
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**

August 30, 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 August 30, 2018: Kenon Holdings Reports Q2 2018 Results and Additional Updates](#)

99.2 [Q2 2018 Summary Financial Information of Kenon, OPC 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: August 30, 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



Qoros' car sales increased by over 500%; OPC demonstrated solid results

Kenon Holdings Reports Q2 2018 Results and Additional Updates

Singapore, August 30, 2018. Kenon Holdings Ltd. (NYSE: KEN, TASE: KEN) ("Kenon") announces its results for Q2 2018 and additional updates to its businesses.

Key Highlights

OPC

Revenue in Q2 2018 amounted to \$84 million, reflecting no material change from Q2 2017.

Net profit in Q2 2018 was nil, as compared to a net loss of \$10 million in Q2 2017.

EBITDA¹ in Q2 2018 increased to \$18 million, as compared to \$14 million in Q2 2017.

Qoros

Car sales increased by over 500%, with approximately 19,200 cars sold in the second quarter of 2018, as compared to approximately 3,000 cars sold in the second quarter of 2017. Sales in 2018 include orders from a leasing company introduced by the New Qoros Investor in accordance with the investment agreement.

Revenue in Q2 2018 increased to approximately \$276 million, as compared to approximately \$40 million in Q2 2017.

Kenon retained a total of \$150 million of cash proceeds following the completion of its funding obligations and conversion of shareholder loans, of which \$57 million was used to repay the outstanding balance owed to Ansonia.

Discussion of Results for the Three Months ended June 30, 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 August 30, 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' Adjusted EBITDA (which is a non-IFRS measure) to net loss.

¹ EBITDA is a non-IFRS measure. See Exhibit 99.2 of Kenon's Form 6-K dated August 30, 2018 for the definition of OPC's EBITDA and a reconciliation to its net profit for the applicable period.

OPC

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

Summary Financial Information of OPC

	Q2 2018	Q2 2017
	(\$ millions)	(\$ millions)
Revenue	84	84
Cost of sales (excluding depreciation and amortization)	62	67
Finance expenses, net	9	16
Net profit / (loss)	-	(10)
EBITDA	18	14

Revenue

	For the 3 months ended June 30,	
	2018	2017
	\$ millions	\$ millions
Revenue from energy generated by OPC and sold to private customers	56	46
Revenue from energy purchased by OPC and sold to private customers	4	10
Revenue from private customers in respect of infrastructures services	20	23
Revenue from energy sold to the System Administrator	-	1
Revenue from sale of steam	4	4
Total	84	84

OPC's revenue from the sale of electricity to private customers stem from electricity sold at the generation component tariffs, as published by Israeli's Electricity Authority ("EA"), with some discount. The weighted-average generation component tariff for 2018, as published by the EA in January 2018, is NIS 0.2816 per KW hour. In 2017, the weighted-average generation component tariff was NIS 0.264 per KW hour. This change in the weighted-average generation component tariff is attributed to the mix of consumption in the market, which differs from that of the customers of OPC-Rotem and OPC-Hadera. In addition, OPC's revenues from sale of steam are linked partly to the price of gas and partly to the Israeli Consumer Price Index (CPI).

Revenue from energy generated by OPC and sold to private customers – increased by \$10 million in Q2 2018, as compared to Q2 2017, primarily as a result of (i) a \$6 million increase as a result of higher energy sales due to higher availability at OPC-Rotem, as in 2017 the OPC-Rotem plant was undergoing maintenance work, (ii) a \$3 million increase as a result of the generation component price increase, as discussed above, and (iii) a \$3 million increase due to higher consumption by OPC's customers. The increase was partially offset by \$2 million non-recurring income in 2017 related to past reconciliation with private customers.

Revenue from energy purchased by OPC and sold to private customers – decreased by \$6 million in Q2 2018, as compared to Q2 2017, primarily as a result of higher availability of OPC-Rotem in 2018, as discussed above.

Revenue from private customers in respect of infrastructures services – decreased by \$3 million in Q2 2018, as compared to Q2 2017, primarily as a result of a decrease in the infrastructure services tariffs in the beginning of 2018, as compared to 2017.

Revenue from energy sold to the System Administrator – decreased by \$1 million in Q2 2018, as compared to Q2 2017, primarily as a result of higher energy consumption of OPC's private customers.

Cost of Sales (Excluding Depreciation and Amortization)

	For the 3 months ended June 30,	
	2018	2017
	\$ millions	
Natural gas and diesel oil consumption	32	28
Payment to IEC for infrastructure services and purchase of electricity	24	33
Natural gas transmission	2	2
Operating expenses	4	4
Total	62	67

Natural gas and diesel oil consumption – increased by \$4 million in Q2 2018, as compared to Q2 2017, primarily due to higher natural gas consumption, as a result of the higher availability of OPC-Rotem in 2018, as discussed above.

Payment to IEC for infrastructures services and purchase of electricity – decreased by \$9 million in Q2 2018, as compared to Q2 2017, primarily as a result of (i) a \$6 million decrease due to higher availability of OPC-Rotem in 2018, as discussed above, (ii) a \$3 million decrease due to a decrease in infrastructures services tariffs in the beginning of 2018, and (iii) a \$1 million decrease related to a non-recurrent past reconciliation with private customers in 2017. The decrease was partially offset by a \$1 million increase due to higher consumption of private customers.

Financing Expenses, Net

Financing expenses, net decreased by \$7 million in Q2 2018, as compared to Q2 2017. The decrease was primarily due to (i) a \$6 million early prepayment fee in respect of a repayment of a mezzanine loan in Q2 2017, and (ii) a \$2 million decrease due to the impact of changes in the US Dollar-NIS exchange rate. The decrease was partially offset by a \$1 million increase in OPC-Rotem's senior debt interest expenses as a result of an increase in the CPI.

Net Profit

Net profit increased by \$10 million in Q2 2018 to nil, as compared to a net loss of \$10 million in Q2 2017, primarily as a result of the reasons discussed above.

EBITDA

EBITDA increased by \$4 million in Q2 2018 to \$18 million, as compared to \$14 million in Q2 2017, primarily as a result of the reasons discussed above.

Liquidity and Capital Resources

As of June 30, 2018, OPC had cash and cash equivalents of \$133 million, deposits and restricted cash of \$75 million, and consolidated indebtedness of \$587 million, consisting of \$23 million of short-term indebtedness and \$564 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 \$274 million).

Construction of the OPC-Hadera plant began in June 2016. As of June 30, 2018, OPC-Hadera had invested an aggregate of NIS 700 million (approximately \$192 million) in the construction of the Hadera power plant and related infrastructure.

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 (not including project development costs), subject to certain adjustments, of which \$7.3 million has been paid to date.

Tzomet still requires (among other requirements) a license for the project from the 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.

In June 2016, Tzomet submitted an application to IEC relating to a feasibility study for connection of the facility to the national electricity network (the "Feasibility Study"). A positive feasibility study is required as part of the development of the Tzomet power plant. According to the results of the Feasibility Study received in August 2017, there is no certainty with respect to the timetable for connection of the plant to the national electricity network. Tzomet filed an appeal of the results of the Feasibility Study with the EA. In May 2018, the EA issued its decision whereby no fault was found with the results of the Feasibility Study, and, therefore, there are no grounds to contest it. Tzomet believes it will be able to obtain a positive feasibility study for connection to the national transmission network. Accordingly, in June 2018, Tzomet submitted a request for a new feasibility study. The results of the new feasibility study have not yet been received.

In March 2018, the District Court for Administrative Matters in Israel rejected an administrative petition filed by the City of Kiryat Gat, relating to a change in regulation in 2017 that allowed for the conversion of Tzomet power plant from a combined cycle to an open cycle layout. In May 2018, the City of Kiryat Gat filed an appeal of the decision with the Israeli Supreme Court. A hearing of the appeal is set for November 2018.

Qoros²

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 Chery for RMB3.315 billion (approximately \$501 million), which was part of an investment structure to invest a total of approximately RMB6.63 billion (approximately \$1,002 million) by the New Qoros Investor of which RMB6.5 billion has been invested in Qoros' equity. As a result, Kenon's stake in Qoros was reduced to 24%. In connection with this investment, Kenon received total cash proceeds of RMB 1.69 billion (approximately \$255 million). Kenon used \$20 million of the proceeds to repay a portion of shareholder loans from Ansonia, Kenon's major shareholder.

In July 2018, the relevant authorities in China approved the capital increase of RMB6.5 billion, including the conversion of existing shareholder loans owing from Qoros in the principal amount of RMB944 million (approximately \$143 million) to each of Kenon and Chery. As part of the investment, Kenon converted all of its shareholder loans to equity, invested RMB616 million (approximately \$93 million) in Qoros and retained a total of \$150 million of cash proceeds from the investment. Kenon does not have any further obligations to invest in Qoros.

² Convenience translations of RMB amounts into US Dollars use a rate of 6.62: 1.

Quantum used a portion of these funds to repay the outstanding balance of \$57 million owed to Ansonia, Kenon's major shareholder, which had previously been loaned directly to Quantum to support its financing of Qoros.

In addition, Qoros is required to pay to Kenon net interest payments on past shareholder loans as well as compensation for foreign exchange fluctuations in the total net amount of approximately \$11 million, of which \$7 million has been received to date.

For further information on 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 19,200 cars in the second quarter of 2018, an increase of over 500% as compared to approximately 3,000 cars sold in the second quarter of 2017. Sales in 2018 include orders from a leasing company introduced by the New Qoros Investor, in accordance with the investment agreement.

Discussion of Qoros' Results for Q2 2018

Qoros' revenue increased in Q2 2018 to RMB1,827 million (approximately \$276 million), as compared to RMB272 million (approximately \$40 million) in Q2 2017, primarily due to the increase in car sales.

Qoros' cost of sales increased in Q2 2018 to RMB1,955 million (approximately \$295 million), as compared to RMB374 million (approximately \$55 million) in Q2 2017, mainly as a result of the increase in car production.

Qoros' gross margin improved to negative 8% in Q2 2018, as compared to negative 37% in Q2 2017. Qoros' gross loss slightly increased by RMB26 million (approximately \$5 million) to RMB128 million (approximately \$20 million) in Q2 2018, as compared to RMB102 million (approximately \$15 million) in Q2 2017, as a result of an increase in depreciation and amortization, among others.

Qoros' depreciation and amortization increased in Q2 2018 to RMB163 million (approximately \$25 million), as compared to RMB86 million (approximately \$13 million) in Q2 2017, mainly due to the increase in car production.

Qoros' net loss for Q2 2018 was RMB322 million (approximately \$49 million), as compared to RMB42 million (approximately \$6 million) in Q2 2017, which included a one-off revenue recognition of the amortized balance under the license agreement with Chery of RMB 263 million (approximately \$39 million).

Qoros' Adjusted EBITDA¹ slightly decreased from negative RMB125 million (approximately negative \$18 million) in Q2 2017 to negative RMB136 million (approximately negative \$21 million) in Q2 2018, due to the factors above.

ZIM

Discussion of ZIM's Results for Q2 2018

ZIM carried approximately 772 thousand TEUs in Q2 2018, representing a 17% increase as compared to Q2 2017, in which ZIM carried approximately 659 thousand TEUs. ZIM's revenue increased by 8% in Q2 2018 to \$803 million, as compared to \$746 million in Q2 2017, primarily due to the increase in carried quantities. ZIM's operating expenses increased by 16% to \$757 million in Q2 2018, as compared to \$650 million in Q2 2017, primarily as a result of (i) a \$39 million increase in bunker expense, (ii) a \$30 million increase in cargo handling expenses, (iii) a \$21 million increase in lease expense of vessels and containers, and (iv) a \$16 million increase in port expenses.

Additional Kenon Updates

Changes in Kenon's Management

In July 2018, Kenon announced that Mr. Barak Cohen, co-chief executive officer ("Co-CEO") of Kenon, will step down as Co-CEO of Kenon. Mr. Cohen has been appointed as a member of the Board of Directors of Kenon, with effect from his resignation as Co-CEO. Mr. Cohen will remain a director of OPC and Qoros.

³ Adjusted EBITDA is a non-IFRS measure. See Exhibit 99.2 of Kenon's Form 6-K dated August 30, 2018 for the definition of Qoros' Adjusted EBITDA and a reconciliation to its net loss for the applicable period.

Mr. Robert L. Rosen, who is currently Co-CEO of Kenon, will remain as CEO of Kenon following Mr. Cohen's resignation.

Kenon's (Unconsolidated) Liquidity and Capital Resources

As of June 30, 2018, Kenon's unconsolidated cash balance was \$45 million. In addition, Kenon's wholly-owned subsidiary Quantum, which holds Kenon's interest in Qoros, held cash of approximately \$243 million (US dollar equivalent) as of June 30, 2018, which reflects proceeds from the sale of its interest in Qoros to the New Qoros Investor.

Following the completion of the capital increase and the fulfilment of Kenon's funding obligations, as discussed above, Quantum retained cash of approximately \$150 million. Quantum used a portion of these funds to repay the outstanding balance of \$57 million owed to Ansonia, Kenon's major shareholder. In addition, as discussed above, Qoros is required to pay to Kenon approximately \$11 million, of which approximately \$7 million has been received to date. For a discussion of the repayment of loans to Ansonia, see Kenon's Annual Report on Form 20-F for the year ended December 31, 2017.

Kenon has 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 (\$182 million including accrued interest as of June 30, 2018) deferred payment is subject to tax.

Investors' Conference Call

Kenon's management will host a conference call for investors and analysts on August 30, 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:	31583851
US:	1-888-281-1167
Israel:	03-9180685
UK:	0-800-917-9141
International:	+65-31583851

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 and cost, and statements with respect to the pursuit of a licence from the EA for the Tzomet project, statements with respect to the Feasibility Study, statements with respect to administrative and regulatory proceedings and expectations of outcomes of such proceedings, (ii) with respect to Qoros, statements with respect to the transactions relating to the investment by the New Qoros Investor, including Kenon's intention to repay the shareholder loans from Ansonia with the proceeds of such investment, and amounts payable to Kenon from Qoros, 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 the Feasibility Study, obtaining the EA license and other approvals required to proceed with the Tzomet project and results of administrative and regulatory proceedings, (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 remaining 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 June 30, 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 June 30, 2018 and December 31, 2017

	As of June 30, 2018	As of December 31, 2017
	\$ millions	
Current assets		
Cash and cash equivalents	429	1,417
Short-term investments and deposits	-	7
Trade receivables, net	31	44
Other current assets, including derivatives	18	36
Total current assets	<u>478</u>	<u>1,504</u>
Non-current assets		
Investments in associated companies	272	122
Deposits, loans and other receivables, including derivative instruments	226	107
Deferred payment receivable	182	175
Property, plant and equipment, net	609	616
Intangible assets, net	2	2
Total non-current assets	<u>1,291</u>	<u>1,022</u>
Total assets	<u>1,769</u>	<u>2,526</u>
Current liabilities		
Loans and debentures	79	448
Trade payables	49	59
Other payables, including derivative instruments	9	83
Investment obligation to Qoros	93	-
Provisions	-	44
Income tax payable	4	173
Total current liabilities	<u>234</u>	<u>807</u>
Non-current liabilities		
Loans, excluding current portion	485	504
Debentures, excluding current portion	79	85
Deferred taxes, net	57	52
Income tax payable	27	27
Total non-current liabilities	<u>648</u>	<u>668</u>
Total liabilities	<u>882</u>	<u>1,475</u>
Equity		
Share capital	602	1,267
Shareholder transaction reserve	-	4
Translation reserve	(11)	(2)
Capital reserve	18	19
Accumulated profit / (loss)	211	(305)
Equity attributable to owners of the Company	820	983
Non-controlling interests	67	68
Total equity	<u>887</u>	<u>1,051</u>
Total liabilities and equity	<u>1,769</u>	<u>2,526</u>

Kenon Holdings Ltd and subsidiaries
Consolidated Statements of Profit & Loss

	For the six months ended		For the three months ended	
	June 30,		June 30,	
	2018	2017	2018	2017
	\$ millions	\$ millions		
Revenue	185	177	84	84
Cost of sales and services (excluding depreciation)	(127)	(131)	(63)	(67)
Depreciation	(15)	(16)	(8)	(8)
Gross profit	43	30	13	9
Selling, general and administrative expenses	(11)	(22)	(5)	(15)
Operating profit / (loss)	32	8	8	(6)
Financing expenses	(17)	(44)	(11)	(24)
Financing income	12	4	10	4
Financing expenses, net	(5)	(40)	(1)	(20)
Gain on third party investment in Qoros	504	-	-	-
Fair value loss on derivative asset	(13)	-	(13)	-
Write back of financial guarantee	63	-	-	-
Share in losses of associated companies, net of tax	(50)	(22)	(22)	-
Profit / (loss) before income taxes	531	(54)	(28)	(26)
Income taxes	(7)	(4)	(1)	-
Profit / (loss) for the period from continuing operations	524	(58)	(29)	(26)
Profit for the period from discontinued operations (after tax)	-	69	-	47
Profit / (loss) for the period	524	11	(29)	21
Attributable to:				
Kenon's shareholders	517	(11)	(29)	9
Non-controlling interests	7	22	-	12
Profit / (loss) for the period	524	11	(29)	21
Basic/diluted (loss)/profit per share attributable to Kenon's shareholders (in dollars):				
Basic/diluted profit/(loss) per share	9.60	(0.21)	(0.53)	0.17
Basic/diluted profit/(loss) per share from continuing operations	9.60	(1.11)	(0.53)	(0.47)
Basic/diluted profit per share from discontinued operations	-	0.90	-	0.64

Kenon Holdings Ltd and subsidiaries
Consolidated Statements of Cash Flows
For the six months ended June 30, 2018 and 2017

	For the six months ended June 30,	
	2018	2017
	\$ millions	
Cash flows from operating activities		
Profit for the period	524	11
Adjustments:		
Depreciation and amortization	15	92
Financing expenses, net	5	117
Share in losses of associated companies, net	50	22
Write back of financial guarantee	(63)	-
Gain on third party investment in Qoros	(504)	-
Fair value loss on derivative asset	13	-
Write back of other payables	(3)	-
Impairment of assets	-	20
Bad debt expense	-	2
Other capital gains, net	-	(9)
Share-based payments	1	-
Income taxes	7	51
	<hr/> 45	<hr/> 306
Change in inventories	-	9
Change in trade and other receivables	17	6
Change in trade and other payables	(14)	(83)
Changes in provisions and employee benefits	-	(2)
	<hr/> 48	<hr/> 236
Income taxes paid, net	(169)	(34)
Net cash (used in)/provided by operating activities	<hr/> <hr/> (121)	<hr/> <hr/> 202

Kenon Holdings Ltd and subsidiaries
Consolidated Statement of Cash Flows, continued
For the six months ended June 30, 2018 and 2017

	For the six months ended June 30,	
	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	-	(22)
Investment in long term deposits, net	(1)	-
Cash paid for businesses purchased, less cash acquired	(2)	-
Acquisition of property, plant and equipment	(29)	(96)
Acquisition of intangible assets	-	(2)
Interest received	2	3
Proceeds from dilution of third party investment in Qoros	260	-
Receipt/(payment) to release financial guarantee	18	(72)
Payment of transaction cost for sales of subsidiaries	(49)	-
Energate purchase adjustment	-	10
Sale of subsidiary, net	-	1
Net cash provided by/(used in) investing activities	199	(176)
Cash flows from financing activities		
Dividend paid to non-controlling interests in a subsidiary	(6)	(15)
Capital distribution	(665)	-
Receipt of long-term loans and issuance of debentures	3	661
Repayment of long-term loans and debentures	(101)	(397)
Repayment of short-term credit from banks and others, net	(276)	(142)
Bond issuance expenses	-	(11)
Payment of consent fee and early prepayment fee	-	(6)
Interest paid	(14)	(91)
Net cash used in financing activities	(1,059)	(1)
(Decrease)/Increase in cash and cash equivalents		
Cash and cash equivalents at beginning of the period	1,417	327
Effect of exchange rate fluctuations on balances of cash and cash equivalents	(7)	14
Cash and cash equivalents at end of the period	429	366

Information regarding reportable segments

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

	For the six months ended June 30, 2018				Consolidated Results
	OPC	Quantum ¹	Other ²	Adjustments ³	
		(in millions of USD, unless otherwise indicated)			
Sales	185	-	-	-	185
Depreciation and amortization	(15)	-	-	-	(15)
Financing income	1	1	39	(29)	12
Financing expenses	(15)	(2)	(29)	29	(17)
Write back of financial guarantee	-	63	-	-	63
Gain on third party investment in Qoros	-	504	-	-	504
Fair value loss on derivative asset	-	(13)	-	-	(13)
Share in losses of associated companies	-	(28)	(22)	-	(50)
Profit / (Loss) before taxes	22	526	(17)	-	531
Income taxes	(6)	-	(1)	-	(7)
Profit / (Loss) from continuing operations	16	526	(18)	-	524

(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 six months ended June 30, 2017 ¹				Consolidated Results
	OPC	Quantum ²	Other ³	Adjustments ⁴	
		(in millions of USD, unless otherwise indicated)			
Sales	177	-	-	-	177
Depreciation and amortization	(16)	-	-	-	(16)
Financing income	-	-	10	(6)	4
Financing expenses	(22)	(7)	(21)	6	(44)
Share in profits / (losses) of associated companies	-	(23)	1	-	(22)
Profit / (Loss) before taxes	4	(30)	(28)	-	(54)
Income taxes	(3)	-	(1)	-	(4)
Profit / (Loss) from continuing operations	1	(30)	(29)	-	(58)

(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.

For the three months ended June 30, 2018

	OPC	Quantum ¹ (in millions of USD, unless otherwise indicated)	Other ²	Adjustments ³	Consolidated Results
Sales	84	-	-	-	84
Depreciation and amortization	(8)	-	-	-	(8)
Financing income	1	1	21	(13)	10
Financing expenses	(10)	(1)	(13)	13	(11)
Fair value loss on derivative asset	-	(13)	-	-	(13)
Share in losses of associated companies	-	(13)	(9)	-	(22)
Profit / (Loss) before taxes	1	(26)	(3)	-	(28)
Income taxes	(1)	-	-	-	(1)
Profit / (Loss) from continuing operations	-	(26)	(3)	-	(29)

(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 June 30, 2017¹

	OPC	Quantum ² (in millions of USD, unless otherwise indicated)	Other ³	Adjustments ⁴	Consolidated Results
Sales	84	-	-	-	84
Depreciation and amortization	(8)	-	-	-	(8)
Financing income	-	-	7	(3)	4
Financing expenses	(16)	(2)	(9)	3	(24)
Share in losses of associated companies	-	(3)	3	-	-
Profit / (Loss) before taxes	(10)	(5)	(11)	-	(26)
Income taxes	-	-	-	-	-
Profit / (Loss) from continuing operations	(10)	(5)	(11)	-	(26)

(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

	as at		Equity in the net (losses) / earnings of associated companies			
	June 30, 2018	December 31, 2017	For the six months ended		For the three months ended	
			June 30, 2018 \$ millions	June 30, 2017 \$ millions	June 30, 2018 \$ millions	June 30, 2017 \$ millions
ZIM	97	120	(22)	1	(9)	3
Qoros	175	2	(28)	(23)	(13)	(3)
	272	122	(50)	(22)	(22)	-

Appendix B

Summary OPC consolidated financial information¹

OPC's Consolidated Statement of Profit

	For the six months ended June 30,		For the three months ended June 30,	
	2018	2017	2018	2017
	(in millions of USD)		(in millions of USD)	
Sales	185	177	84	84
Cost of sales (excluding depreciation and amortization)	(127)	(130)	(62)	(67)
Depreciation and amortization	(15)	(16)	(8)	(8)
Gross profit	43	31	14	9
General, selling and administrative expenses	(7)	(5)	(4)	(3)
Operating profit	36	26	10	6
Financing expenses	(15)	(22)	(10)	(16)
Financing income	1	-	1	-
Financing expenses, net	(14)	(22)	(9)	(16)
Profit / (loss) before taxes	22	4	1	(10)
Taxes on income	(6)	(3)	(1)	-
Net profit / (loss) for the period	16	1	-	(10)
Attributable to:				
Equity holders of the company	12	(1)	-	(9)
Non-controlling interest	4	2	-	(1)
Net profit for the period	16	1	-	(10)

(1) Translations of NIS amounts into US Dollars use a rate of 3.59: 1 for 2018 and 3.58: 1 for 2017.

Summary Data from OPC's Consolidated Statement of Cash Flows

	For the six months ended June 30,		For the three months ended June 30,	
	2018	2017	2018	2017
	(in millions of USD)	(in millions of USD)	(in millions of USD)	(in millions of USD)
Cash flows provided by operating activities	66	50	39	15
Cash flows used in investing activities	(39)	(62)	(17)	(25)
Cash flows provided by (used in) financing activities	(33)	102	(28)	64
(Decrease) / Increase in cash and cash equivalents	(6)	90	(6)	54
Effect of exchange rate fluctuations on balances of cash and cash equivalents	(8)	(4)	(6)	-
Cash and cash equivalents at end of the period	133	114	133	114
Investments in property, plant and equipment	(29)	(38)	(14)	(22)
Total depreciation and amortization	15	16	8	8

Summary Data from OPC's Consolidated Statement of Financial Position

	As of	
	June 30, 2018	December 31, 2017
	(in millions of USD)	(in millions of USD)
Total financial liabilities ¹	587	618
Total monetary assets ²	133	147
Total equity attributable to the owners	177	173
Total assets	901	941

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 six months ended June 30,	
	2018	2017
	<i>(in USD millions)</i>	
Net profit for the period	16	1
Depreciation and amortization	15	16
Financing expenses, net	14	22
Income tax expense	6	3
EBITDA	51	42

	For the three months ended June 30,	
	2018	2017
	<i>(in USD millions)</i>	
Net profit / (loss) for the period	-	(10)
Depreciation and amortization	8	8
Financing expenses, net	9	16
Income tax expense	1	-
EBITDA	18	14

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 June 30, 2018:

	OPC-Rotem	OPC-Hadera	Tzomet	OPC Energy & Others	Total OPC
Debt (excluding accrued interest)	356	147	-	84	587
Cash and cash equivalents	38	12	-	83	133
Short- and long-term deposits and restricted cash (including debt service reserves)	51	2	-	22	75
Debt service reserves	29	-	-	12	41

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

	OPC-Rotem	OPC-Hadera	OPC Energy & Others	Total OPC
Debt (excluding accrued interest)	381	144	91	616
Cash and cash equivalents	28	30	79	147
Short- and long-term deposits and restricted cash (including debt service reserves)	48	2	26	76
Debt service reserves	26	-	5	31

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 six months ended June 30,		For the three months ended June 30,	
	2018	2017	2018	2017
Sales to private customers	1,973	1,932	1,000	956
Sales to the system administrator	47	62	9	23
Total sales	2,020	1,994	1,009	979
For the six months ended June 30,				
2018		2017	2018	2017
Net generation of electricity	1,930	1,790	954	799
Purchase of electricity from the system administrator	90	204	55	180
Total volume of electricity generated and purchases from the system administrator	2,020	1,994	1,009	979
For the six months ended June 30,				
2018		2017	2018	2017
Availability (%)	Net generation (kWh in millions)	Availability (%)	Net generation (kWh in millions)	
Rotem	100%	90%	90%	1,745
Hadera	96%	42	95%	45
For the three months ended June 30,				
2018		2017	2018	2017
Availability (%)	Net generation (kWh in millions)	Availability (%)	Net generation (kWh in millions)	
Rotem	100%	93%	81%	778
Hadera	93%	18	99%	21

Appendix F

Summary of Qoros' Unaudited Condensed Consolidated Financial Information

<i>In millions of RMB</i>	For the six months ended June 30,		For the three months ended June 30,	
	2018	2017	2018	2017
Revenue	2,886	677	1,827	272
Cost of sales	(3,220)	(850)	(1,955)	(374)
Gross loss	(334)	(173)	(128)	(102)
Other income	28	308	25	298
Research and development expenses	(66)	(79)	(40)	(42)
Selling, general and administrative expenses	(257)	(201)	(156)	(101)
Other expenses	(1)	(9)	(1)	(1)
Loss from operation	(630)	(154)	(300)	52
Finance income	19	6	17	1
Finance costs	(130)	(177)	(39)	(95)
Net finance cost	(111)	(171)	(22)	(94)
Loss for the period	(741)	(325)	(322)	(42)

	As of June 30, 2018	As of December 31, 2017
<i>In millions of RMB</i>		
Assets		
Property, plant and equipment	3,723	3,875
Intangible assets	3,832	4,011
Prepayments	22	22
Lease prepayments	193	195
Trade and other receivables	91	91
Equity-accounted investees	1	2
Non-current assets	<u>7,862</u>	<u>8,196</u>
Inventories	208	389
VAT recoverable	702	828
Other financial assets	300	-
Trade and other receivables	1,563	38
Prepayments	169	173
Pledged deposits	75	26
Cash and cash equivalents	1,206	77
Current assets	<u>4,223</u>	<u>1,531</u>
Total assets	<u>12,085</u>	<u>9,727</u>
Equity		
Paid-in capital	10,425	10,425
Reserves	53	54
Accumulated losses	(12,459)	(11,645)
Total deficit	<u>(1,981)</u>	<u>(1,166)</u>
Liabilities		
Loans and borrowings	3,803	4,228
Deferred income	155	161
Trade and other payables	4,061	1,208
Provisions	97	65
Non-current liabilities	<u>8,116</u>	<u>5,662</u>
Loans and borrowings	2,675	2,511
Trade and other payables	3,248	2,704
Deferred income	27	16
Current liabilities	<u>5,950</u>	<u>5,231</u>
Total liabilities	<u>14,066</u>	<u>10,893</u>
Total equity and liabilities	<u>12,085</u>	<u>9,727</u>

Appendix G

Definition of Qoros' Adjusted EBITDA and non-IFRS Reconciliation

This press release presents the Adjusted 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 “Adjusted EBITDA” for each period as net loss for the period, excluding net finance costs and depreciation and amortization and Other Income-license rights. Adjusted 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. 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 profit, such as financial expenses, taxes, depreciation, capital expenses and other related charges.

Qoros believes that the disclosure of Adjusted 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 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.

<i>In millions of RMB</i>	For the six months ended June 30,		For the three months ended June 30,	
	2018	2017	2018	2017
Net loss for the period	(741)	(325)	(322)	(42)
Net finance costs	111	171	22	94
Depreciation and Amortization	388	203	164	86
Other income – license rights	-	(270)	-	(263)
Adjusted EBITDA	(242)	(221)	(136)	(125)