income	(19)	(12)
Net income for the period	22	21
Attributable to:		
Equity holders of the company	12	13
Non-controlling interest	10	8
Net income for the period	22	21

Summary Data from IC Power's Unaudited Consolidated Statement of Cash Flows

	Three Months Ended March 31,	
	2017	2016
	<i>(in millions of USD)</i>	
Cash flows provided by (used in) operating activities	106	(3)
Cash flows used in investing activities	(56)	(56)
Cash flows provided by financing activities	2	65
Increase in cash and cash equivalents	52	6
Cash and cash equivalents at end of the period	283	367
Investments in property, plant and equipment ¹	40	99
Total depreciation and amortization	48	36

-
1. Not including business combination

Summary Data from IC Power's Consolidated Statement of Financial Position

	As at	
	March 31	December 31
	2017	2016
	<i>(in millions of USD)</i>	
Total financial liabilities ¹	3,145	3,072
Total monetary assets ²	393	308
Total equity attributable to the owners	645	622
Total assets	4,972	4,840

-
1. Pertains to loans from banks and others and debentures
2. Pertains to cash and cash equivalents and short-term deposits
-

Appendix C

Definition of IC Power's Adjusted EBITDA and non-IFRS reconciliation

This press release, including the financial tables, presents Adjusted EBITDA, net debt and net financial liabilities, which are financial metrics considered to be “non-IFRS financial measures.” Non-IFRS financial measures should be evaluated in conjunction with, and are not a substitute for, IFRS financial measures. The non-IFRS financial information presented herein should not be considered in isolation from or as a substitute for operating income, net income or per share data prepared in accordance with IFRS.

IC Power defines “Adjusted EBITDA” as for each period for each entity as net income before depreciation and amortization, financing expenses, net, income tax expense, impairment of assets and working capital adjustment. Adjusted EBITDA is not recognized under IFRS or any other generally accepted accounting principles as measures of financial performance and should not be considered as a substitute for net income or loss, cash flow from operations or other measures of operating performance or liquidity determined in accordance with IFRS. Adjusted EBITDA is not intended to represent funds available for dividends or other discretionary uses because those funds may be required for debt service, capital expenditures, working capital and other commitments and contingencies. Adjusted EBITDA presents limitations that impair its use as a measure of our profitability since it does not take into consideration certain costs and expenses that result from our business that could have a significant effect on our net income, such as financial expenses, taxes, depreciation, capital expenses and other related charges.

IC Power believes that the disclosure of Adjusted EBITDA and net debt provides transparent and useful information to investors and financial analysts in their review of the company's, or its subsidiaries' and associate's operating performance and in the comparison of such operating performance to the operating performance of other companies in the same industry or in other industries that have different capital structures, debt levels and/or income tax rates.

Set forth below is a reconciliation of IC Power's, and each of its segments', net income to Adjusted EBITDA for the periods presented. Other companies may calculate Adjusted EBITDA differently, and therefore this presentation of Adjusted EBITDA may not be comparable to other similarly titled measures used by other companies.

Three Months Ended March 31, 2017						
(in USD millions)						
	Generation				Distribution	Total
	Peru	Israel	Central America	Other	Guatemala	
Net income (loss) for the period	22	11	7	(30)	12	22
Depreciation and amortization	18	8	8	9	5	48
Financing expenses, net	18	6	2	21	-	47
Income tax expense	6	3	3	-	7	19
Impairment of assets	-	-	-	20	-	20
Working capital adjustment	-	-	-	(10)	-	(10)
Adjusted EBITDA	64	28	20	10	24	146

Three Months Ended March 31, 2016						
(in USD millions) (unaudited)						
	Generation				Distribution	Total
	Peru	Israel	Central America	Other	Guatemala	
Net income (loss) for the period	16	13	2	(15)	3	21
Depreciation and amortization ¹	12	6	7	8	5	36
Financing expenses, net	5	2	4	13	6	30
Income tax expense	6	1	2	2	1	12
Adjusted EBITDA	39	22	15	8	15	99

1. Includes depreciation and amortization expenses from general, selling and administrative expenses.

Appendix D

Summary operational information of IC Power's generation assets

The following table sets forth summary operational information regarding each of IC Power's operating companies and associate in its power generation business as of May 31, 2017, according to segment:

Segment	Country	Entity	Ownership Percentage (Rounded)	Fuel	Installed Capacity (MW) ¹	Proportionate Capacity ²	Type of Asset
Peru	Peru	Kallpa	75%	Natural Gas	1,063	797	Greenfield
	Peru	Samay I	75%	Diesel and Natural Gas	632	474	Greenfield
	Peru	CDA	75%	Hydroelectric	545	409	Greenfield
Israel	Israel	OPC-Rotem	80%	Natural Gas and Diesel	440	352	Greenfield
	Israel	OPC-Hadera ³	100%	Natural Gas	18	18	Acquired
Central America	Nicaragua	Corinto	65%	HFO	71	46	Acquired
	Nicaragua	Tipitapa Power	65%	HFO	51	33	Acquired
	Nicaragua	Amayo I	61%	Wind	40	24	Acquired
	Nicaragua	Amayo II	61%	Wind	23	14	Acquired
	Guatemala	Puerto Quetzal	100%	HFO	179	179	Acquired
	El Salvador	Nejapa	100%	HFO	140	140	Original Inkia Asset
	Panama	Kanan ⁴	100%	HFO	92	92	Greenfield
Other	Bolivia	COBEE	100%	Hydroelectric, Natural Gas	228	228	Original Inkia Asset
	Chile	Central Cardones	87%	Diesel	153	133	Acquired
	Chile	Colmito	100%	Natural Gas and Diesel	58	58	Acquired
	Dominican Republic	CEPP	97%	HFO	67	65	Original Inkia Asset
	Jamaica	JPPC	100%	HFO	60	60	Original Inkia Asset
	Panama	Pedregal ⁵	21%	HFO	54	11	Original Inkia Asset
Total Operating Capacity					3,914	3,133	

1. Reflects 100% of the capacity of each of IC Power's assets, regardless of ownership interest in the entity that owns each such asset.
2. Reflects the proportionate capacity of each of IC Power's assets, as determined by IC Power's ownership interest in the entity that owns each such asset.
3. OPC-Hadera also holds a conditional license for the construction of a cogeneration power station in Israel. This station is being developed as a greenfield project (at an expected cost of \$250 million, including the NIS 60 million (approximately \$16 million) acquisition price of OPC-Hadera), based upon a plant with 140 MW of capacity. Construction commenced in June 2016 and commercial operations are expected to commence by early 2019.
4. Kanan's barges (representing 92 MW) have been placed offline as a result of a fire that occurred in April 2017.
5. Although Pedregal is located in Central America, it is a minority investment. Therefore, from an income statement perspective, it is not part of the Central America segment and Pedregal is only reflected in IC Power's share in income of associate.

Appendix E

Summary Unaudited Financial Information of IC Power's Subsidiaries and Associated Company

Entity	Three Months Ended March 31, 2017					
	Ownership Interest (%)	Sales	Cost of Sales	Adjusted EBITDA ¹ (\$ millions)	Outstanding Debt ²	Net Debt ³
GENERATION						
Peru segment						
Kallpa	75	\$ 108	\$ 70	\$ 34	\$ 413	\$ 382
CDA	75	31	11	18	589	557
Samay I	75	33	21	12	349	330
Israel segment						
OPC-Rotem	80	87	59	28	379	312
OPC-Hadera	100	12	11	—	70	36
Central America segment						
ICPNH ⁴	61-65	25	16	9	84	73
Puerto Quetzal	100	10	11	2	18	13
Nejapa	100	24	20	3	3	(7)
Cenérgica	100	8	2	1	—	(4)
Kanan	100	19	14	5	43	36
Guatemala	100	2	2	—	—	(2)
Other segment						
COBEE	100	12	4	7	84	59
Central Cardones	87	4	—	3	33	31
Colmito	100	6	5	1	17	15
CEPP	97	11	9	1	12	10
JPPC	100	11	10	—	2	—
Surpetroil	60	2	1	—	2	1
Recsa	100	—	—	—	5	3
Holdings⁵						
IC Power Distribution Holdings	100	—	—	—	120	120
Inkia & Other ⁶	100	—	—	(1)	448	381
IC Power, ICPI & Other ⁷	100	—	—	(1)	164	108
DISTRIBUTION						
DEORSA	93	61	48	10	123	117
DEOCSA	91	78	61	14	187	181
TOTAL		\$ 544	\$ 375	\$ 146	\$ 3,145	\$ 2,752

1. "Adjusted EBITDA" for each entity for the period is defined as net income (loss) before depreciation and amortization, finance expenses, net, income tax expense (benefit), impairment of assets and working capital adjustment.
2. Includes short-term and long-term debt and excludes loans and notes owed to Kenon.
3. Net debt is defined as total debt attributable to each of IC Power's subsidiaries, excluding debt owed to Kenon, minus the cash and short term deposits and restricted cash of such companies. Net debt is not a measure of liabilities in accordance with IFRS. The tables below set forth a reconciliation of net debt to total debt for IC Power's subsidiaries.
4. Through ICPNH, IC Power indirectly holds 65% interests in Corinto and Tipitapa Power and 61% interests in Amayo I and Amayo II.
5. In addition to the results of certain of IC Power's generation assets, IC Power's Other segment also includes expenses and other adjustments relating to its headquarters and intermediate holding companies, including purchase price allocations recorded in connection with IC Power's acquisition of Energuate, which allocations were recorded by Inkia, one of IC Power's intermediate holding companies.
6. Outstanding debt includes \$448 million for Inkia.
7. Includes \$12 million of IC Power's outstanding debt, \$54 million of ICPI's debt and \$98 million of Overseas Investment Peru's debt.

The following tables set forth a reconciliation of income (loss) to EBITDA for IC Power's subsidiaries for three months ended March 31, 2017:

	<u>Kallpa</u>	<u>CDA</u>	<u>Samay I</u>	<u>OPC-Rotem</u> (\$ millions)	<u>OPC-Hadera</u>	<u>ICPNH</u>	<u>Puerto Quetzal</u>
Net income (loss)	\$ 13	\$ 5	\$ 4	\$ 12	\$ (1)	\$ 3	\$ 1
Depreciation and amortization	10	4	4	7	1	3	—
Finance expenses, net	5	10	3	5	1	2	—
Income tax expense (benefit)	6	(1)	1	4	(1)	1	1
Impairment of assets	—	—	—	—	—	—	—
Working capital adjustment	—	—	—	—	—	—	—
EBITDA	\$ 34	\$ 18	\$ 12	\$ 28	\$ —	\$ 9	\$ 2

	<u>Nejapa</u>	<u>Cenérgica</u>	<u>Kanan</u>	<u>Guatemel</u> (\$ millions)	<u>COBEE</u>	<u>Central Cardones</u>	<u>Colmito</u>
Net income (loss)	\$ 2	\$ 1	\$ —	\$ —	\$ 4	\$ 1	\$ —
Depreciation and amortization	—	—	5	—	1	1	—
Finance expenses, net	—	—	—	—	1	—	1
Income tax expense	1	—	—	—	1	1	—
Impairment of assets	—	—	—	—	—	—	—
Working capital adjustment	—	—	—	—	—	—	—
EBITDA	\$ 3	\$ 1	\$ 5	\$ —	\$ 7	\$ 3	\$ 1

	<u>CEPP</u>	<u>JPPC</u>	<u>Surpetroil</u>	<u>RECSA</u>	<u>IC Power Distribution Holdings</u> (\$ millions)	<u>Inkia & Other</u>	<u>IC Power, ICPI & Other</u>
Net income (loss)	\$ —	\$ (1)	\$ —	\$ —	\$ 8	\$ (33)	\$ (9)
Depreciation and amortization	1	1	—	—	—	5	—
Finance expenses, net	—	—	—	—	2	9	8
Income tax expense (benefit)	—	—	—	—	—	(2)	—
Impairment of assets	—	—	—	—	—	20	—
Working capital adjustment	—	—	—	—	(10)	—	—
EBITDA	\$ 1	\$ —	\$ —	\$ —	\$ —	\$ (1)	\$ (1)

	<u>DEOCSA</u>	<u>DEORSA</u> (\$ millions)	<u>IC Power Total</u>
Net income (loss)	\$ 7	\$ 5	\$ 22
Depreciation and amortization	3	2	48
Finance expenses, net	—	—	47
Income tax expense	4	3	19
Impairment of assets	—	—	20
Working capital adjustment	—	—	(10)
EBITDA	\$ 14	\$ 10	\$ 146

The tables below set forth a reconciliation of net debt to total debt for IC Power's subsidiaries as of March 31, 2017.

	<u>Kallpa</u>	<u>CDA</u>	<u>Samay I</u>	<u>OPC- Rotem</u>	<u>OPC- Hadera</u>	<u>ICPNH</u>	<u>Puerto Quetzal</u>	<u>Nejapa</u>	<u>Cenέργica</u>	<u>Kanan</u>
	(\$ millions)									
Total debt	\$ 413	\$ 589	\$ 349	\$ 379	\$ 70	\$ 84	\$ 18	\$ 3	\$ —	\$ 43
Cash	31	32	19	67	34	11	5	10	4	7
Net Debt	\$ 382	\$ 557	\$ 330	\$ 312	\$ 36	\$ 73	\$ 13	\$ (7)	\$ (4)	\$ 36

	<u>Guatemel</u>	<u>COBEE</u>	<u>Central Cardones</u>	<u>Colmito</u>	<u>CEPP</u>	<u>JPPC</u>	<u>Surpetroil</u>	<u>Recsa</u>	<u>IC Power Distribution Holdings</u>	<u>Inkia & Other</u>
	(\$ millions)									
Total debt	\$ —	\$ 84	\$ 33	\$ 17	\$ 12	\$ 2	\$ 2	\$ 5	\$ 120	\$ 448
Cash	2	25	2	2	2	2	1	2	—	67
Net Debt	\$ (2)	\$ 59	\$ 31	\$ 15	\$ 10	\$ -	\$ 1	\$ 3	\$ 120	\$ 381

	<u>IC Power, ICPI & Other</u>	<u>DEOCSA</u>	<u>DEORSA</u>	<u>Total IC Power</u>
	(\$ millions)			
Total debt	\$ 164	\$ 187	\$ 123	\$ 3,145
Cash	56	6	6	393
Net debt	\$ 108	\$ 181	\$ 117	\$ 2,752

The following table sets forth summary financial information for IC Power's generation subsidiaries and associates for the three months ended March 31, 2016:

Entity	Three Months Ended March 31, 2016					
	Ownership Interest (%)	Sales	Cost of Sales	Adjusted EBITDA ¹	Outstanding Debt ²	Net Debt ³
(\$ millions)						
GENERATION BUSINESS						
Peru segment						
Kallpa	75	\$ 121	\$ 79	\$ 39	\$ 401	\$ 379
<i>Assets in advance stages of construction</i>						
CDA	75	—	—	—	582	544
Samay I	75	—	—	—	333	309
Israel segment						
OPC	80	77	54	22	387	282
AIE	100	13	11	—	—	(4)
Central America segment						
ICPNH ⁴	61-65	23	13	10	97	82
Puerto Quetzal	100	15	13	2	17	10
Nejapa	100	17	13	3	—	(14)
Cenergica	100	4	3	—	—	(2)
Guatemala	100	1	1	—	—	(1)
<i>Assets in advance stages of construction</i>						
Kanan	100	15	14	—	61	60
Other segment						
COBEE	100	12	4	7	67	48
Central Cardones	87	2	—	2	40	39
Colmito	100	6	5	—	17	15
CEPP	97	6	5	—	11	7
JPPC	100	7	7	—	4	1
Surpetroil	60	2	1	—	3	3
Recsa	100	—	—	—	3	2
TOTAL GENERATION BUSINESS		321	223	85	2,023	1,760
DISTRIBUTION BUSINESS						
DEORSA	93	43	34	6	107	84
DEOCSA	91	58	45	9	164	149
TOTAL DISTRIBUTION BUSINESS		101	79	15	271	233
IC Power Distribution Holdings	100	—	—	—	118	118
Inkia & Other ⁵	100	—	—	—	448	362
IC Power, ICPI & Other ⁶	100	—	—	(1)	95	31
TOTAL HOLDINGS		—	—	(1)	661	511
TOTAL		\$ 422	\$ 302	\$ 99	\$ 2,955	\$ 2,504

1. "Adjusted EBITDA" for each entity for the period is defined as income (loss) before depreciation and amortization, finance expenses, net and income tax expense (benefit).
2. Includes short-term and long-term debt.
3. Net debt is defined as total debt attributable to each of IC Power's subsidiaries, minus the cash and short term deposits and restricted cash of such companies. Net debt is not a measure of liabilities in accordance with IFRS. The tables below set forth a reconciliation of net debt to total debt for IC Power's subsidiaries.
4. Through ICPNH, IC Power indirectly holds 65% interests in Corinto and Tipitapa Power and 61% interests in Amayo I and Amayo II.
5. Outstanding debt includes Inkia for \$448 million.
6. Includes \$38 million of outstanding IC Power debt and \$57 million of ICPI debt.

The following tables set forth a reconciliation of income (loss) to Adjusted EBITDA for IC Power's generation subsidiaries for the three months ended March 31, 2016:

	<u>Kallpa</u>	<u>CDA</u>	<u>Samay I</u>	<u>OPC</u>	<u>AIE</u>	<u>ICPNH</u>	<u>Puerto Quetzal</u>
	(\$ millions)						
Income (loss)	\$ 14	\$ 1	\$ 1	\$ 13	\$ —	\$ 4	\$ (1)
Depreciation and amortization	12	—	—	6	—	3	1
Finance expenses, net	6	—	(1)	2	—	2	1
Income tax expense (benefit)	7	(1)	—	1	—	1	1
Adjusted EBITDA	\$ 39	\$ —	\$ —	\$ 22	\$ —	\$ 10	\$ 2

	<u>Nejapa</u>	<u>Cenérgica</u>	<u>Kanan</u>	<u>Guatamel</u>	<u>COBEE</u>	<u>Central Cardones</u>	<u>Colmito</u>
	(\$ millions)						
Income (loss)	\$ 2	\$ —	\$ (2)	\$ —	\$ 4	\$ —	\$ —
Depreciation and amortization	1	—	1	—	1	1	—
Finance expenses, net	—	—	1	—	1	1	—
Income tax expense (benefit)	—	—	—	—	1	—	—
Adjusted EBITDA	\$ 3	\$ —	\$ —	\$ —	\$ 7	\$ 2	\$ —

	<u>CEPP</u>	<u>JPPC</u>	<u>Surpetroil</u>	<u>RECSA</u>	<u>IC Power Distribution Holdings</u>	<u>Inkia & Other</u>	<u>IC Power, ICPI & Other</u>
	(\$ millions)						
Income (loss)	\$ (1)	\$ (1)	\$ —	\$ —	\$ (2)	\$ (10)	\$ (4)
Depreciation and amortization	1	1	—	—	—	3	—
Finance expenses, net	—	—	—	—	2	6	3
Income tax expense (benefit)	—	—	—	—	—	1	—
Adjusted EBITDA	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (1)

	<u>DEOCSA</u>	<u>DEORSA</u>	<u>IC Power Total</u>
	(\$ millions)		
Income (loss)	\$ 1	\$ 2	\$ 21
Depreciation and amortization	3	2	36
Finance expenses, net	4	2	30
Income tax expense (benefit)	1	-	12
Adjusted EBITDA	\$ 9	\$ 6	\$ 99

The tables below set forth a reconciliation of net debt to total debt for IC Power's subsidiaries for the three months ended March 31, 2016:

	<u>Kallpa</u>	<u>CDA</u>	<u>Samay I</u>	<u>OPC</u>	<u>AIE</u>	<u>ICPNH</u>	<u>Puerto Quetzal</u>	<u>Nejapa</u>	<u>Cenέργica</u>	<u>Kanan</u>
	(\$ millions)									
Total debt	\$ 401	\$ 582	\$ 333	\$ 387	\$ —	\$ 97	\$ 17	\$ —	\$ —	\$ 61
Cash	22	38	24	105	4	15	7	14	2	1
Net Debt	\$ 379	\$ 544	\$ 309	\$ 282	\$ (4)	\$ 82	\$ 10	\$ (14)	\$ (2)	\$ 60

	<u>Guatemel</u>	<u>COBEE</u>	<u>Central Cardones</u>	<u>Colmito</u>	<u>CEPP</u>	<u>JPPC</u>	<u>Surpetroil</u>	<u>Recsa</u>	<u>IC Power Distribution Holdings</u>	<u>Inkia & Other</u>
	(\$ millions)									
Total debt	\$ —	\$ 67	\$ 40	\$ 17	\$ 11	\$ 4	\$ 3	\$ 3	\$ 118	\$ 448
Cash	1	19	1	2	4	3	—	1	—	86
Net Debt	\$ (1)	\$ 48	\$ 39	\$ 15	\$ 7	\$ 1	\$ 3	\$ 2	\$ 118	\$ 362

	<u>IC Power, ICPI & Other</u>	<u>DEOCSA</u>	<u>DEORSA</u>	<u>Total IC Power</u>
	(\$ millions)			
Total debt	\$ 95	\$ 164	\$ 107	2,955
Cash	64	15	23	451
Net debt	31	149	84	2,504

Appendix F**Summary Qoros unaudited consolidated financial information****Qoros' Consolidated Statement of Profit or Loss**

<i>In millions of RMB</i>	<i>For the Three Months Ended</i>	
	<i>2017</i>	<i>2016</i>
Revenue	406	512
Cost of sales	(477)	(611)
Gross loss	(71)	(99)
Other income	10	20
Research and development expenses	(37)	(30)
Selling, general and administrative expenses	(100)	(147)
Other expenses	(8)	(3)
Operating loss	(206)	(259)
Finance income	4	27
Finance costs	(81)	(76)
Net finance costs	(77)	(49)
Loss before tax	(283)	(308)
Income tax expense	—	—
Loss for the year	(283)	(308)

Qoros' Consolidated Statement of Financial Position

<i>In millions of RMB</i>	<i>At March 31</i>	<i>At December 31</i>
	<i>2017</i>	<i>2016</i>
Assets		
Property, plant and equipment	4,159	4,219
Intangible assets	4,311	4,323
Prepayments for purchase of equipment	7	1
Lease prepayments	198	199
Trade and other receivables	92	92
Pledged deposits	—	8
Equity-accounted investee	2	2
Non-current assets	8,769	8,844
Inventories	343	322
VAT recoverable	845	808
Trade and other receivables	59	60
Prepayments	48	13
Available for sale financial assets	—	100
Pledged deposits	49	36
Cash and cash equivalents	65	465
Current assets	1,409	1,804
Total assets	10,178	10,648
Equity		
Paid-in capital	10,426	10,426
Reserves	53	53
Accumulated losses	(10,316)	(10,033)
Total equity	163	446
Liabilities		
Loans and borrowings	4,014	4,249
Deferred income	402	412
Trade and other payables	111	112
Provisions	58	56
Total Non-current liabilities	4,585	4,829
Loans and borrowings	3,025	2,641
Trade and other payables	2,358	2,685
Deferred income	47	47
Total Current liabilities	5,430	5,373
Total liabilities	10,015	10,202
Total equity and liabilities	10,178	10,648

Appendix G

Definition of Qoros' EBITDA and non-IFRS Reconciliation

This press release presents the EBITDA of Qoros, which is a financial metrics considered to be a “non-IFRS financial measure.” Non-IFRS financial measures should be evaluated in conjunction with, and are not a substitute for, IFRS financial measures. The non-IFRS financial information presented herein should not be considered in isolation from or as a substitute for operating income, net income or per share data prepared in accordance with IFRS.

Qoros defines “EBITDA” for each period for as net loss for the year, excluding net finance costs and depreciation and amortization. EBITDA is not recognized under IFRS or any other generally accepted accounting principles as measures of financial performance and should not be considered as a substitute for net income or loss, cash flow from operations or other measures of operating performance or liquidity determined in accordance with IFRS. EBITDA is not intended to represent funds available for dividends or other discretionary uses because those funds may be required for debt service, capital expenditures, working capital and other commitments and contingencies. EBITDA presents limitations that impair its use as a measure of our profitability since it does not take into consideration certain costs and expenses that result from our business that could have a significant effect on our net income, such as financial expenses, taxes, depreciation, capital expenses and other related charges.

Qoros believes that the disclosure of EBITDA provides transparent and useful information to investors and financial analysts in their review of Qoros' operating performance and in the comparison of such operating performance to the operating performance of other companies in the same industry or in other industries that have different capital structures, debt levels and/or income tax rates.

Set forth below is a reconciliation of Qoros' net loss to EBITDA for the periods presented. Other companies may calculate EBITDA differently, and therefore this presentation of EBITDA may not be comparable to other similarly titled measures used by other companies.

<i>In millions of RMB</i>	<i>March 31</i>	
	<i>2017</i>	<i>2016</i>
Net loss for the year	(283)	(308)
Net finance costs	77	49
Depreciation and Amortization	117	128
EBITDA	(89)	(131)