
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, 2018

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, 2018: Kenon Holdings Reports Q1 2018 Results and Additional Updates](#)

[99.2 Q1 2018 Summary Financial Information of Kenon, OPC and Ooros 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, 2018

By: /s/ Barak Cohen
Name: Barak Cohen
Title: Co-Chief Executive Officer

KENON HOLDINGS LTD.

By: /s/ Robert L. Rosen
Name: Robert L. Rosen
Title: Co-Chief Executive Officer



Kenon Holdings Reports Q1 2018 Results and Additional Updates

Singapore, May 31, 2018. **Kenon Holdings Ltd.** (NYSE: KEN, TASE: KEN) ("**Kenon**") announces its results for Q1 2018 and additional updates to its businesses.

Key Highlights

Kenon

Kenon recognized a gain of \$567 million in Q1 2018 in connection with the third party investment in Qoros (described below).

OPC

Revenue in Q1 2018 increased to \$101 million, as compared to \$93 million in Q1 2017.

Net profit in Q1 2018 increased to \$16 million, as compared to \$11 million in Q1 2017.

EBITDA¹ in Q1 2018 increased to \$35 million, as compared to \$28 million in Q1 2017.

In March 2018, OPC completed the acquisition of 95% of the shares of Tzomet Energy, which is developing a natural gas-fired power station in Israel with a capacity of approximately 396 MW.

Qoros

Qoros sold approximately 11,400 cars in the first quarter of 2018, an increase of over 200% as compared to the first quarter of 2017. In April 2018, Qoros sold approximately 5,400 cars, a 400% increase as compared to April 2017. Sales in 2018 include orders from a leasing company introduced by the new majority owner of Qoros (the "New Qoros Investor"), in accordance with the investment agreement.

Discussion of Results for the Three Months ended March 31, 2018

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

See Exhibit 99.2 of Kenon's Form 6-K dated May 31, 2018 for summary Kenon consolidated financial information; summary OPC consolidated financial information; summary Qoros financial information; a reconciliation of OPC's EBITDA (which is a non-IFRS measure) to net profit; summary operational information of OPC's generation businesses; and a reconciliation of Qoros' EBITDA (which is a non-IFRS measure) to net loss.

OPC

The following discussion of OPC's results of operations is based on OPC's consolidated financial statements.

¹ EBITDA is a non-IFRS measure. See Exhibit 99.2 of Kenon's Form 6-K dated May 31, 2018 for the definition of OPC's EBITDA and a reconciliation to its net profit for the applicable period.

Summary Financial Information of OPC

	Q1 2018	Q1 2017
	(\$ millions)	
Revenue	101	93
Cost of sales	63	63
Finance Expenses, net	5	6
Net profit	16	11
EBITDA ¹	35	28

Revenue - increased by \$8 million in Q1 2018, as compared to Q1 2017. As OPC's revenue is denominated in NIS, translation of its revenue to US Dollars had a positive impact of \$8 million. Excluding the impact of exchange rate fluctuations on the translation of OPC's revenue from NIS into US Dollars, OPC's revenue remained the same as in Q1 2017, as a result of (i) a \$2 million increase in sales of energy to private customers due to an increase in the generation component tariff in January 2018, offset by (ii) a \$2 million decrease in collection of system services from private customers (which is collected by OPC and paid to Israel Electric Company ("IEC")), due to a decrease in the system cost tariff in January 2018;

Cost of sales - \$63 million in both Q1 2018 and Q1 2017. Translation of OPC's cost of sales to US Dollars increased cost of sales by \$5 million. Excluding the impact of exchange rate fluctuations on the translation of OPC's cost of sales from NIS into US Dollars, cost of sales decreased by \$5 million as compared to Q1 2017. The decrease was primarily due to (i) a \$3 million decrease in gas costs, as the gas price is indexed to the US Dollar, and (ii) a \$2 million decrease in collection from private customers in respect of system services, as discussed above;

Financing expenses, net - decreased by \$1 million in Q1 2018, as compared to Q1 2017. The decrease was primarily due to the impact of exchange rate fluctuations;

Net profit - increased by \$5 million in Q1 2018, as compared to Q1 2017, primarily due to the \$8 million increase in revenue, partially offset by (i) a \$1 million increase in general and administration expenses due to an increase in professional and legal fees, as well as salary costs, and (ii) a \$2 million increase in taxes on income as a result of higher profits; and

EBITDA - increased by \$7 million in Q1 2018, as compared to Q1 2017, primarily as a result of the reasons discussed above.

Liquidity and Capital Resources

As of March 31, 2018, OPC had cash and cash equivalents of \$145 million, deposits and restricted cash of \$77 million, and consolidated indebtedness of \$615 million, consisting of \$31 million of short-term indebtedness and \$584 million of long-term indebtedness.

Business Developments

Update on the Construction of the OPC-Hadera Plant

OPC-Hadera is constructing a 148 MW co-generation power plant in Israel. OPC expects that the total cost of completing the OPC-Hadera plant will be approximately NIS 1 billion (approximately \$285 million) (including the cost of the original acquisition of OPC-Hadera).

Construction of the OPC-Hadera plant began in June 2016, and the plant is expected to commence commercial operations by the first half of 2019. As of March 31, 2018, OPC-Hadera had invested an aggregate of NIS 629 million (approximately \$179 million) and completed approximately 90% of the project.

Update on Tzomet Project

Tzomet Energy Ltd. ("Tzomet") is developing an open-cycle natural gas-fired power station with capacity of approximately 396 MW in Israel. In March 2018, OPC completed the acquisition of 95% of the shares of Tzomet. The total consideration for the acquisition is estimated to be approximately \$23 million, subject to certain adjustments.

Tzomet still requires (among other requirements) a license for the project from the Israeli Electricity Authority ("EA"). For a discussion of this license and the related correspondence with the Israel Concentration Committee, see Kenon's Annual Report on Form 20-F for the year ended December 31, 2017.

Update Regarding Third Party Investment

In January 2018, Kenon announced that the New Qoros Investor completed a transaction to purchase 51% of Qoros from Kenon and Chery³ for RMB3.315 billion (approximately \$526 million), which is part of an investment structure to invest a total of approximately RMB6.63 billion (approximately \$1,052 million) by the New Qoros Investor, of which RMB6.5 billion will ultimately be invested in Qoros' equity. As a result, Kenon and Chery now have 24% and 25% stakes in Qoros, respectively. In connection with this investment, Kenon received total cash proceeds of RMB 1.69 billion (approximately \$268 million). Kenon used \$20 million of the proceeds to repay a portion of shareholder loans from Ansonia, Kenon's major shareholder. Kenon's wholly-owned subsidiary Quantum (2007) LLC ("Quantum"), which holds Kenon's interest in Qoros, currently holds approximately \$248 million (US dollar equivalent) of these proceeds, which is designated to be used in connection with the completion of the transaction described below. The investment agreement provides that following the sale of equity interests by Kenon and Chery, Qoros' shareholders (including the New Qoros Investor) will invest a total of RMB6.5 billion in Qoros' equity in proportion to their post-investment equity ownership.

The investment agreement also provides for repayment of existing shareholder loans owing from Qoros in the principal amount of RMB944 million (approximately \$150 million) to each of Kenon and Chery, in two equal tranches.

In April 2018, the parties entered into an agreement which provides that at the time that such shareholder loans are converted to equity, and therefore not repaid as required by the investment agreement, Kenon's and Chery's obligation to invest the proceeds from the sale of their interests in Qoros will be reduced by the amount of the loans not so repaid. In such case, Kenon would retain (from the proceeds of its sale of equity in Qoros) amounts equal to the shareholder loans that are equitized and not repaid, ultimately resulting in a substantially similar economic result as would result from Kenon investing the full RMB1.56 billion (approximately \$248 million) and Qoros repaying the shareholder loans in full as required by the investment agreement. Qoros has applied to the relevant authorities to complete a capital increase of RMB6.5 billion, including the conversion of these existing shareholder loans.

The New Qoros Investor has advanced its proportionate share of the required investment in Qoros. Chery has advanced its proportionate share of the required investment in Qoros, after offsetting the amount of shareholder loans owing to Chery which are to be converted to equity. Kenon is expected to invest RMB616 million (approximately \$98 million) in Qoros as part of the capital increase, once approved, which is equal to the proceeds it is required to invest in Qoros, less the amount of its shareholder loans to be converted to equity (RMB944 million (approximately \$150 million)).

Following the completion of the investment and related transactions, a portion of the sale proceeds retained by Kenon will be applied to the repayment of shareholder loans from Ansonia in the amount of \$55 million.

During the three-year period beginning from the closing of the investment, Kenon has the right to cause the New Qoros Investor to purchase up to 50% of its remaining equity interest in Qoros, following the related capital increase, for up to RMB1.56 billion (approximately \$248 million), being the price for 50% of Kenon's remaining 24% interest in Qoros, subject to adjustments for inflation. From the third anniversary of the closing until April 2023, Kenon has the right to cause the New Qoros Investor to purchase up to all of its remaining equity interests in Qoros for up to a total of RMB3.12 billion (approximately \$495 million) (for Kenon's full 24% interest in Qoros), subject to adjustment for inflation. Another company within the Baoneng group effectively guarantees this put option by also serving as a grantor of the option. The put option requires six months' notice for exercise.

For detailed disclosure of the investment in Qoros, see Kenon's Annual Report on Form 20-F for the year ended December 31, 2017.

Car Sales

Qoros sold approximately 11,400 cars in the first quarter of 2018, an increase of over 200% as compared to the first quarter of 2017. In April 2018, Qoros sold approximately 5,400 cars, a 400% increase as compared to April 2017. Sales in 2018 include orders from a leasing company introduced by the New Qoros Investor, in accordance with the investment agreement.

² Convenience translations of RMB amounts into US Dollars use a rate of 6.3: 1.

³ For purposes of this section, references to Kenon include Quantum and references to Chery include Wuhu Chery (the direct owner of Chery's interest in Qoros).

Discussion of Qoros' Results for Q1 2018

Qoros' revenue increased by 161% in Q1 2018 to approximately RMB1,059 million, as compared to approximately RMB406 million in Q1 2017, primarily due to the increase in car sales.

Qoros' cost of sales increased by 164% in Q1 2018 to approximately RMB1,260 million, as compared to approximately RMB477 million in Q1 2017, mainly as a result of the increase in car production including an increase in depreciation and amortization.

Qoros' net loss for Q1 2018 was approximately RMB419 million, as compared to approximately RMB283 million in Q1 2017, due to the above factors.

Qoros' EBITDA⁴ decreased from negative RMB88 million in Q1 2017 to negative RMB106 million in Q1 2018, due to the factors above.

ZIM

Discussion of ZIM's Results for Q1 2018

ZIM carried approximately 698 thousand TEUs in Q1 2018, representing a 17% increase as compared to Q1 2017, in which ZIM carried approximately 598 thousand TEUs. ZIM's revenue increased by 15% in Q1 2018 to approximately \$751 million, as compared to approximately \$655 million in Q1 2017, primarily due to the increase in carried quantities. ZIM's operating expenses increased by 22% to approximately \$698 million in Q1 2018, as compared to approximately \$571 million in Q1 2017, primarily as a result of an increase in cargo handling expenses and an increase in bunker prices, as well as an increase in lease expenses of vessels and containers and an increase in port expenses.

Additional Kenon Updates

Cash Distribution

In March 2018, Kenon distributed \$665 million to its shareholders as a return of capital.

Gain from Qoros Third Party Investment

As a result of the third party investment in Qoros, Kenon, through its wholly owned subsidiary Quantum, recognized a gain of \$504 million in Q1 2018, including a gain on dilution, a gain in connection with the Qoros put option and a gain in connection with the Qoros shareholder loans. In addition, Kenon recognized a gain of \$63 million related to a write-back of financial guarantees.

Kenon's (Unconsolidated) Liquidity and Capital Resources

As of March 31, 2018, Kenon's unconsolidated cash balance was \$55 million. In addition, Kenon's wholly-owned subsidiary Quantum, which holds Kenon's interest in Qoros, held cash of approximately \$248 million (US dollar equivalent) as of March 31, 2018, which reflects proceeds from the sale of its interest in Qoros to the New Qoros Investor. Quantum has designated these funds to be used in connection with the completion of the transactions related to the investment by the New Qoros Investor, as discussed above.

Following the repayment of Kenon's credit facility with Israel Corporation in January 2018, there is no remaining debt at the Kenon level.

Kenon is the beneficiary of a four-year deferred payment agreement in the amount of \$175 million, reflecting deferred consideration from the sale of its Inkia power businesses, accruing 8% interest starting from December 31, 2017, payable in kind. The \$175 million deferred payment is subject to tax.

⁴ EBITDA is a non-IFRS measure. See Exhibit 99.2 of Kenon's Form 6-K dated May 31, 2018 for the definition of Qoros' EBITDA and a reconciliation to its net loss for the applicable period.

Investors' Conference Call

Kenon's management will host a conference call for investors and analysts on May 31, 2018, starting at 9:00 am Eastern Time. Kenon's and OPC's management will host the call and will be available to answer questions after presenting the results. To participate, please call one of the following teleconferencing numbers:

Singapore: 3158-3851
US: 1-888-407-2553
Israel: 03- 9180644
UK: 0-800-917-9141
International: +65-3158-3851

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.

For those unable to participate, the teleconference will be available for replay on Kenon's website at <http://www.kenon-holdings.com> beginning 24 hours after the call.

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:

OPC Energy (76% interest) – a leading owner, developer and operator of power generation facilities in the Israeli power market;
Qoros (24% 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 OPC, statements with respect to the OPC-Hadera and Tzomet projects, including expected installed capacity, cost and timing of project completion, and statements with respect to the pursuit of a licence from the EA for the Tzomet project, (ii) with respect to Qoros, statements with respect to the transactions relating to the investment by the New Qoros Investor, including the agreement relating to the shareholder loans to be repaid under the terms of the investment agreement and Kenon's intention to repay the shareholder loans from Ansonia, and (iii) 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 OPC, risks relating to a failure to complete the development of the OPC-Hadera and Tzomet projects on a timely basis, within the expected budget, or at all, including risks related to obtaining the EA license and other approvals required to proceed with the Tzomet project, (ii) with respect to Qoros, risks relating to completion of the transactions relating to the investment by the New Qoros Investor and the parties' ability to satisfy their obligations under the agreements and (iii) 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

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Financial Information for the Three Months Ended March 31, 2018 of Kenon, OPC and Qoros and

Reconciliation of Certain non-IFRS Financial Information

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Appendix A

Summary Kenon consolidated financial information

Kenon Holdings Ltd and subsidiaries
Consolidated Statements of Financial Position as of March 31, 2018 and December 31, 2017

	As of March 31,	As of December
	2018	31, 2017
	\$ millions	
Current assets		
Cash and cash equivalents	455	1,417
Short-term investments and deposits	-	7
Trade receivables, net	35	44
Other current assets, including derivatives	20	36
Total current assets	510	1,504
Non-current assets		
Investments in associated companies	269	122
Deposits, loans and other receivables, including derivative instruments	240	107
Deferred payment receivable	175	175
Property, plant and equipment, net	628	616
Intangible assets, net	2	2
Total non-current assets	1,314	1,022
Total assets	1,824	2,526
Current liabilities		
Loans and debentures	86	448
Trade payables	42	59
Other payables, including derivative instruments	19	83
Amount due to associate company	101	-
Provisions	-	44
Income tax payable	5	172
Total current liabilities	253	806
Non-current liabilities		
Loans, excluding current portion	500	504
Debentures, excluding current portion	84	85
Deferred taxes, net	58	53
Income tax payable	27	27
Total non-current liabilities	669	669
Total liabilities	922	1,475
Equity		
Share capital	602	1,267
Shareholder transaction reserve	-	4
Translation reserve	(33)	(2)
Capital reserve	18	19
Accumulated profit / (loss)	240	(305)
Equity attributable to owners of the Company	827	983
Non-controlling interests	75	68
Total equity	902	1,051
Total liabilities and equity	1,824	2,526

Kenon Holdings Ltd and subsidiaries
Consolidated Statements of Profit & Loss for the three months ended March 31, 2018 and 2017

	For the three months ended March 31,	
	2018	2017
	\$ millions	
Revenue	101	93
Cost of sales and services (excluding depreciation)	(63)	(64)
Depreciation	(8)	(8)
Gross profit	30	21
Selling, general and administrative expenses	(7)	(7)
Operating profit	23	14
Financing expenses	(6)	(20)
Financing income	2	-
Financing expenses, net	(4)	(20)
Gain on third party investment in Qoros	504	-
Write back of financial guarantee	63	-
Share in losses of associated companies, net of tax	(28)	(22)
Loss before income taxes	558	(28)
Income taxes	(6)	(4)
Profit / (loss) for the period from continuing operations	552	(32)
Profit for the period from discontinued operations (after tax)	-	22
Profit / (loss) for the period	552	(10)
Attributable to:		
Kenon's shareholders	545	(20)
Non-controlling interests	7	10
Profit / (loss) for the period	552	(10)
Basic/diluted (loss)/profit per share attributable to Kenon's shareholders (in dollars):		
Basic/diluted profit/(loss) per share	10.13	(0.38)
Basic/diluted profit/(loss) per share from continuing operations	10.13	(0.64)
Basic/diluted profit per share from discontinued operations	-	0.26

Kenon Holdings Ltd and subsidiaries
Consolidated Statements of Cash Flows
For the three months ended March 31, 2018 and 2017

	For the three months ended March 31,	
	2018	2017
	\$ millions	
Cash flows from operating activities		
Profit/(Loss) for the period	552	(10)
Adjustments:		
Depreciation and amortization	8	48
Financing expenses, net	4	53
Share in losses of associated companies, net	28	22
Write back of financial guarantee	(63)	-
Gain on third party investment in Qoros	(504)	-
Impairment of assets	-	20
Net change in fair value of derivative financial instruments	1	-
Loss on disposal of property, plant and equipment, net	-	1
Income taxes	6	19
	<u>32</u>	<u>153</u>
Change in inventories	-	3
Change in trade and other receivables	36	(2)
Change in trade and other payables	(33)	(38)
	35	116
Income taxes paid, net	(169)	(15)
Net cash (used in)/provided by operating activities	<u>(134)</u>	<u>101</u>

Kenon Holdings Ltd and subsidiaries
Consolidated Statement of Cash Flows, continued
For the three months ended March 31, 2018 and 2017

	For the three months ended March 31,	
	2018	2017
	\$ millions	
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment and intangible assets	-	2
Short-term deposits and loans, net	7	(19)
Cash paid for businesses purchased, less cash acquired	(2)	-
Payment of transaction costs for sale of subsidiaries	(46)	-
Payments for long-term deposits	(4)	-
Acquisition of property, plant and equipment	(16)	(40)
Acquisition of intangible assets	-	(1)
Interest received	-	1
Proceeds from dilution of associate	260	-
Receipt/(Payment) to release financial guarantee	18	(57)
Net cash provided by/(used in) investing activities	217	(114)
Cash flows from financing activities		
Dividend paid to non-controlling interests	-	(7)
Capital distribution	(665)	-
Receipt of long-term loans and issuance of debentures	7	78
Repayment of long-term loans and debentures	(7)	(40)
(Repayment)/Proceed of short-term credit from banks and others, net	(378)	5
Interest paid	(6)	(33)
Net cash (used in)/provided by financing activities	(1,049)	3
Decrease in cash and cash equivalents	(966)	(10)
Cash and cash equivalents at beginning of the period	1,417	327
Effect of exchange rate fluctuations on balances of cash and cash equivalents	4	12
Cash and cash equivalents at end of the period	455	329

Information regarding reportable segments

The following table sets forth selected financial data for Kenon's reportable segments for the periods presented:

	For the three months ended March 31, 2018				Consolidated Results
	OPC	Quantum ¹	Other ²	Adjustments ³	
	<i>(in millions of USD, unless otherwise indicated)</i>				
Sales	101	-	-	-	101
Depreciation and amortization	(8)	-	-	-	(8)
Financing income	-	-	18	(16)	2
Financing expenses	(5)	(1)	(16)	16	(6)
Write back of financial guarantee	-	63	-	-	63
Gain on third party investment in Qoros	-	504	-	-	504
Share in losses of associated companies	-	(15)	(13)	-	(28)
Profit / (Loss) before taxes	22	551	(15)	-	558
Income taxes	(6)	-	-	-	(6)
Profit / (Loss) from continuing operations	16	551	(15)	-	552

(1) Quantum is a wholly-owned subsidiary of Kenon and holds Kenon's interest in Qoros.

(2) Includes the results of Primus; the results of ZIM, as an associated company; as well as Kenon's and IC Green's holding company and general and administrative expenses.

(3) "Adjustments" includes inter-segment financing income and expenses.

	For the three months ended March 31, 2017 ¹				Consolidated Results
	OPC	Quantum ²	Other ³	Adjustments ⁴	
	<i>(in millions of USD, unless otherwise indicated)</i>				
Sales	93	-	-	-	93
Depreciation and amortization	(8)	-	-	-	(8)
Financing income	1	-	2	(3)	-
Financing expenses	(7)	(2)	(14)	3	(20)
Share in losses of associated companies	-	(21)	(1)	-	(22)
Profit / (Loss) before taxes	14	(23)	(19)	-	(8)
Income taxes	(3)	-	(1)	-	(4)
Profit / (Loss) from continuing operations	11	(23)	(20)	-	(32)

(1) Results during this period have been reclassified to reflect the results of the Inkia power generation and distribution business (which was sold on December 31, 2017) as discontinued operations.

(2) Quantum is a wholly-owned subsidiary of Kenon and holds Kenon's interest in Qoros.

(3) Includes the results of Primus; the results of ZIM, as an associated company; as well as Kenon's and IC Green's holding company and general and administrative expenses.

(4) "Adjustments" includes inter-segment financing income and expenses.

Information regarding associated companies

	Carrying amounts of investment in associated companies		Equity in the net (losses) / earnings of associated companies	
	as of		for the period ended	
	March 31,	December 31,	March 31,	March 31,
	2018	2017	2018	2017
	\$ millions		\$ millions	
ZIM	109	120	(13)	(1)
Qoros	160	2	(15)	(21)
	269	122	(28)	(22)

Appendix B**Summary OPC consolidated financial information¹****OPC's Consolidated Statement of Profit**

	For the three months ended March 31,	
	2018	2017
	<i>(in millions of USD)</i>	
Sales	101	93
Cost of sales (excluding depreciation and amortization)	(63)	(63)
Depreciation and amortization	(8)	(8)
Gross profit	30	22
General, selling and administrative expenses	(3)	(2)
Operating profit	27	20
Financing expenses	(5)	(7)
Financing income	-	1
Financing expenses, net	(5)	(6)
Profit before taxes	22	14
Taxes on income	(6)	(3)
Net profit for the period	16	11
Attributable to:		
Equity holders of the company	13	8
Non-controlling interest	3	3
Net profit for the period	16	11

(1) Translations of NIS amounts into US Dollars use a rate of 3.5: 1 for 2018 and 3.7: 1 for 2017.

Summary Data from OPC's Consolidated Statement of Cash Flows

	For the three months ended	
	March 31,	
	2018	2017
	<i>(in millions of USD)</i>	
Cash flows provided by operating activities	27	35
Cash flows used in investing activities	(22)	(37)
Cash flows provided by (used in) financing activities	(5)	38
Increase in cash and cash equivalents	-	36
Cash and cash equivalents at end of the period	145	60
Investments in property, plant and equipment	15	16
Total depreciation and amortization	8	8

Summary Data from OPC's Consolidated Statement of Financial Position

	As of	
	December 31,	
	March 31, 2018	2017
	<i>(in millions of USD)</i>	
Total financial liabilities ¹	611	504
Total monetary assets ²	145	60
Total equity attributable to the owners	184	130
Total assets	942	781

^{1.} Including loans from banks and others and debentures

^{2.} Including cash and cash equivalents, short-term deposits and restricted cash.

Appendix C

Definition of OPC's EBITDA and non-IFRS reconciliation

This press release, including the financial tables, presents EBITDA, which is considered to be a “non-IFRS financial measure.”

OPC defines “EBITDA” as for each period as net profit before depreciation and amortization, financing expenses, net, and income tax expense. EBITDA is not recognized under IFRS or any other generally accepted accounting principles as a measure of financial performance and should not be considered as a substitute for net profit or loss, cash flow from operations or other measures of operating performance 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. There are limitations that impair the use of EBITDA as a measure of OPC's profitability since it does not take into consideration certain costs and expenses that result from OPC's business that could have a significant effect on net profit, such as financial expenses, taxes, depreciation, capital expenses and other related items.

OPC believes that the disclosure of EBITDA provides transparent and useful information to investors and financial analysts in their review of the company's, or its subsidiaries' 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 OPC's net profit 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.

	For the three months ended March 31, 2018
	<i>(in USD millions)</i>
Net profit for the period	16
Depreciation and amortization	8
Financing expenses, net	5
Income tax expense	6
EBITDA	35

	For the three months ended March 31, 2017
	<i>(in USD millions)</i>
Net profit for the period	11
Depreciation and amortization	8
Financing expenses, net	6
Income tax expense	3
EBITDA	28

Appendix D***Summary Financial Information of OPC's Subsidiaries***

The tables below set forth debt, cash and cash equivalents, deposits and restricted cash for OPC's subsidiaries as of March 31, 2018:

	<u>OPC-Rotem</u>	<u>OPC-Hadera</u>	<u>Zomet</u>	<u>OPC Energy & Others</u>	<u>Total OPC</u>
Debt (excluding accrued interest)	371	150	4	90	615
Cash and cash equivalents	52	23	0	70	145
Short- and long-term deposits and restricted cash (including debt service reserves)	48	2	-	28	77
Debt service reserves	26	-	-	5	31

The tables below set forth debt, cash and cash equivalents, deposits and restricted cash for OPC's subsidiaries as of March 31, 2017:

	<u>OPC-Rotem</u>	<u>OPC-Hadera</u>	<u>OPC Energy & Others</u>	<u>Total OPC</u>
Debt (excluding accrued interest)	380	70	55	504
Cash and cash equivalents	25	30	1	60
Short- and long-term deposits and restricted cash (including debt service reserves)	42	-	4	46
Debt service reserves	20	-	4	25

Appendix E**Summary Operational Information of OPC**

The tables below set forth details of sales, generation and purchases of electricity by OPC and availability and net generation of OPC split by the Rotem plant and the Hadera energy center (kWh in millions):

	For the three-months ended March 31,	
	2018	2017
Sales to private customers	973	976
Sales to the system administrator	38	39
Total sales	1,011	1,015

	For the three-months ended March 31,	
	2018	2017
Net generation of electricity	976	991
Purchase of electricity from the system administrator	35	24
Total volume of electricity generated and purchases from the system administrator	1,011	1,015

	For the three-months ended March 31,			
	2018		2017	
	Availability (%)	Net generation (kWh in millions)	Availability (%)	Net generation (kWh in millions)
Rotem	100%	951	100%	967
Hadera	99.8%	25	91.4%	24

Appendix F**Summary of Qoros' Unaudited Condensed Consolidated Financial Information**

<i>In millions of RMB</i>	For the three months ended	
	March 31, 2018	March 31, 2017
Revenue	1,059	406
Cost of sales	(1,260)	(477)
Gross loss	(201)	(71)
Other income	3	11
Research and development expenses	(26)	(37)
Selling, general and administrative expenses	(101)	(100)
Other expenses	(5)	(8)
Loss from operation	(330)	(205)
Finance income	2	4
Finance costs	(91)	(82)
Net finance cost	(89)	(78)
Loss for the period	(419)	(283)

Qoros' Consolidated Statement of Financial Position

<i>In millions of RMB</i>	As of March 31, 2018	As of December 31, 2017
Assets		
Property, plant and equipment	3,776	3,875
Intangible assets	3,888	4,011
Prepayments	20	22
Lease prepayments	194	195
Trade and other receivables	92	91
Equity-accounted investees	2	2
Non-current assets	7,972	8,196
Inventories	455	389
VAT recoverable	790	828
Trade and other receivables	122	38
Prepayments	210	173
Pledged deposits	6	26
Cash and cash equivalents	2,648	77
Current assets	4,231	1,531
Total assets	12,203	9,727
Equity		
Paid-in capital	10,425	10,425
Reserves	53	54
Accumulated losses	(12,138)	(11,645)
Total deficit	(1,660)	(1,166)
Liabilities		
Loans and borrowings	3,848	4,228
Deferred income	158	161
Trade and other payables	3,380	1,208
Provisions	73	65
Non-current liabilities	7,459	5,662
Loans and borrowings	2,832	2,511
Trade and other payables	3,552	2,704
Deferred income	20	16
Current liabilities	6,404	5,231
Total liabilities	13,863	10,893
Total equity and liabilities	12,203	9,727

Appendix G

Definition of Qoros' EBITDA and non-IFRS Reconciliation

This press release presents the EBITDA of Qoros, which is a financial metric 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 profit, net profit or per share data prepared in accordance with IFRS.

Qoros defines “EBITDA” for each period as net loss for the period, excluding net finance costs and depreciation and amortization. EBITDA is not recognized under IFRS or any other generally accepted accounting principles as a measure of financial performance and should not be considered as a substitute for net profit 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 profit, 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>	For the three months ended	
	March 31, 2018	March 31, 2017
Net loss for the period	(419)	(283)
Net finance costs	89	78
Depreciation and Amortization	224	117
EBITDA	(106)	(88)