

SPP Infrastructure, a.s.

**INDEPENDENT AUDITOR'S REPORT
AND EXTRAORDINARY STATUTORY
FINANCIAL STATEMENTS**

30 JUNE 2014

SPP Infrastructure, a.s.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of SPP Infrastructure, a.s.:

We have audited the accompanying extraordinary financial statements of SPP Infrastructure, a.s. (the "Company"), which comprise the balance sheet as at 30 June 2014, and the income statement for the period from 1 January 2014 to 30 June 2014, and notes, which include a summary of significant accounting policies and other explanatory information.

Statutory Body's Responsibility for the Financial Statements

The Company's statutory body is responsible for the preparation and fair presentation of these financial statements in accordance with the Slovak Act on Accounting No. 431/2002 Coll. as amended (the "Act on Accounting"), and for such internal control as the statutory body determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the statutory body, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the extraordinary financial statements present fairly, in all material respects, the financial position of SPP Infrastructure, a.s. as at 30 June 2014, and its financial performance for the period from 1 January 2014 to 30 June 2014 in accordance with the Act on Accounting.

Emphasis of Matter

We draw attention to Note A.1 to the extraordinary financial statements, which describes the reorganization of the SPP Group and significant transactions recognised in the extraordinary financial statements, including increase of share capital by contribution in kind of financial investments by Slovenský plynárenský priemysel, a.s and change of ownership of the Company. Our opinion is not modified in respect of this matter

Bratislava, 29 July 2014


Deloitte Audit s.r.o.
Licence SKAu No. 014


Ing. Wolda-Kidan Grant, FCCA
Responsible Auditor
Licence SKAu No. 921

BALANCE SHEET

as at 30 June 2014
(in EUR)

Financial Statements Financial Statements

- Ordinary
 - Extraordinary

- Prepared
 - Approved

(Mark with X)

Tax Registration Number

2 0 2 3 8 2 0 1 8 3

Identification No.

4 7 2 2 8 7 0 9

SK NACE

8 2 . 9 9 . 0

Month Year
From 0 1 2 0 1 4

For the Period

To 0 6 2 0 1 4

Immediately
Preceding
Period

From 0 1 2 0 1 3

To 1 2 2 0 1 3

Business Name of the Reporting Entity

S P P I n f r a s t r u c t u r e , a . s .

Seat of the Reporting Entity

Street

M i l y n s k é n i v y

Number

4 4 a

Postal Code

8 2 5 1 1

Municipality

B r a t i s l a v a



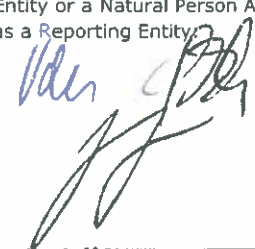
Phone Number

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Fax Number

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E-mail Address

Prepared on:	Signature of the Person Responsible for Bookkeeping:	Signature of the Person Responsible for the Preparation of the Financial Statements:	Signature of a Member of the Statutory Body of the Reporting Entity or a Natural Person Acting as a Reporting Entity:
29.7.2014			
Approved on:			

JUDr. Marián Valko

člen predstavenstva

Mgr. Alexander Sako

podpredseda predstavenstva

Ing. Jan Špring

člen predstavenstva

SPP Infrastructure, a. s., DIČ: 2023820183
Balance Sheet as at 30 June 2014

Description a	ASSETS b	Line c	Current Reporting Period			Immediately Preceding Reporting Period
			Gross 1 (part 1) (EUR)	Correction 1 (part 2) (EUR)	Net 2 (EUR)	Net 3 (EUR)
	Total assets (I. 002 + I. 030 + I. 061)	001	8 073 964 787	-	8 073 964 787	1 198 351 070
A.	Non-current assets (I. 003 + I. 011 + I. 021)	002	7 914 632 118	-	7 914 632 118	1 198 283 013
A.I.	Total non-current intangible assets (I. 004 to I. 010)	003	-	-	-	-
A.I.1.	Capitalised development costs (012) - /072, 091A/	004	-	-	-	-
A.I.2.	Software (013) - /073, 091A/	005	-	-	-	-
A.I.3.	Valuable rights (014) - /074, 091A/	006	-	-	-	-
A.I.4.	Goodwill (015) - /075, 091A/	007	-	-	-	-
A.I.5.	Other non-current intangible assets (019, 01X) - /079, 07X, 091A/	008	-	-	-	-
A.I.6.	Non-current intangible assets in acquisition (041) - 093	009	-	-	-	-
A.I.7.	Advance payments for non-current intangible assets (051) - 095A	010	-	-	-	-
A.II.	Total non-current tangible assets (I. 012 to I. 020)	011	-	-	-	-
A.II.1.	Land (031) - 092A	012	-	-	-	-
A.II.2.	Structures (021) - /081, 092A)	013	-	-	-	-
A.II.3.	Separate movable assets and sets of movables (022) - /082, 092A/	014	-	-	-	-
A.II.4.	Perennial crops (025) - /085, 092A/	015	-	-	-	-
A.II.5.	Livestock and draught animals (026) - /086, 092A/	016	-	-	-	-
A.II.6.	Other non-current tangible assets (029, 02X, 032) - /089, 08X, 092A/	017	-	-	-	-
A.II.7.	Non-current tangible assets in acquisition (042) - 094	018	-	-	-	-
A.II.8.	Advance payments for non-current tangible assets (052) - 095A	019	-	-	-	-
A.II.9.	Correction item to acquired assets (+/- 097) +/- 098	020	-	-	-	-
A.III.	Total non-current financial assets (I. 022 to I. 029)	021	7 914 632 118	-	7 914 632 118	1 198 283 013
A.III.1.	Shares and ownership interests in subsidiaries (061) - 096A	022	5 884 731 790	-	5 884 731 790	-
A.III.2.	Shares and ownership interests in associates (062) - 096A	023	18 533 840	-	18 533 840	-
A.III.3.	Other non-current securities and ownership interests (063, 065) - 096A	024	615 160	-	615 160	-
A.III.4.	Intercompany loans (066A) - 096A	025	2 100 000	-	2 100 000	611 124 354
A.III.5.	Other non-current financial assets (067A, 069, 06XA) - 096A	026	-	-	-	587 158 659
A.III.6.	Loans with maturity up to one year (066A, 067A, 06XA) - 096A	027	2 008 651 328	-	2 008 651 328	-
A.III.7.	Non-current financial assets in acquisition (043) - 096A	028	-	-	-	-
A.III.8.	Advance payments for non-current financial assets (053) - 095A	029	-	-	-	-
B.	Current assets (I. 031 + I. 038 + I. 046 + I. 055)	030	159 159 075	-	159 159 075	22 670
B.I.	Total inventory (I. 032 to I. 037)	031	-	-	-	-
B.I.1.	Raw materials (112, 119, 11X) - /191, 19X/	032	-	-	-	-
B.I.2.	Work-in-progress and semi-finished goods (121, 122, 12X) - /192, 193, 19X/	033	-	-	-	-
B.I.3.	Finished goods (123) - 194	034	-	-	-	-
B.I.4.	Livestock (124) - 195	035	-	-	-	-
B.I.5.	Merchandise (132, 133, 13X, 139) - /196, 19X/	036	-	-	-	-
B.I.6.	Advance payments for inventory (314A) - 391A	037	-	-	-	-
B.II.	Total non-current receivables (I. 039 to I. 045)	038	-	-	-	-
B.II.1.	Trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - 391A	039	-	-	-	-
B.II.2.	Net contract value (316A)	040	-	-	-	-
B.II.3.	Receivables from subsidiaries and the parent company (351A) - 391A	041	-	-	-	-
B.II.4.	Other intercompany receivables (351A) - 391A	042	-	-	-	-
B.II.5.	Receivables from partners, members and participants in an association (354A, 355A, 358A, 35XA) - 391A	043	-	-	-	-
B.II.6.	Other receivables (335A, 33XA, 371A, 373A, 374A, 375A, 376A, 378A) - 391A	044	-	-	-	-
B.II.7.	Deferred tax asset (481A)	045	-	-	-	-
B.III.	Total current receivables (I. 047 to I. 054)	046	151 825 495	-	151 825 495	-
B.III.1.	Trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - 391A	047	8 488	-	8 488	-
B.III.2.	Net contract value (316A)	048	-	-	-	-
B.III.3.	Receivables from subsidiaries and the parent company (351A) - 391A	049	151 817 007	-	151 817 007	-
B.III.4.	Other intercompany receivables (351A) - 391A	050	-	-	-	-
B.III.5.	Receivables from partners, members and participants in an association (354A, 355A, 358A, 35XA, 398A) - 391A	051	-	-	-	-
B.III.6.	Social security insurance (336) - 391A	052	-	-	-	-
B.III.7.	Tax assets and subsidies (341, 342, 343, 345, 346, 347) - 391A	053	-	-	-	-
B.III.8.	Other receivables (335A, 33XA, 371A, 373A, 374A, 375A, 376A, 378A) - 391A	054	-	-	-	-
B.IV.	Total financial accounts (I. 056 to I. 060)	055	7 333 580	-	7 333 580	22 670
B.IV.1.	Cash on hand (211, 213, 21X)	056	-	-	-	1 773
B.IV.2.	Bank accounts (221A, 22X +/- 261)	057	458 580	-	458 580	20 897
B.IV.3.	Bank accounts bound for period exceeding one year 22XA	058	-	-	-	-
B.IV.4.	Current financial assets (251, 253, 256, 257, 25X) - /291, 29X/	059	6 875 000	-	6 875 000	-
B.IV.5.	Current financial assets in acquisition (259, 314A) - 291	060	-	-	-	-
C.	Total accruals and deferrals (I. 062 to I. 065)	061	173 594	-	173 594	45 387
C.1.	Non-current deferred expenses (381A, 382A)	062	-	-	-	-
C.2.	Current deferred expenses (381A, 382A)	063	45 433	-	45 433	45 387
C.3.	Non-current accrued income (385A)	064	11 655	-	11 655	-
C.4.	Current accrued income (385A)	065	116 506	-	116 506	-

SPP Infrastructure, a. s., DIČ: 2023820183
Balance Sheet as at 30 June 2014

Description a	EQUITY AND LIABILITIES b	Line c	Current Reporting Period	Immediately Preceding Reporting Period
			5 (EUR)	6 (EUR)
	Total equity and liabilities (I. 067 + I. 088 + I. 121)	066	8 073 964 787	1 198 351 070
A.	Equity (I. 068 + I. 073 + I. 080 + I. 084 + I. 087)	067	6 720 920 542	210 881
A.I.	Total registered capital (I. 069 to I. 072)	068	4 922 783 042	25 000
A.I.1.	Registered capital (411 or +/- 491)	069	4 922 783 042	25 000
A.I.2.	Treasury stock and treasury shares (-/252)	070	-	-
A.I.3.	Changes in registered capital +/- 419	071	-	-
A.I.4.	Receivables for subscribed capital (-/353)	072	-	-
A.II.	Total capital reserves (I. 074 to I. 079)	073	984 557 248	2 500
A.II.1.	Share premium (412)	074	-	-
A.II.2.	Other capital funds (413)	075	-	-
A.II.3.	Legal reserve fund (Non-distributable fund) from capital contributions (417, 418)	076	984 557 248	2 500
A.II.4.	Asset and liability revaluation reserve (+/- 414)	077	-	-
A.II.5.	Financial investments revaluation reserve (+/- 415)	078	-	-
A.II.6.	Revaluation reserve from fusions, mergers and separations (+/- 416)	079	-	-
A.III.	Total funds from profit (I. 081 to I. 083)	080	2 500	-
A.III.1.	Legal reserve fund (421)	081	2 500	-
A.III.2.	Non-distributable fund (422)	082	-	-
A.III.3.	Statutory and other funds (423, 427, 42X)	083	-	-
A.IV.	Profit/loss from prior years (I. 085 + I. 086)	084	180 881	-
A.IV.1.	Retained earnings from previous years (428)	085	180 881	-
A.IV.2.	Accumulated losses from previous years (-/429)	086	-	-
A.V.	Profit/loss for current reporting period after taxation +/- I. 001 - (I. 068 + I. 073 + I. 080 + I. 084 + I. 088 + I. 121)	087	813 396 871	183 381
B.	Liabilities (I. 089 + I. 094 + I. 106 + I. 117 + I. 118)	088	1 352 903 936	1 198 095 777
B.I.	Total provisions for liabilities (I. 090 to I. 093)	089	52 800	3 000
B.I.1.	Legal long-term provisions for liabilities (451A)	090	-	-
B.I.2.	Legal short-term provisions for liabilities (323A, 451A)	091	52 800	3 000
B.I.3.	Other long-term provisions for liabilities (459A, 45XA)	092	-	-
B.I.4.	Other short-term provisions for liabilities (323A, 32X, 459A, 45XA)	093	-	-
B.II.	Total non-current liabilities (I. 095 to I. 105)	094	432 452 853	1 198 026 420
B.II.1.	Long-term trade payables (321A, 479A)	095	-	-
B.II.2.	Net contract value (316A)	096	-	-
B.II.3.	Long-term unbilled supplies (476A)	097	-	-
B.II.4.	Long-term payables to subsidiaries and the parent company (471A)	098	432 452 827	-
B.II.5.	Other long-term intercompany payables (471A)	099	-	1 198 026 420
B.II.6.	Long-term advance payments received (475A)	100	-	-
B.II.7.	Long-term bills of exchange to be paid (478A)	101	-	-
B.II.8.	Bonds issued (473A/-/255A)	102	-	-
B.II.9.	Social fund payables (472)	103	26	-
B.II.10.	Other long-term payables (474A, 479A, 47XA, 372A, 373A, 377A)	104	-	-
B.II.11.	Deferred tax liability (481A)	105	-	-
B.III.	Total current liabilities (I. 107 to I. 116)	106	920 398 283	66 357
B.III.1.	Trade payables (321, 322, 324, 325, 32X, 475A, 478A, 479A, 47XA)	107	2 120	11 581
B.III.2.	Net contract value (316A)	108	-	-
B.III.3.	Unbilled supplies (326, 476A)	109	8 488	-
B.III.4.	Payables to subsidiaries and the parent company (361A, 471A)	110	920 147 985	-
B.III.5.	Other intercompany payables (361A, 36XA, 471A, 47XA)	111	-	-
B.III.6.	Payables to partners and participants in an association (364, 365, 366, 367, 368, 398A, 478A, 479A)	112	-	-
B.III.7.	Payables to employees (331, 333, 33X, 479A)	113	28 731	-
B.III.8.	Social security insurance payables (336, 479A)	114	15 855	-
B.III.9.	Tax liabilities and subsidies (341, 342, 343, 345, 346, 347, 34X)	115	195 104	54 776
B.III.10.	Other payables (372A, 373A, 377A, 379A, 474A, 479A, 47X)	116	-	-
B.IV.	Short-term financial assistance (241, 249, 24X, 473A, -/255A)	117	-	-
B.V.	Bank loans (I. 119 + I. 120)	118	-	-
B.V.1.	Long-term bank loans (461A, 46XA)	119	-	-
B.V.2.	Short-term bank loans (221A, 231, 232, 23X, 461A, 46XA)	120	-	-
C.	Total accruals and deferrals (I. 122 to I. 125)	121	140 309	44 412
C.1.	Non-current accrued expenses (383A)	122	-	-
C.2.	Current accrued expenses (383A)	123	95 869	-
C.3.	Non-current deferred income (384A)	124	-	-
C.4.	Current deferred income (384A)	125	44 440	44 412

INCOME STATEMENT

as at 30 June 2014
(in EUR)

Financial Statements Financial Statements

- Ordinary
 - Extraordinary

- Prepared
 - Approved

(Mark with X)

Tax Registration Number

2 0 2 3 8 2 0 1 8 3

Identification No.

4 7 2 2 8 7 0 9

SK NACE

8 2 . 9 9 . 0

For the Period

Month Year
From 0 1 2 0 1 4

To 0 6 2 0 1 4

Immediately

From 0 1 2 0 1 3

Preceding

To 1 2 2 0 1 3

Business Name of the Reporting Entity

S P P I n f r a s t r u c t u r e , a . s .

Seat of the Reporting Entity

Street

M l y n s k é n i v y Number 4 4 a

Postal Code

8 2 5 1 1

Municipality



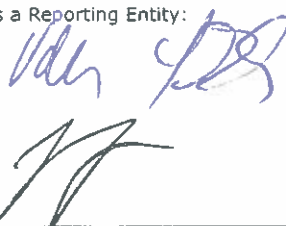
B r a t i s l a v a

Phone Number

/ Fax Number

/

E-mail Address

Prepared on: 29.7.2014	Signature of the Person Responsible for Bookkeeping: 	Signature of the Person Responsible for the Preparation of the Financial Statements: 	Signature of a Member of the Statutory Body of the Reporting Entity or a Natural Person Acting as a Reporting Entity: 
Approved on:			

JUDr. Marián Valko Alexander Sako
člen predstavenstva predsedu predstavenstva

Ing. Jan Špringl
člen predstavenstva

SPP Infrastructure, a. s., DIČ: 2023820183
Income Statement for the year ended 30 June 2014

Description a	ITEM b	Line c	Actual	
			Current Reporting Period 4 (EUR)	Immediately Preceding Reporting Period 5 (EUR)
I.	Revenues from the sale of merchandise (604, 607)	01	-	-
A.	Costs of merchandise sold (504, 505A, 507)	02	-	-
+	Gross margin (I. 01 - I. 02)	03	-	-
II.	Production (I. 05 + I. 06 + I. 07)	04	-	-
II.1.	Revenues from the sale of own products and services (601, 602, 606)	05	-	-
II.2.	Changes in inventories (+/- Accounting Group 61)	06	-	-
II.3.	Own work capitalised (Accounting Group 62)	07	-	-
B.	Consumables and services purchased (I. 09 + I. 10)	08	91 637	17 445
B.1.	Consumed raw materials, energy and other non-inventory supplies (501, 502, 503, 505A)	09	-	21
B.2.	Services (Accounting Group 51)	10	91 637	17 424
+	Added value (I. 03 + I. 04 - I. 08)	11	(91 637)	(17 445)
C.	Total personnel expenses (I. 13 to I. 16)	12	52 210	-
C.1.	Wages and salaries (521, 522)	13	4 442	-
C.2.	Remuneration of board and co-operative members (523)	14	36 000	-
C.3.	Social insurance expenses (524, 525, 526)	15	11 742	-
C.4.	Social expenses (527, 528)	16	26	-
D.	Taxes and fees (Accounting Group 53)	17	16 492	921
E.	Amortisation & depreciation and provisions for non-current intangible and non-current tangible assets (551, 552)	18	-	-
III.	Revenues from the sale of non-current assets and raw materials (641, 642)	19	-	-
F.	Net book value of non-current assets and raw materials sold (541, 542)	20	-	-
G.	Additions to and release of provisions for receivables (+/- 547)	21	-	-
IV.	Other operating revenues (644, 645, 646, 648, 655, 657)	22	-	-
H.	Other operating expenses (543, 544, 545, 546, 548, 549, 555, 557)	23	1 185	-
V.	Transfer of operating revenues (-) (697)	24	-	-
I.	Transfer of operating expenses (-) (597)	25	-	-
*	Operating profit or loss (I. 11 - I. 12 - I. 17 - I. 18 + I. 19 - I. 20 - I. 21 + I. 22 - I. 23 + (-I. 24) - (-I. 25))	26	(161 524)	(18 366)
VI.	Revenues from the sale of securities and ownership interests (661)	27	-	-
J.	Securities and ownership interests sold (561)	28	-	-
VII.	Revenues from non-current financial assets (I. 30 + I. 31 + I. 32)	29	838 707 034	8 969 288
VII.1.	Revenues from securities and ownership interests in subsidiary and associate (665A)	30	812 608 993	-
VII.2.	Revenues from other non-current securities and ownership interests (665A)	31	31 796	-
VII.3.	Revenues from other non-current financial assets (665A)	32	26 066 245	8 969 288
VIII.	Revenues from current financial assets (666)	33	-	-
K.	Expenses related to current financial assets (566)	34	-	-
IX.	Gains on revaluation of securities and revenues from derivative transactions (664, 667)	35	-	-
L.	Loss on revaluation of securities and expenses related to derivative transactions (564, 567)	36	-	-
M.	Additions to and reversals of provisions for financial assets +/- 565	37	-	-
X.	Interest income (662)	38	155 308	1
N.	Interest expense (562)	39	25 088 716	8 712 694
XI.	Foreign exchange gains (663)	40	-	-
O.	Foreign exchange losses (563)	41	-	-
XII.	Other revenues from financing activities (668)	42	-	-
P.	Other costs of financing activities (568, 569)	43	1 640	72
XIII.	Transfer of financial revenues (-) (698)	44	-	-
R.	Transfer of financial expenses (-) (598)	45	-	-
*	Profit/loss from financing activities (I. 27 - I. 28 + I. 29 + I. 33 - I. 34 + I. 35 - I. 36 - I. 37 + I. 38 - I. 39 + I. 40 - I. 41 + I. 42 - I. 43 + (-I. 44) - (-I. 45))	46	813 771 986	256 523
**	Profit/loss from ordinary activities before taxation (I. 26 + I. 46)	47	813 610 462	238 157
S.	Income tax on ordinary activities I. 49 + I. 50	48	213 591	54 776
S.1.	- Current (591, 595)	49	213 591	54 776
S.2.	- Deferred (+/- 592)	50	-	-
**	Profit/loss from ordinary activities after taxation (I. 47 - I. 48)	51	813 396 871	183 381
XIV.	Extraordinary revenues (Accounting Group 68)	52	-	-
T.	Extraordinary expenses (Accounting Group 58)	53	-	-
*	Profit/loss from extraordinary activities before taxation (I. 52 - I. 53)	54	-	-
U.	Income tax on extraordinary activities (I. 56 + I. 57)	55	-	-
U.1.	- Current (593)	56	-	-
U.2.	- Deferred (+/- 594)	57	-	-
*	Profit/loss from extraordinary activities after taxation (I. 54 - I. 55)	58	-	-
***	Profit/loss for reporting period before taxation (+/-) (I. 47 + I. 54)	59	813 610 462	238 157
V.	Profit/loss of partnership transferred to partners (+/- 596)	60	-	-
***	Profit/loss for reporting period after taxation (+/-) (I. 51 + I. 58 - I. 60)	61	813 396 871	183 381

Notes Úč POD 3 - 04

NOTES
to the Separate Financial Statements
Prepared as at 30 June 2014

in - Euro cents in - Euros *)

For the Period

From Month Year
01 2014

To Month Year
06 2014

Immediately
Preceding Period

From Month Year
01 2013

To Month Year
12 2013

Date of Incorporation

03 07 2013

Financial Statements

- Ordinary
 - Extraordinary
 - Interim

Financial Statements

- Prepared
 - Approved

Identification No.

47228709

Tax Registration Number

2023820183

SK NACE Code

82 . 99 . 0

Business Name of the Reporting Entity

S P P I n f r a s t r u c t u r e , , a . s .

Seat of the Reporting Entity

Street

M i l y n s k é n i v y

Number

4 4 a

Postal Code

82511

Municipality




B r a t i s l a v a

Phone Number

/ /

Fax Number

E-mail Address

Prepared on: 29.7.2014	Signature of the Person Responsible for Bookkeeping: 	Signature of the Person Responsible for the Preparation of the Financial Statements: 	Signature of a Member of the Statutory Body of the Reporting Entity or a Natural Person Acting as a Reporting Entity: 
Approved on:			

*) Mark with a cross



JUDr. Marián Valko

člen predstavenstva

Ing. Jan Špringl

člen predstavenstva

Mgr. Alexander Sako

podpredseda predstavenstva

A. INFORMATION ABOUT THE COMPANY

1. Establishment of the Company

SPP Infrastructure, a.s. (hereinafter the "Company") was established by the Memorandum of Association on the establishment of a private joint-stock company without a call for the subscription of shares on 22 May 2013 by the founder, Slovenský plynárenský priemysel, a.s. The Company was recorded in the Commercial Register on 3 July 2013 (the Commercial Register of the Bratislava I District Court in Bratislava, Section: s.r.o., Insert No.: 5791/B). The Company is seated at Mlynské nivy 44/a, Bratislava 825 11.

The sole shareholder of Slovenský plynárenský priemysel, a.s. (hereinafter "SPP") is the National Property Fund of the Slovak Republic. Slovak Gas Holding, B. V., Netherlands, is owned by Energetický a Průmyslový Holding, a.s. (hereinafter "EPH").

During 2013 and the reduced 2014 period, the Company received and provided intercompany borrowings from and to the parent company, Slovenský plynárenský priemysel, a.s. (hereinafter "SPP"), and one of its shareholders, Slovak Gas Holding B.V. (hereinafter "SGH").

Pursuant to the Framework Agreement on the Sale and Purchase of Shares dated 19 December 2013 signed by the National Property Fund of the Slovak Republic, the Ministry of Economy of the Slovak Republic and Energetický a Průmyslový Holding, a.s., and pursuant to the Agreement on the Sale and Purchase of Shares dated 3 June 2014 signed by Slovenský plynárenský priemysel, a.s., Slovak Gas Holding B.V. and the Ministry of Economy of the Slovak Republic, SPP Infrastructure, a.s. was used for the reorganisation of the SPP Group that was completed on 3 June 2014. Under the agreement, SPP made an in-kind contribution of ownership interests in SPP – distribúcia, a.s., eustream, a.s., NAFTA a.s., SPP Infrastructure Financing B.V., SPP Bohemia, a.s., SPP Storage, a.s., Pozagas, a.s., GEOTERM Košice, a.s., Probugas, a.s., SLOVGEOTERM, a.s. and GALANTATERM, spol. s r.o. upon meeting conditions precedent. Upon the reorganisation completion, SGH, which simultaneously exercises control over the Company as of 4 June 2014, became a 49% owner of SPP Infrastructure, a.s. whereas a 51% non-controlling interest in SPP Infrastructure, a.s. was retained by SPP whose sole 100% shareholder became the National Property Fund of the Slovak Republic on 4 June 2014. The implementation of such changes had a significant impact on the Company's financial position and results (see Note 1 on financial investments and Note 5 on equity).

2. Core Business Activities of the Company According to the Commercial Register of the Bratislava I District Court

- Purchase of goods for resale to end customers (retail) or to other traders (wholesale);
- Mediation activities in trade;
- Mediation activities in services;
- Mediation activities in production; and
- Activities of business, organisational and economic advisors.

3. Number of Employees

The data on the number of employees for the current reporting period and for the immediately-preceding reporting period are presented in the table below:

	2014	2013
Average number of employees	2	-
Number of employees as at the reporting date	2	-
Of which: Managers	1	-

4. Unlimited Guarantee

The Company is not an unlimited liability partner in other companies pursuant to Article 56 (5) of the Commercial Code.

5. Legal Reason for Preparation of the Financial Statements

The Company's financial statements as at 30 June 2014 were prepared as ordinary financial statements in accordance with Article 17 (6) of Act of the National Council of the Slovak Republic No. 431/2002 Coll. on Accounting for the reporting period from 1 January 2014 to 30 June 2014 given a decision of the Company's management to change the reporting period from a calendar year to a financial year that starts on 1 July and ends on 30 June.

6. Approval Date of the Financial Statements for the Preceding Reporting Period

The Company's financial statements for the preceding reporting period as at 31 December 2013 were approved by the Company's General Meeting on 3 June 2014.

7. Filing the Financial Statements for the Preceding Reporting Period

The Company's financial statements for the preceding reporting period as at 31 December 2013 were not filed with the Financial Statements Register as at the reporting date for the period as at 30 June 2014.

8. Approval of an Auditor

On 3 June 2014, the General Meeting approved Deloitte Audit s.r.o. as the auditor of the financial statements for the reporting period from 1 January 2014 to 30 June 2014.

B. COMPANY'S BODIES

Statutory body: Board of Directors

Chairman: JUDr. Daniel Křetinský
Vice-Chairman: Mgr. Alexander Sako
Members: JUDr. Marián Valko
Ing. Miroslav Haško
Ing. Jan Špringl

Supervisory Board

Chairman: Ing. Milan Hargaš
Vice-Chairman: Mgr. Pavel Horský
Members: Ing. Libor Briška
Mgr. Jan Střítecký since 31 May 2014

C. COMPANY'S SHAREHOLDER STRUCTURE

Shareholder	Share in Registered Capital		Voting Rights in %	Other Share in Equity Other than in Registered Capital in %
	Absolute in EUR	%		
Slovenský plynárenský priemysel, a.s.	2 510 619 519	51%	51%	51%
Slovak Gas Holding, B.V.	2 412 163 523	49%	49%	49%
Total	4 922 783 042	100%	100%	100%

D. CONSOLIDATION GROUP

As at 30 June 2014, the Company is included in the consolidated financial statements of Energetický a průmyslový holding, a.s., seated at Příkop 843/3, 602 00 Brno, Czech Republic. The consolidated financial statements of Energetický a průmyslový holding, a.s., are available at its registered seat and deposited with the Commercial Register of the Regional Court in Brno, Czech Republic.

The Company has no organisational unit abroad.

E. ACCOUNTING PRINCIPLES AND ACCOUNTING METHODS

a) Basis of Preparation for the Financial Statements

The financial statements were prepared under the going-concern assumption.

As the Company changed the reporting period from a calendar year to a financial year in accordance with the Act on Accounting, the financial statements were prepared for a six-month period from 1 January 2014 to 30 June 2014. Data for a comparable reporting period are presented in the financial statements in line with the requirements of the Act on Accounting for the preceding reporting period from 3 July (the Company's incorporation date) to 31 December 2013. Therefore, the data in the income statement of the current period are not fully comparable with the previous period.

The accounting principles and methods applied by the Company in preparing the 2013 and 2014 financial statements are as follows:

b) Non-Current Financial Assets

Non-current financial assets mainly comprise equity participations, securities and ownership interests available for sale and provided borrowings.

Non-current securities and ownership interests are measured at cost when acquired for consideration and at fair value when acquired through a contribution.

When originated, provided borrowings are measured at face value. Such measurement is net of doubtful and irrecoverable borrowings.

c) Receivables

When originated, receivables are measured at their face value; assigned receivables and receivables acquired through a contribution to the registered capital are measured at cost, including the related incidental costs. Such measurement is net of doubtful and irrecoverable receivables.

d) Current Financial Assets

Current financial assets comprise stamps and vouchers, cash on hand, cash in bank accounts, securities held for trading, debt securities with maturity of up to one year held to maturity.

Cash, stamps and vouchers are measured at their face value. The impairment is expressed through a provision.

e) Deferred Expenses and Accrued Income

Deferred expenses and accrued income are measured at their face value; they are recognised in an amount necessary to comply with the accrual principle of accounting.

f) Payables, Including Provisions, Borrowings and Loans

When originated, non-current and current payables are measured at their face value. When assumed, they are measured at cost. If it is determined during the stocktake that the amount of payables differs from their carrying amount, payables are recognised at the identified amount both in the accounting books and in the financial statements.

Provisions for liabilities are liabilities of uncertain timing or amount; they are created to cover known risks or losses from business activities. They are measured at the anticipated amount payable.

Long-term and short-term loans are recognised at face value. A portion of long-term loans with maturity of up to one year from the balance sheet date is also considered a short-term loan.

g) Accrued Expenses and Deferred Income

Accrued expenses and deferred income are measured at their face value; they are recognised in an amount necessary to comply with the accrual principle of accounting.

h) Transactions Denominated in Foreign Currencies

Transactions denominated in a foreign currency are translated to euros using the reference exchange rate determined and announced by the European Central Bank or the National Bank of Slovakia on the date preceding the transaction date.

Monetary assets and liabilities denominated in a foreign currency (except for advances received and made) are translated using the exchange rate applicable as at the reporting date. The resulting foreign exchange gains/losses are recognised in the income statement.

To measure the addition to the foreign currency purchased for euros, the exchange rate at which the foreign currency was purchased is applied.

In the case of a disposal of the same foreign currency in cash or from a foreign currency account, to translate the foreign currency to euros, the reference exchange rate determined and announced by

SPP Infrastructure, a.s.

Notes to the Separate Financial Statements

for the Year Ended 30 June 2014 (in EUR)

the European Central Bank or the National Bank of Slovakia on the date preceding the transaction date is applied.

Advances received and made in a foreign currency through an account denominated in such foreign currency are translated to euros using the reference exchange rate determined and announced by the European Central Bank or the National Bank of Slovakia on the date preceding the transaction date. They are not translated to euros as at the reporting date.

Advances received and made in a foreign currency from and to an account established in euros are translated to euros using the exchange rate at which these amounts were purchased or sold.

i) Revenues

Revenues are recognised as at the supply or service execution date on an accrual bases.

j) Income Tax

The income tax expense is calculated using the applicable tax rate from the accounting profit adjusted for permanent or temporary tax non-deductible expenses and non-taxable revenues. Deferred taxes (the deferred tax asset and deferred tax liability) are related to:

- Temporary differences between the carrying amount of assets and liabilities as disclosed on the balance sheet and their tax base;
- The possibility of carrying forward the tax loss, ie the possibility of deducting the tax loss from the tax base in the future; and
- The possibility of transferring unclaimed tax loss deductions and other tax claims to future periods.

Deferred tax liabilities are always recognised; deferred tax assets are recognised if they can be utilised.

1. Non-Current Financial Assets

Non-Current Financial Assets:

Non-Current Financial Assets	Current Reporting Period										Total
	Shares & Ownership Interests in Subsidiaries	Shares & Ownership Interests in Associates	Other Non-Current Securities & Ownership Interests	Intercompany Loans	Other Non-Current Financial Assets (Other Borrowings)	Loans with Maturity Up To One Year	Non-Current Financial Assets in Acquisition	Advance Payments for Non-Current Financial Assets			
Initial Measurement											
Opening Balance	-	-	-	611 124 354	587 158 659	-	-	-	-	-	1 198 283 013
Additions				0	802 156 315					5 914 192 790	6 716 349 105
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers	5 884 731 790	18 533 840	615 160	-609 024 354	-1 389 314 974	2 008 651 328	-5 914 192 790	-	-	-	0
Closing Balance	5 884 731 790	18 533 840	615 160	2 100 000		2 008 651 328					7 914 632 118
Accumulated Depreciation											
Opening Balance	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-	-	-	-
Provisions											
Opening Balance	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-	-	-	-
Net Book Value											
Opening Balance	-	-	-	611 124 354	587 158 659	-	-	-	-	-	1 198 283 013
Closing Balance	5 884 731 790	18 533 840	615 160	2 100 000	2 008 651 328						7 914 632 118

SPP Infrastructure, a.s.
Notes to the Separate Financial Statements
for the Year Ended 30 June 2014 (in EUR)

Non-Current Financial Assets	Immediately-Preceding Reporting Period								Total	
	Shares & Ownership Interests in Subsidiaries	Shares & Ownership Interests in Associates	Other Non-Current Securities & Ownership Interests	Intercompany Loans	Other Non-Current Financial Assets	Loans with Maturity Up To One Year	Non-Current Financial Assets in Acquisition	Advance Payments for Non-Current Financial Assets		
Initial Measurement										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	611 124 354	587 158 659	-	-	-	-	1 198 283 013
Disposals	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	611 124 354	587 158 659	-	-	-	-	1 198 283 013
Accumulated Depreciation										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-	-	-
Provisions										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-	-	-	-	-
Net Book Value										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	611 124 354	587 158 659	-	-	-	-	1 198 283 013

SPP Infrastructure, a.s.
Notes to the Separate Financial Statements
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Structure of Non-Current Financial Assets:

Business Name and Seat of the Company in which Non-Current Financial Assets are Placed	Current Reporting Period				
	Share in Registered Capital (%)	Share in Voting Rights (%)	Value of Equity of the Company in which Non-Current Financial Assets are Placed	Profit/(Loss) of the Company in which Non-Current Financial Assets are Placed	Carrying Amount of Non-Current Financial Assets
Subsidiaries					
eustream, a.s., Votrubova 11/A, 821 09 Bratislava	100%	100%	1 872 841 108	164 181 086	2 792 619 876
SPP - distribúcia, a.s., Mlynské nivy 44/b, 825 11 Bratislava	100%	100%	2 410 132 895	64 642 394	2 735 771 716
Nafta a.s., Votrubova 1, 821 09 Bratislava (1)	56.15%	56.15%	176 867 919	45 053 970	216 652 995
GEOTERM KOŠICE, a.s., Moldavská č. 12, 040 11 Košice	95.82%	95.82%	12 262 508	(7 595)	1
SPP Storage, s.r.o., Sokolovská 651/136 a, 186 00, Praha 8, Czech Republic	100%	100%	66 712 236	7 494 727	131 681 258
SPP Bohemia a.s., Sokolovská 651/136 a, 186 00, Praha 8, Czech Republic	100%	100%	7 449 643	(98 273)	7 605 944
SPP Infrastructure Financing B.V., Weteringschans 26, Amsterdam, Netherlands	100%	100%	(1 381 651)	317 157	400 000
Associates					
Pozagas a.s., Malé námestie 1, 901 01 Malacky	35%	35%	55 823 086	3 841 941	18 418 648
SLOVGEOTERM a.s., Palisády 39, 811 06 Bratislava	50%	50%	231 097	796	115 192
Other securities and ownership interests available for sale					
GALANTATERM, spol. s r.o., Vodárenská ul. č. 1608/1, 924 01 Galanta	17.50%	17.50%	3 559 275	108 517	615 160
Non-current financial assets in acquisition for the purpose of exercising control in another reporting entity					
-	-	-	-	-	-
Total Non-Current Financial Assets	x	x	x	x	5 903 880 790

(1) Results for the group of consolidated companies

In September and December 2013, SPP Infrastructure, a.s. provided non-current borrowings totalling EUR 606 550 000 to the company SPP. The borrowings fall due on 15 July 2020 and bear interest at a fixed rate of 4.37%. The balance of the borrowings as at 31 December 2013 also includes interest accruals as at 31 December 2013. In June 2014, SPP Infrastructure, a.s. provided a borrowing amounting to EUR 400 000 000 to SPP. The borrowing falls due on 15 July 2021 and bears interest at a fixed rate of 4.37%. The balance of the borrowings as at 30 June 2014 also includes interest accruals as at 30 June 2014.

SPP Infrastructure, a.s.
Notes to the Separate Financial Statements
for the Year Ended 30 June 2014 (in EUR)

In September and December 2013, SPP Infrastructure, a.s. provided non-current borrowings totalling EUR 582 763 725 to Slovak Gas Holding B.V. seated in the Netherlands. The borrowings fall due on 15 July 2020 and bear interest at a fixed rate of 4.37%. The balance of the borrowings as at 31 December 2013 also includes interest accruals as at 31 December 2013. In June 2014, SPP Infrastructure, a.s. provided a borrowing amounting to EUR 384 313 725 to the parent company, Slovak Gas Holding B.V. seated in the Netherlands. The borrowing falls due on 15 July 2021 and bears interest at a fixed rate of 4.37%. The balance of the borrowings as at 30 June 2014 also includes interest accruals as at 30 June 2014.

The borrowings provided to SPP and Slovak Gas Holding B.V. were reclassified to borrowings with maturity of up to one year as the Company expects their early repayment in Q1 2015.

Provided Non-Current Borrowings:

Non-Current Borrowings	Opening Balance	Increase in Value	Impairment	Transfer of the Borrowing in the Reporting Period	Closing Balance
Due in more than 5 years	1 198 283 013	-	-	- 1 198 283 013	-
Due from 3 to 5 years inclusive	-	-	-	-	-
Due from 1 to 3 years inclusive	-	2 100 000	-	-	2 100 000
Due in up to 1 year inclusive	-	810 368 415	-	1 198 283 013	2 008 651 328
Total Non-Current Borrowings	1 198 283 013	812 468 315	-	-	2 010 751 328

There are no non-current financial assets under lien or with a restricted handling by the Company.

2. RECEIVABLES

Movement in Provisions for Receivables:

Receivables	Current Reporting Period				
	Opening Balance	Creation	Reversal Owing to the Cessation of Justifiability	Reversal Owing to the Derecognition of Assets	Closing Balance
Trade receivables	-	-	-	-	0
Receivables from subsidiaries and the parent company	-	-	-	-	0
Other intercompany receivables	-	-	-	-	0
Receivables from partners, members and participants in an association	-	-	-	-	0
Other receivables	-	-	-	-	0
Total Receivables	0	0	0	0	0

Ageing Structure of Receivables:

Item	Within Maturity	Overdue	Total Receivables
Non-Current Receivables			
Trade receivables	-	-	0
Receivables from subsidiaries and the parent company	-	-	0
Other intercompany receivables	-	-	0
Receivables from partners, members and participants in an association	-	-	0
Other receivables	-	-	0
Total Non-Current Receivables	0	0	0
Current Receivables			
Trade receivables	8 488	-	8 488
Receivables from subsidiaries and the parent company	151 817 007	-	151 817 007
Other intercompany receivables	-	-	0
Receivables from partners, members and participants in an association	-	-	0
Social security insurance	-	-	0
Tax assets and subsidies	-	-	0
Other receivables	-	-	0
Total Current Receivables	151 825 495	0	151 825 495

Receivables by Residual Maturity	Current Reporting Period	Immediately-Preceding Reporting Period
Overdue receivables	-	-
Receivables with residual maturity of up to 1 year	151 825 495	-
Total Current Receivables	151 825 495	0
Receivables with residual maturity of between 1 year and 5 years	-	-
Receivables with residual maturity of over 5 years	-	-
Total Non-Current Receivables	0	0

The Company's receivables are not secured by lien or another form of security. There are no receivables under lien or with a restricted handling by the Company. The bulk of receivables comprise receivables from cash pooling from subsidiaries, SPP Storage, s.r.o. (EUR 135 817 003) and NAFTA, a.s. (EUR 16 000 004).

3. FINANCIAL ACCOUNTS

Financial accounts represent cash on hand and cash in bank accounts. The Company may use the bank accounts freely.

Current Financial Assets:

Item	Current Reporting Period	Immediately-Preceding Reporting Period
Cash on hand, stamps and vouchers	-	1 773
Bank accounts – current	458 580	20 897
Bank accounts – term deposits	-	-
Cash in transit	-	-
Total	458 580	22 670

SPP Infrastructure, a.s.
Notes to the Separate Financial Statements
for the Year Ended 30 June 2014 (in EUR)

Current Financial Assets	Current Reporting Period			
	Opening Balance	Additions	Disposals	Closing Balance
Equity securities held for trading	-	6 875 000	-	6 875 000
Debt securities held for trading	-	-	-	-
Emission allowances	-	-	-	-
Debt securities with maturity of up to one year held to maturity	-	-	-	-
Other securities available for sale	-	-	-	-
Current financial assets in acquisition	-	-	-	-
Total Current Financial Assets	-	6 875 000	-	6 875 000

There are no current financial assets under lien or with a restricted handling by the Company.

4. ACCRUALS AND DEFERRALS

Material Items of Accruals and Deferrals:

Item	Current Reporting Period	Immediately-Preceding Reporting Period
Non-current deferred expenses, of which:	-	-
	-	-
	-	-
Current deferred expenses, of which:	45 433	45 387
Liability insurance	45 387	45 387
Other	46	-

Item	Current Reporting Period	Immediately-Preceding Reporting Period
Non-current accrued income, of which:	11 655	-
Interest on the borrowing	11 655	-
	-	-
Current accrued income, of which:	116 506	-
Interest on cash pooling	116 506	-
Other	-	-

5. EQUITY

Changes in equity

Item	Current Reporting Period				
	Opening Balance	Additions	Disposals	Transfers	Closing Balance
Registered capital	25 000	4 922 758 042	-	-	4 922 783 042
Treasury shares and treasury stock	-	-	-	-	-
Change in registered capital	-	-	-	-	-
Amounts receivable for subscribed capital	-	-	-	-	-
Share premium	-	-	-	-	-
Other capital funds	-	-	-	-	-
Legal reserve fund (non-distributable fund) from capital contributions	-	-	-	-	-
Revaluation reserve from capital contributions	-	-	-	-	-
Revaluation reserve from fusions, mergers and separations	-	-	-	-	-
Legal reserve fund	2 500	984 554 748	-	2 500	984 559 748
Non-distributable fund	-	-	-	-	-
Statutory funds and other funds	-	-	-	-	-
Retained earnings from previous years	-	-	-	180 881	180 881
Accumulated loss from previous years	-	-	-	-	-
Profit/loss for the current period	183 381	813 396 871	-	-183 381	813 396 871
Paid dividends					-
Other equity items					-
Account 491 – Sole proprietor's equity					-

The Company's registered capital comprises one ordinary registered share with a face value of EUR 25 000 and 4 922 758 042 ordinary registered shares with a face value of EUR 1. The shares have a certificate form and are not admitted to the stock exchange market. The transferability of the shares is not limited. The shares have been duly paid.

The registered capital has been fully paid.

Every year, the reserve fund will be supplemented by 10% of the net profit stated in the ordinary financial statements until it reaches 20% of the registered capital. The reserve fund was supplemented from the 2013 profit and an in-kind contribution in May 2014. The reserve fund reached the maximum amount.

SPP Infrastructure, a.s.

Notes to the Separate Financial Statements
for the Year Ended 30 June 2014 (in EUR)

The shareholder is entitled to the share in the Company's profit (dividend) based on the General Meeting's decision and has a voting right, with each euro (EUR 1) of the face value of the shares representing one vote.

The basic earnings per ordinary share amount to EUR 0.165231941910414 as at 30 June 2014.

The Company's General Meeting held on 3 June 2014 approved the 2013 profit distribution.

Distribution of Accounting Profit

Item	Immediately-Preceding Reporting Period
Accounting Profit	183 381
Distribution of Accounting Profit	Current Reporting Period
Allotment to the legal reserve fund	2 500
Allotment to statutory and other funds	-
Allotment to the social fund	-
Allotment to increase the registered capital	-
Settlement of a loss from previous years	-
Transfer to retained earnings from previous years	180 881
Distribution of the share in profit to partners, members	-
Other	-
Total	183 381

6. PROVISIONS FOR LIABILITIES

Provisions for liabilities

Item	Current Reporting Period				
	Opening Balance	Creation	Use	Cancellation	Closing Balance
Long-Term Provisions for Liabilities, of which:	-	-	-	-	0
	-	-	-	-	0
Short-Term Provisions for Liabilities, of which:	3 000	52 800	3 000	-	52 800
Provision for audit	3 000	52 800	3 000	-	52 800

SPP Infrastructure, a.s.
Notes to the Separate Financial Statements
for the Year Ended 30 June 2014 (in EUR)

Item	Immediately-Preceding Reporting Period				
	Opening Balance	Creation	Use	Cancellation	Closing Balance
Long-Term Provisions for Liabilities, of which:	-	-	-	-	0
	-	-	-	-	0
Short-Term Provisions for Liabilities, of which:	-	3 000	-	-	3 000
Provision for audit	-	3 000	-	-	3 000

The provisions are expected to be used in 2014.

7. LIABILITIES

Liabilities

Item	Current Reporting Period	Immediately-Preceding Reporting Period
Overdue payables	-	-
Liabilities with residual maturity of up to 1 year inclusive	920 398 283	66 357
Total Current Liabilities	920 398 283	66 357
Liabilities with residual maturity of between 1 and 5 years	-	-
Liabilities with residual maturity of over 5 years	432 452 827	1 198 026 420
Total Non-Current Liabilities	432 452 827	1 198 026 420

The Company's liabilities are not secured by lien or another form of security. The bulk of liabilities with residual maturity of up to 1 year comprise liabilities from cash pooling from subsidiaries, SPP - distribúcia, a.s. (EUR 588 507 793) and eustream, a.s. (EUR 331 640 192).

8. SOCIAL FUND

Social Fund Payables

Item	Current Reporting Period	Immediately-Preceding Reporting Period
Initial balance	-	-
Creation of the social fund debited to costs	26	-
Creation of the social fund from profit	-	-
Other creations in the social fund	-	-
Total creation of the social fund	26	-
Drawing from the social fund	-	-
Closing Balance	26	-

9. BORROWINGS

Borrowings

Item	Curr.	Interest p. a. in %	Maturity	Principal in the Relevant Currency for the Current Reporting Period	Principal in the Relevant Currency for the Immediately-Preceding Reporting Period
Non-current borrowings					
eustream, a.s.	EUR	4.245	15 Jul 2020	368 299 584	964 313 725
SPP – distribúcia, a.s.	EUR	4.245	31 Dec 2020	64 153 242	225 000 000

In September and December 2013, SPP Infrastructure, a.s. drew non-current borrowings totalling EUR 964 313 725 from eustream, a.s. and non-current borrowings totalling EUR 225 000 000 from SPP – distribúcia, a.s.. In April 2014, SPP Infrastructure, a.s. drew a borrowing amounting to EUR 5 700 000 from SPP - distribúcia, a.s. In June 2014, SPP Infrastructure, a.s. made an early payment of a portion of the loans and associated interest from eustream, a.s. totalling EUR 625 000 000 and from SPP - distribúcia, a.s. totalling EUR 171 249 916, with payables from the loans being partly offset against receivables from dividends.

The loan contract with eustream, a.s and the loan contract with SPP – distribúcia, a.s. comprise the following specific conditions that the Company is required to meet:

1. Capitalisation of interest annually on the anniversary of the loan drawdown; interest falls due on the loan maturity date

The Company met the said conditions as at 31 December 2013 and as at 30 June 2014.

10. DEFERRED INCOME TAX

Deferred Tax Asset/Deferred Tax Liability

Item	Current Reporting Period	Immediately-Preceding Reporting Period
Temporary differences between the carrying amount of assets and the tax base, of which:	-	-
Tax-deductible	-	-
Taxable	-	-
Temporary differences between the carrying amount of liabilities and the tax base, of which:	-	-
Tax-deductible	-	-
Taxable	-	-
Possibility of carrying forward tax loss	-	-
Possibility of transferring unclaimed tax deductions	-	-
Income tax rate (%)	22%	22%
Deferred tax asset	-	-
Claimed tax asset	-	-
Recognised as a decrease in costs	-	-
Recognised in equity	-	-
Deferred tax liability	-	-
Change in a deferred tax liability	-	-
Recognised as an expense	-	-
Recognised in equity	-	-

The Company recognised no deferred taxes as at 31 December 2013 and as at 30 June 2014.

11. ACCRUALS AND DEFERRALS

Material Items of Accruals and Deferrals

Item	Current Reporting Period	Immediately-Preceding Reporting Period
Current accrued expenses, of which:	95 869	-
Interest on the cash pooling	95 869	-

Item	Current Reporting Period	Immediately-Preceding Reporting Period
Current deferred income, of which:	44 440	44 412
Liability insurance	44 440	44 412

12. REVENUES AND EXPENSES

Revenues

Revenues from Financing Activities

Item	Current Reporting Period	Immediately-Preceding Reporting Period
Revenues from financing activities, of which:	838 862 342	8 969 289
<i>Foreign exchange gains, of which:</i>	-	-
Foreign exchange gains as at the reporting date	-	-
<i>Other material items of revenues from financing activities, of which:</i>	838 862 342	8 969 289
Dividends	812 640 789	-
Interest on borrowings	26 066 245	8 969 288
Interest income	155 308	1

Net Turnover:

Item	Current Reporting Period	Immediately-Preceding Reporting Period
Revenues from own products	-	-
Revenues from the sale of services	-	-
Revenues from merchandise	-	-
Revenues from construction contracts	-	-
Revenues from real estate for sale	-	-
Total Net Turnover	-	-

Expenses

Expenses:

Item	Current Reporting Period	Immediately-Preceding Reporting Period
Costs of services provided, of which:	91 637	17 424
<i>Cost of the auditor, audit firm, of which:</i>	53 400	3 000
Costs of auditing separate financial statements	26 400	3 000
Other assurance audit services	27 000	3 000
Other material items of operating expenses, of which:	69 887	942
Personnel expenses	52 210	-
Taxes and fees	16 492	921
Other	1 185	-
Consumed raw materials	-	21
Finance costs, of which:	25 090 356	8 712 766
<i>Foreign exchange losses, of which:</i>	-	-
Foreign exchange losses as at the reporting date	-	-
<i>Other material items of finance costs, of which:</i>	25 090 356	8 712 766
Interest expense	25 088 716	8 712 694
Bank fees	1 640	72

13. INCOME TAXES

The reconciliation from theoretical income tax to reported income tax is presented in the following table:

Item	Current Reporting Period			Immediately-Preceding Reporting Period		
	Tax Base	Tax	Tax in %	Tax Base	Tax	Tax in %
Profit/loss prior to taxation, of which:	813 610 462	X	x	238 157	X	X
Theoretical tax	x	178 994 302	22%	x	54 776	23%
Tax non-deductible expenses	-	263	-	-	-	-
Revenues exempt from taxation	-	(178 780 978)	-	-	-	-
Tax loss carried forward	-	-	-	-	-	-
Total	-	-	-	-	-	-
Current income tax	x	213 587	-	x	54 776	-
Deferred income tax	x	0	-	x	0	-
Total Income Tax	x	213 587	-	x	54 776	-

Other Information about Deferred Taxes:

Item	Current Reporting Period	Immediately-Preceding Reporting Period
Amount of deferred tax assets recognised as expenses or revenues resulting from a change in the income tax rate	-	-
Amount of deferred tax liabilities recognised as expenses or revenues resulting from a change in the income tax rate	-	-
Amount of deferred tax assets related to tax losses carried forward, unclaimed tax deductions and other claims, as well as temporary differences from prior reporting periods, in respect of which no deferred tax assets were recognised in the prior periods	-	-
Amount of deferred tax liabilities originating due to non-recognition in the current period of a portion of the deferred tax assets recognised in previous reporting periods	-	-
Amount of unclaimed tax losses carried forward, unclaimed tax deductions and other claims, as well as deductible temporary differences, in respect of which no deferred tax assets were recorded	-	-
Amount of deferred income tax related to items recognised directly in equity accounts with no disclosure in revenues and expenses	-	-

14. OTHER ASSETS AND OTHER LIABILITIES

Contingent liabilities

Along with an in-kind contribution of the shares of SPP Bohemia, a.s., the Company also assumed a guarantee provided on behalf of SPP Bohemia, a.s. in the sale of the shares of Czech distribution companies in January 2013. The total guarantee is capped by EUR 141 123 395 and provided for a period of 39 months after the transaction completion.

Type of Contingent Liability	Current Reporting Period	
	Total Amount	Amount to Related Parties
From lawsuits		
From provided guarantees		
From generally-binding legal regulations		
From a contract on subordinated debt		
From collateral	141 123 395	141 123 395
Other contingent liabilities		

Type of Contingent Liability	Immediately-Preceding Reporting Period	
	Total Amount	Amount to Related Parties
From lawsuits		
From provided guarantees		
From generally-binding legal regulations		
From a contract on subordinated debt		
From collateral		
Other contingent liabilities		

15. INCOME AND BENEFITS OF MEMBERS OF THE STATUTORY, SUPERVISORY AND OTHER BODIES

Income and Benefits of Members of the Statutory, Supervisory and Other Bodies:

Type of Income, Benefit	Amount of Income, Benefits of Current Members of			Amount of Income, Benefits of Former Members of		
	Statutory Bodies	Supervisory Bodies	Other Bodies	Statutory Bodies	Supervisory Bodies	Other Bodies
	Part 1 - Current Reporting Period			Part 1 - Current Reporting Period		
	Part 2 - Immediately-Preceding Reporting Period			Part 2 - Immediately-Preceding Reporting Period		
Monetary income	28 300	7 700	-	-	-	-
	-	-	-	-	-	-
In-kind income	-	-	-	-	-	-
	-	-	-	-	-	-
Monetary advance payments	-	-	-	-	-	-
	-	-	-	-	-	-
In-kind advance payments	-	-	-	-	-	-
	-	-	-	-	-	-
Loans provided	-	-	-	-	-	-
	-	-	-	-	-	-
Guarantees issued	-	-	-	-	-	-
	-	-	-	-	-	-
Other	-	-	-	-	-	-
	-	-	-	-	-	-

16. RELATED PARTIES

During the reporting period, the Company carried out the following transactions with related parties (except of transactions with parent company).

Related Party	Transaction Type Code	Transaction Value	
		Current Reporting Period	Immediately-Preceding Reporting Period
Related Party Transactions			
Received non-current interest-bearing borrowing	08	5 700 000	1 189 313 725
Interest expense on the borrowing received	08	24 976 323	8 712 694
Payment of the loan – offset against the receivable	08	738 149 916	
Payment of the loan and associated interest	08	58 100 000	
Cash pooling – liability	08	920 147 985	
Revenues from dividends	11	812 640 789	
Interest expense and benefits from the cash pooling	08	110 565	
Liability insurance – revenue	03	85 359	
SLA services – expense	03	17 449	
Interest on the cash pooling	08	106 553	
Provision of a borrowing	08	786 413 725	
Interest income on the borrowing	08	15 100 687	
Cash pooling – receivable	08	151 817 007	

During the reporting period, the Company carried out the following transactions with the parent company:

Subsidiary/ Parent Company	Transaction Type Code	Transaction Value	
		Current Reporting Period	Immediately-Preceding Reporting Period
Parent company			
Purchase of services	03	20 151	13 326
Provision of a non-current interest-bearing borrowing	08	0	606 550 000
Interest income on the borrowing provided	08	10 965 593	4 574 354

17. CASH FLOW STATEMENT

Cash flow statement was prepared using the indirect method.

Cash

Cash comprises cash on hand, equivalents of cash, and cash in banks, ie current accounts, overdraft facility, and a portion of cash in transit related to transfers between a current account and cash on hand or between two bank accounts.

Cash Equivalents

Cash equivalents comprise current financial assets that are readily convertible at an amount of cash known in advance and that are subject to an insignificant risk of changes in their value within the next three months of the reporting date, eg time deposits deposited in bank accounts with a maximum notice period of three months, liquid securities held for trading and preference shares that are acquired by the Company and that are due within three months of the reporting date.

CASH FLOW STATEMENT AS AT 30 JUNE 2014 AND 31 DECEMBER 2013

	2014	2013
Cash flows from operating activities		
Cash flows from operations	-82.174	-4.831
Interest paid	-16.524	0
Interest received	38.803	1
Income tax paid	-80.977	0
Dividends paid	0	0
Cash flows before extraordinary items	-140.872	-4.830
Income from extraordinary items	0	-
Net cash flows from operating activities	-140,872	-4,830
Cash flows from investing activities		
Purchase of non-current assets	-3.443.000	0
Income from the sale of non-current assets	0	0
Interest received	11.655	
Expenditures for borrowings	-786.413.725	-1,189.313.725
Dividends received	74.490,873	-
Net cash flows from investing activities	-715,354,197	-1,189,313,725
Cash flows from financing activities		
Income from subscribed shares	0	27.500
Income from loans	5.700.000	1.189.313.725
Repayment of non-current liabilities	0	-
Repayment of loans received	-58.100,000	-
Other income and expenditures from financing activities	768,330,979	
Net cash flows from financing activities	715,930,979	1,189,341,225
(Disposal of) addition to cash and cash equivalents	435.910	22.670
Cash and cash equivalents at the beginning of the year	22.670	0
Cash and cash equivalents at the end of the year	458,580	22,670

Cash Flows from Operations

	2014	2013
	<u> </u>	<u> </u>
Profit before taxation	813 610 462	238 157
Adjustments for non-cash transactions:		
Depreciation/amortisation of non-current tangible and non-current intangible assets	0	0
Provision for receivables	0	0
Provision for inventories	0	0
Provision for non-current tangible assets	0	0
Provision for non-current financial assets	0	0
Unrealised foreign exchange losses	0	0
Unrealised foreign exchange gains	0	0
Income from financial investments	-812 640 789	
Provisions for liabilities	49 800	0
Loss (profit) from the sale of non-current assets	0	0
Interest charged to expenses	25 088 716	8 712 694
Interest charged to income	-26 221 553	-8 969 288
Other non-cash transactions	0	-
Profit from operating activities prior to a change in working capital	<u>-113 364</u>	<u>-18 437</u>
Change in working capital:		
Disposal of (addition to) trade and other receivables (including deferred expenses and accrued income)	-20 190	-45 387
Disposal of (addition to) inventories	0	0
(Disposal of) addition to liabilities (including accrued expenses and deferred income)	51 380	58 993
Cash flows from operations	<u>-82 174</u>	<u>-4 831</u>

18. SIGNIFICANT POST-BALANCE SHEET EVENTS

On 4 July 2014, the transaction of the sale of a 100% ownership interest in Probugas was completed.

The Company plans to decrease its registered capital by approximately EUR 1 259 million. Such amount will subject to the offset of receivables from shareholders. The Company expects the registered capital to be decreased in 2015.

After 30 June 2014, there were no such events that would have a significant impact on the fair presentation of matters disclosed in these financial statements.

