



annual report  
2008





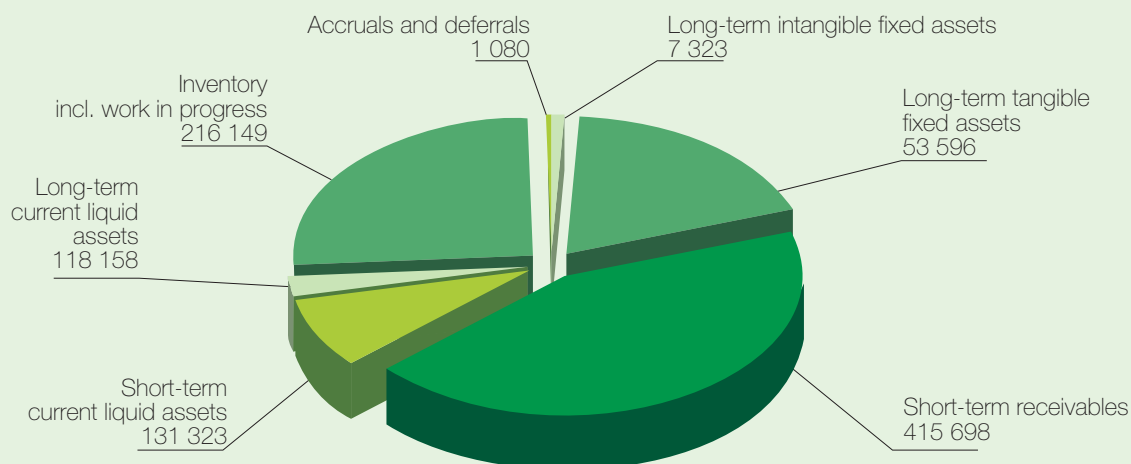
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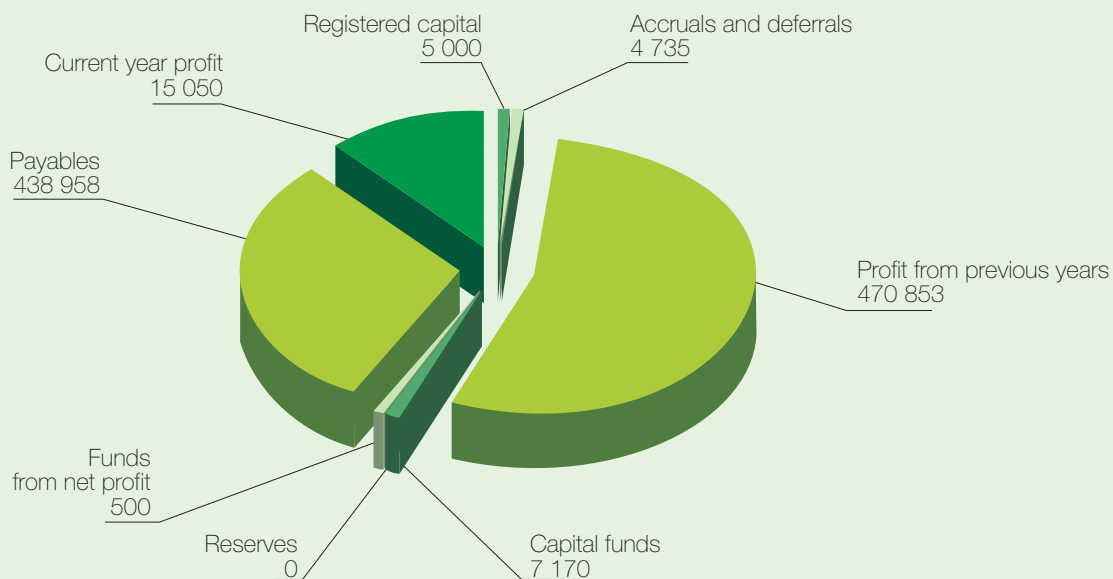
## SELECTED FINANCIAL INDICATORS

Indicator (in thousands CZK)	2008	2007	2006
PRODUCTION AND GOODS SOLD	828 540	697 444	791 369
OUT OF WHICH: REVENUES	823 161	584 418	716 762
OUTPUT CONSUMPTION	769 905	566 585	628 299
ADDED VALUE	39 315	130 856	139 056
NET PROFIT	15 050	45 320	46 215
TOTAL ASSETS	943 327	829 883	654 277
CURRENT ASSETS	763 170	646 312	536 304
LIABILITIES	440 019	346 176	213 536
EQUITY	498 573	483 707	440 741

Structure of assets 2008 (in thousands CZK): 943 327



Structure of liabilities 2008 (in thousands CZK): 943 327





## GENERAL MANAGER'S FOREWORD

Ladies and gentlemen,

The strategic intent of EKOL is to implement orders as the general contractor for power plants or heat and power plants, with special focus on environmentally-friendly projects.

In the field of steam turbines the focus is especially on power engineering equipment for burning bio-fuels – in the Czech Republic represented by power plants burning wooden chips, straw or other crop plants.

EKOL has implemented a large number of biomass projects in Germany. At present, projects are being prepared for other countries in Central and Eastern Europe. A difficult issue is burning straw. EKOL has participated in the first project of this kind: a 6 MW steam turbine for a power plant in the Czech Republic has been manufactured and supplied. EKOL is going to continue its activities in this field.

In the field of gas turbines EKOL concentrates on supplies of equipment for combined heat and power generation. There the primary component is a gas turbine including other equipment specified by the customer that defines the needs of electrical energy and heat.

In addition to the above-mentioned activities, EKOL focuses on steam turbine supplies and supplies of gas turbine components. Particular attention is paid to the effectiveness of the process from the design to the commissioning.

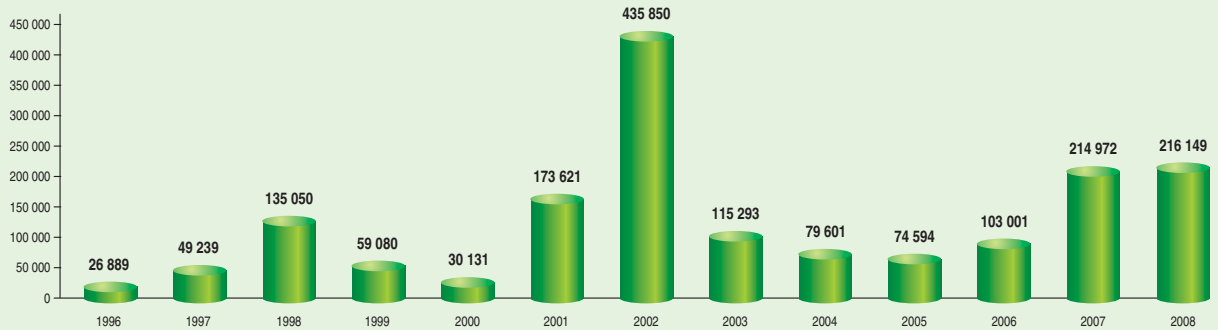
EKOL devotes great attention to research, development and tasks of technical development. A new technological centre dealing with complex unification of steam turbines has been established. Research is traditionally concentrated on reducing emissions in gas turbine combustion chambers.

I would like to express my appreciation and thanks to our staff members for their achievements in 2008. I wish all our business partners success in their business activities and thank them for their confidence.

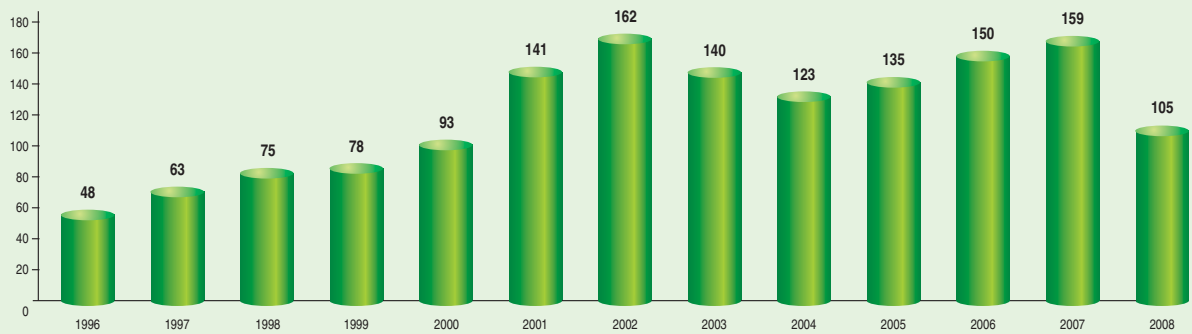
Prof. Ing. Stanislav Veselý, CSc.  
General Manager EKOL, spol. s r. o.

## DEVELOPMENT 1996–2008

Inventory including work in progress (in thousands CZK)



Number of employees (in persons)



Equity (in thousands CZK)



Production and goods sold (in thousands CZK)





## FINANCE MANAGER'S COMMENTS

Dear business partners,

The present annual report will give you an idea of the activities and results of our company in 2008 and show the development of the company in previous years.

In 2008, a new period of development of Ekol began. Starting from 1. 1. 2008, EKOL energo, which is a 100% subsidiary of Ekol, spol. s r. o., launched its full service as a separate legal entity. The purpose of establishing the company was ensuring own production capacities with modern machinery, which implements demanding technological processes required from the production nowadays.

The afore-mentioned fact was also the cause of extensive organizational changes consisting in separating some activities but at the same time in interconnecting the working processes between both companies. The aim of EKOL energo was to establish a whole new organizational structure for the production organization, while Ekol spol. s r. o. aimed at changes to managerial level, strengthening in the field of design and planning activities and trade. The organizational changes were accompanied by dramatic transfer and increase in number of labor.

While the average number of employees of Ekol was 159 at 31. 12. 2007, due to their regrouping and dramatic increase their number was 199 at 1. 1. 2008. The total number of employees of Ekol at 1.1.2008 was 90 and the total number of employees in the subsidiary EKOL energo was 99. The total number of employees in both companies was 205 at 31. 12. 2008, which represents the total increase of 46 employees, i.e. an increase by 28.9 %.

Such changes bring with them increase of wage costs by approximately 26 million CZK and the total overhead expenses by 69 mil. CZK. This dramatic cost increase should have been eliminated by the planned increase of revenues for 2008 amounting to 1,350 mil. CZK. Actually, the revenue achieved was the second best in the ten years' history, but it amounted only to 881 mil. CZK. This increase was not sufficient to cover the increase of the afore-mentioned costs. The achieved profit amounting to 39 mil. CZK represents an interannual decrease by 18 mil. CZK.

A good result of work in 2008 is the stabilization of good-quality production staff, which provides prerequisites for the manufacture of the planned number of turbines, which was the basic factor determined before the developing own buildings, halls and structures.

Dear business partners, at the time when I am writing this foreword, most of us are facing the recession which has affected the whole spectrum of business spheres.

Our companies are also facing the economic recession but I trust that the measures we are taking will help us maintain the figures similar to 2008 and we will continue offering high-quality services expected from us.

In conclusion I would like to thank you, our business partners, for the entrusted orders and cooperation during their implementation. My thanks go also to all employees of Ekol and EKOL energo who are responsible for the realization of orders.

Ing. Gustav Poslušný  
Finance Manager EKOL, spol. s r. o.

COMPANY MANAGEMENT



Ing. Vratislav Goj



Ing. Jan Saňka



Ing. Jaromír Kříž



Václav Janišťin



Ing. Lubomír Doležal



Ing. Stanislav Parýzek



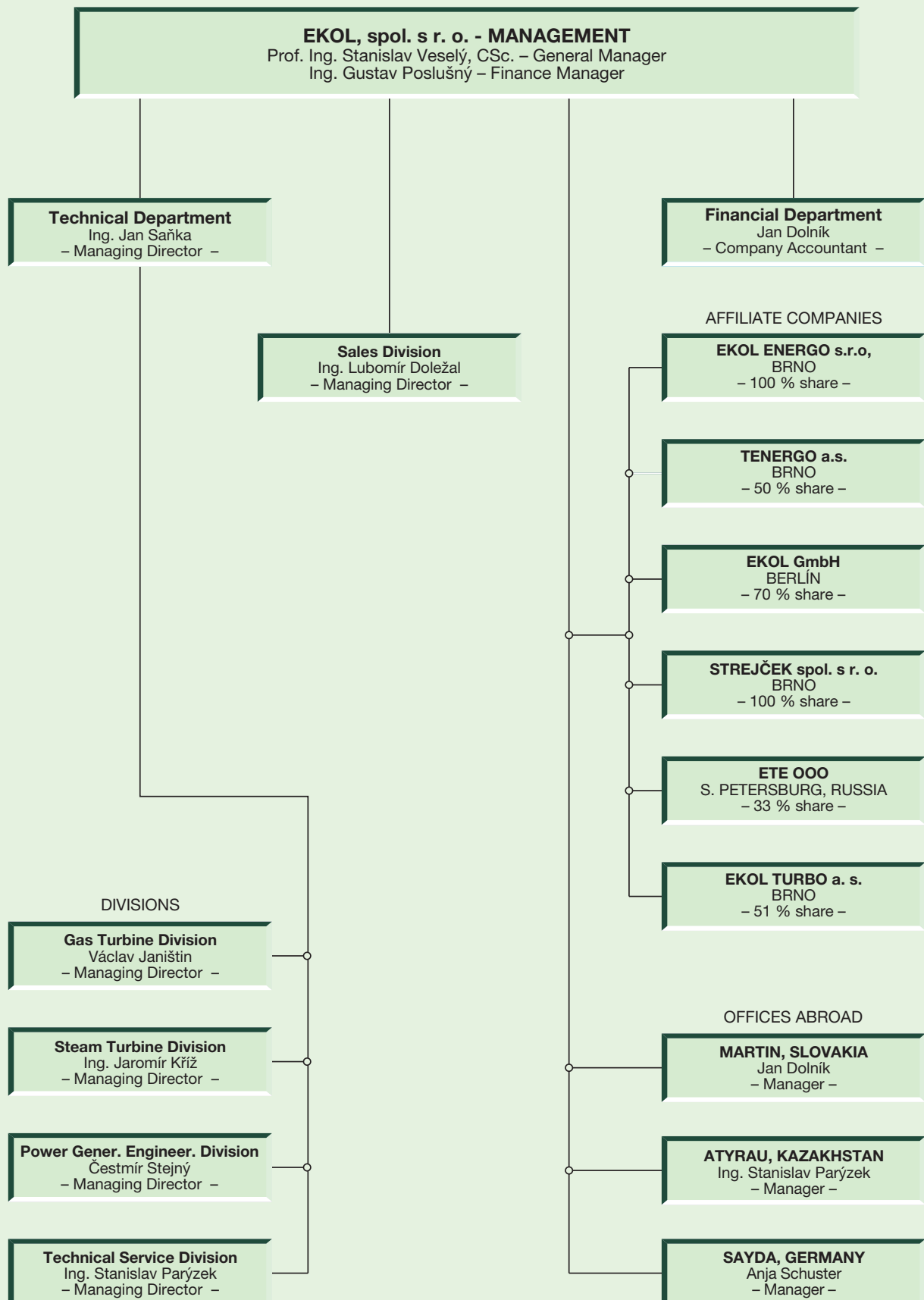
Jan Dolník



Čestmír Stejný



## ORGANIZATIONAL STRUCTURE



## COMPANY PROFILE

### I. GAS TURBINES

- with power generator
- for mechanical drive

EKOL purchases gas turbines for its deliveries in Ukrainian plants. The "raw" disassembled turbines are furnished with all the necessary accessories in our company and delivered to the customer on a skid with an acoustic hood incl. design, erection and commissioning.

#### *Gas turbine accessories*

The company designs, manufactures and supplies gas turbine accessories for its own deliveries as well as deliveries of other suppliers

#### *Spare parts*

for various types of gas turbines incl. spare parts for their accessories and new recuperators

#### *Retrofit of older gas turbine types:*

- to increase efficiency by installing new recuperators
- to increase power
- more comfortable operation by replacement of obsolete hydraulic systems by all-electronic systems
- to eliminate adverse effects of gas turbine operation on environment by:
  - *lowering methane emissions by replacing the expansion starting turbine with an electrical starting device*
  - *reducing oil vapor and aerosol escape to the outside*
  - *reducing NOx and CO emissions by modifying combustion chamber burners and by supplying new burners with 3rd millennium technologies*
  - *lowering noise emissions by installing high-quality inlet and exhaust duct noise suppressors and acoustic hoods*
  - *lowering power consumption by optimizing the oil cooling system and oil pumping system; in cases where the turbine is used to drive a gas compressor, by optimizing the oil supply to the gas compressor stuffing box.*

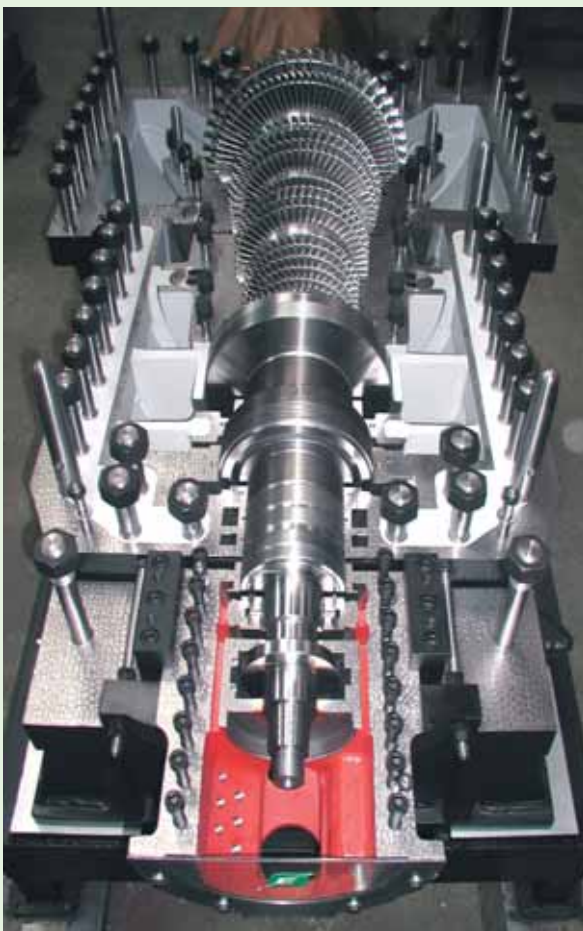


## COMPANY PROFILE

### II. STEAM TURBINES

Supplies of steam turbines, accessories or whole turbine halls according to customer's request. Cooperation with customers during the preparation of the design, optimization of the calculation of the turbine size and type according to the conditions at the customer's premises. Preparation of feasibility studies.

- **Technical support, approach to customers**  
We always endeavor to offer our potential customer an optimal solution both from the technical and economical point of view.
- **Power output up to 60 MW for generator drive**  
Our turbine generators contain back-pressure or condensing turbines. Depending on customer's needs, the turbine generator can be either provided with controlled or non-controlled steam extraction. The speed of turbines with lower outputs is up to 10000 rpm and a gearbox is provided. Turbines with higher outputs are directly coupled to a double-pole generator.
- **Power output up to 60 MW for mechanical drives**  
The concept of turbines for driving compressors and pumps is based on turbines for generator drive. The turbine is specified according to the demand of the driven machine. The scope of supply from the turbine proper to the supply of the entire power generating center complies with customers' request.



#### *Spare parts supplies*

We supply spare parts for the entire power generating centre including steam turbines. First of all, we supply spare blades for steam turbines (both rotor & stator blades); radial and thrust bearings; control system parts; oil system parts, etc.

#### *Inspections and assessment of unit condition and life*

We perform complete inspections of turbine generators from disassembly of the unit, measuring, assessment of condition of the unit, inspection report, procurement of necessary spare parts, repairs resulting from the inspection report, reassembly and recommissioning of the unit.

#### *Repairs*

We provide both scheduled and emergency repairs of steam turbines of our own design as well as steam turbines made by other manufacturers. The scope of repairs encompasses everything from standard repairs including for example diagnostics to general overhauls. We also perform repairs on all related turbine equipment.

#### *Retrofits to achieve new operation parameters*

On operator's request for change of turbine operating parameters we perform the modification of the turbine encompassing the calculation, design of the new blading and modification of the new flow channel of the turbine with optimization to the newly defined parameters. The features in question are, e.g., the increase of the absorption capacity of the unit, the increase or decrease of extraction pressure, the increase or decrease of steam quantity to the extraction system, etc.

#### *Modernization solutions*

We perform modernization of turbine generators in order to approximate them to the state-of-the-art technology (from replacement of individual components, increase of efficiency to adjustment of demands for a fully automatic operation).

#### *Service and repairs*

The main activity is focused on complete services in the field of power engineering. The basic principle is to offer the best solution available. In power industry especially cogeneration and trigeneration technologies win at present but at the same time conventional boiler technologies, heat exchanger stations are being upgraded and with the accession to the EU there is a boom in technologies using biomass. We at EKOL try to follow all the latest trends and offer complex services in capital investment. That is why our division has extended its activity also to the building business – especially building of industrial halls including technological equipment.



## COMPANY PROFILE

### III. ENERGY MANAGEMENT

- **Conceptual decisions**  
technical-economic studies and analyses
  - **Work preparation**  
all stages of the design documentation
  - **Work implementation**  
complex deliveries or sub-deliveries
  - **Long-term operation and service of the work**  
customer service, possibility to operate supplied technologies
  - **Warm-water, hot-water and steam gas boiler houses**  
outputs from 10 kW to 50 MW
  - **Cogeneration units**  
electric output from 10–5000 kW, incl. all accessories
  - **Heat exchanger stations**  
arbitrary outputs
  - **Residential transfer stations**  
incl. all accessories
  - **Combined deliveries**  
of boilers, cogeneration units and heat exchanger stations
  - **Solid fuel boilers**  
wood, coal
  - **Natural gas boilers**
  - **Biomass boilers**  
incl. process equipment for preparation of biomass burning mixture
  - **Gas connections**  
low-pressure, medium-pressure, high-pressure, incl. gas compressor plants
  - **Discharge of combustion products**
- **Heat distribution systems**  
internal and external piping, fittings, storage reservoirs
  - **Air-conditioning systems**  
boiler plants, heating stations, hotels, hospitals, public facilities, sports facilities
  - **Cooling technologies**  
compressor & absorption cooling
  - **Compressors**  
screw-type compressors, piston compressors, incl. waste heat utilization
  - **Heat pumps**  
with outputs from 4 to 300 kW
  - **Instrumentation & control**  
and extraction of electric output  
switchboards, cable lines, transformer stations
  - **Building activities incl. earthwork**  
retrofit of hot water systems, delivery of the pre-insulated piping as well as conventional piping, construction of factory buildings



## COMPANY PROFILE

### IV. DIAGNOSTICS OF MACHINES

The VIBROSERVIS division offers following services:

- Broadband vibration measurements.
- Frequency analyses of mechanical vibrations.
- Analyses of vibrations depending on machine speed and examination of transfer functions using various resonance zone determination methods.
- In-situ balancing of rigid and flexible rotors without dismantling the machine.
- Alignment of couplings with laser.
- Measurement of state of bearings.



Periodical diagnostic measurements with a data collector to obtain a permanent survey of the vibration conditions of the large on-site machinery. Long-term data archiving on PC, creating of trends, monitoring changes of state after repairs, etc.

Parallel "on-line" monitoring up to 16 measuring channels for a detailed analysis of behavior of complex units, mainly steam and gas turbines.

Based on the results obtained we offer the following services:

- **Assessment of the state of the machine in conformity with valid standards.**
- **Identification of reason for the deteriorated or unsatisfactory state of vibration of the machine.** The following reasons are usually ascertained:
  - Unbalance of rotating parts;
  - Incorrect alignment of coupling;
  - Fault in machine seating (e.g. releasing or damage of bed plate, loosening of connections, etc.);
  - Damaged bearings;
  - Worn gears;
  - Incorrect design (e.g. operation in resonance regions, insufficient rigidity of seating, etc.).
- **Recommendation of corrective measures according to specific situation.**
- **Necessary measures at site in collaboration with the operator and subsequent check of its effect.**

If more complex measures are required, repeated measurements are to be made to ascertain the state after the implementation of the measures.

### V. MACHINING OF MACHINE COMPONENTS

We manufacture machine components on CNC machines, especially on lathes, vertical lathes, milling machines, grinding machines and the boring machine.



### VI. EKOL ENERGO s.r.o.

The year 2008 was an important milestone in the short history of the company. Many preparatory, designing, building, personnel and organizational measures aimed at an independent economical activity starting right at the beginning of 2008 have taken place since 2006. The year 2008 was the year of the company consolidation, especially in the field of human resources, verification of the ability to master a complex manufacturing technology, proving the ability of independent economic existence, the ability to manufacture, erect and commission complex power generating sources with electric output up to 70 MW. The company is able to ensure 80% of such power generating sources in the newly built production hall.

In 2008, the company dispatched 8 new condensing and back-pressure steam turbines, skid-mounted, including gearbox. The most important projects of 2008 are the following: the retrofit of a steam turbine for Thailand with the increase in output from 20 to 40 MW; the supply of 3 turbines for Egyptian sugar factories; the supply of 2 turbines for Poland and 2 turbines 12 MW and 20 MW for Czech customers. Turbines are supplied to the end customer via the parent company EKOL, spol. s r.o. Brno.

In addition to these final products, the company also provides service and manufacture of turbine spare parts. Service encompasses periodic preventive inspections and subsequent repairs, medium-sized repairs and overhauls and/or retrofits of older turbine types.

In the second half of 2008 two-shift and three-shift operation began on the unique and CNC machine tools. Some vacant capacities were offered to the leading manufacturers of power generation equipment and machine tools. The leading partners of the company are ŠKODA Power Plzeň, TES Vsetín, TOS Varnsdorf, TOS Kuřim, TOS Hulín, GTK Brno, MPPM Šumperk, Cotring Brno, etc.

We can say that the consolidation of all activities associated with the effective operation of the company was successful. Positive economic results bear testimony to it.

The impact of the worldwide economic recession can be expected in 2009 also in the company economy of EKOL energo, s.r.o.. The company will cooperate especially with external organizations and offer vacant capacities in machining.

## IMPORTANT CONTRACTS 2008

### STEAM TURBINES

#### **ACTHERM a.s. CHOMUTOV**

Supply of a 20 MW controlled-extraction condensing steam turbine.  
Supply of a turbine hall including planning and design.

#### **ZRE Katowice**

Completion of supply of a 10 MW back-pressure steam turbine including generator, heat exchanger and accessories for a biomass project

#### **P.E.C. Suwalki**

Completion of supply of a 7 MW back-pressure steam turbine including generator, heat exchanger and accessories for the town of Suwalki

#### **Hiang Seng Fibre Container Co. Ltd. Thailand**

Completion of retrofit of a 36MW back-pressure steam turbine

### GAS TURBINES

#### **GAZPROM, Russian Federation**

- Supply of spare parts for GT 6,5-A1 gas turbines
- Repair of GT 6,6-A1 gas turbine parts

#### **RWE Transgas Net, a.s., Czech Republic**

- Supplies and replacements of inlet hood liners for GT 750-6 turbines
- Supply and installation of bellows
- Supply and erection of refurbished central bearing pedestals of gas turbines
- Exchange of oil filters

#### **SPP, a.s. Slovakia**

- Supply of spare parts for GT 750-6 gas turbines
- Supply and installation of low-emission burners for GT750-6 turbines
- Supply and installation of electronic control systems for GT750-6 turbines

#### **UKRTRANSGAZ, Ukraine**

Supply of spare parts for GT 750-6 gas turbines

#### **Lovochemie, a.s., Czech Republic**

Repair of ST 1CH gas turbine parts

#### **Verbundnetz Gas AG, Germany**

Erection of a super ultra-low emission combustion chamber for a GT 750-6 gas turbine

### POWER ENGINEERING

#### **Jitka Otín, Czech Republic**

Construction of a frontage according to an atypical design of the employer and supporting static structures for technologies, especially the turbine bedplate



#### **NILE SUGAR Co. Egypt**

Supply of two 8 MW back-pressure steam turbines including generators and accessories & two 80/65 t/h boilers for a sugar refinery

#### **DOTEC ENERGO Int. Kolín, Czech Republic**

Supply of a 5,6 MW back-pressure steam turbine and the turbine hall including design.  
A biomass project



#### **Synthesia, a.s., Czech Republic**

Repair of an ST 1CH turbo compressor

#### **S.C.Confort S.R.L., Romania**

CAF retechnologization at CET Timisoara

#### **S.I.I.C., Egypt**

Supply of a biomass boiler 100 t/h for Armant sugar refinery

#### **S.I.I.C., Egypt**

Supply of boiler drums and distributors

#### **KAZIMPEX, Kazakhstan**

Supply of spare parts for GT 750-6 gas turbines



## IMPORTANT CONTRACTS 2009

### STEAM TURBINES

#### **Dalkia Kolín, Czech Republic**

Commencement of supply of a 0,6 MW back-pressure steam turbine.

Supply of design and implementation of a turbine hall using parameters of a low-pressure steam generator.

#### **Teplárna České Budějovice – G-Team a.s.**

- Supply of a 12 MW condensing steam turbine. The project uses steam from the existing back-pressure turbines.
- Turbine hall rehabilitation, complete civil part and cooling circuit including condensing system.

#### **ŽĐAS a.s., Czech Republic**

6 MW back-pressure steam turbine retrofit and supply.

Supply including rehabilitation of the turbine hall and all accessories.

#### **ENEZA s.r.o.**

Steam turbine retrofit for a location in Turkey.



### GAS TURBINES

#### **RWE Transgas Net, a.s., Czech Republic**

- Supplies and replacement of inlet branch liners for GT 750-6 gas turbines
- Supply and installation of expansion joints
- Supply and installation of retrofitted central bearing pedestals for gas turbines
- Oil filter exchange
- Supply and installation of expansion joints and flue gas duct supporting structures

#### **Eustream, a.s., Slovakia**

- Supplies of spare parts for GT 750-6 gas turbines
- Supply and erection of low-emission burners for GT 750-6 gas turbines
- Supply and installation of electronic control system for GT 750-6 turbines

#### **THOMAS, Czech Republic**

Supplies of spare parts for GT 750-6 gas turbines to Uzbekistan

#### **UKRTRANSGAZ, Ukraine**

Supplies of spare parts for GT 750-6 gas turbines

#### **Lovochemie, a.s., Czech Republic**

Repair of parts for ST 1CH gas turbine

#### **Hnojiva Duslo, spo.s.r.o. Slovakia**

ST 1CH gas turbine overhaul

#### **S.I.I.C. Egypt**

Supply of boiler burners

#### **S.I.I.C., Egypt**

Supply of boiler drums and distributors

#### **ZKMK, Kazakhstan**

Supplies of spare parts for GT 750-6 gas turbines





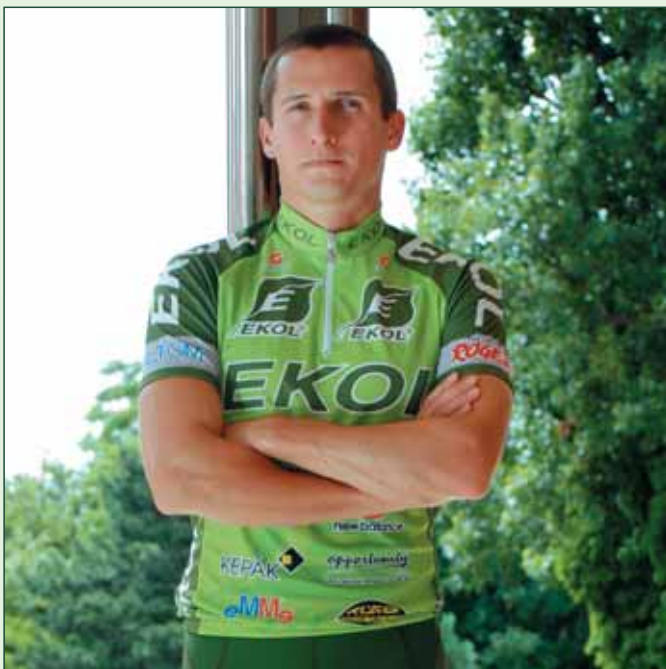
## Traditional triathlon partner

*Back in 1997 EKOL, spol. s r.o. became involved in one of the most progressive sports – the triathlon.*

*EKOL, spol. s r.o. is the titular partner of the elite European triathlon EKOL TEAM.*

*In 2008 EKOL, spol. s r.o. became again the general promotional partner of the Czech Triathlon Union!*

*The EKOL SUPERPRESTIGE race held in Brno has always been part of the elite category of triathlon events. It was three times included in the Triathlon championship Series and four times in the European Cup race.*



### **FILIP OSPALÝ**

**The only European Triathlon champion from the Czech Republic**

- European Triathlon champion
- Two-times European Triathlon runner-up
- Three-times World Cup winner
- Three-times University World Champion





**MARTIN KRŇÁVEK**  
**The first World Cup race winner**  
**from the Czech Republic**

- *Three-times World Cup winner*
- *Two-times bronze medalist and once fourth place from European Championship*
- *Two fifth places from the World Championship*



**VENDULA FRINTOVÁ**  
**The only U-23 European Champion**  
**from the Czech Republic**

- *U23 European Champion*
- *Two-times silver medalist from U23 World Championship*
- *Two-times bronze medalist from a World Cup event*



**RADKA VODIČKOVÁ**  
**2008 European Rookie of the year**

- *Sixth place from 2008 European Championship*
- *2008 European Duathlon Champion*
- *Absolute winner of the 2008 European Cup series*

CERTIFICATES

► Certificate  
ČSN EN ISO 9001:2001



▲ Certificate  
ČSN EN ISO 14001:2005



► Certificate  
OHSAS 18001:1999

## AUDIT OF FINANCIAL STATEMENT AT 31. 12. 2008



**BDO Prima CA s. r. o.**  
Auditorská, účetní a poradenská firma

Marie Steyskalové 14, Brno, 616 00  
Tel.: +420 541 235 273  
Fax: +420 541 235 745  
E-mail: bdoca@bdoca.cz

## External Auditor's Report

### Attention of EKOL, spol. s r.o. shareholders

We have audited the financial statements of EKOL, spol. s r. o., i.e. the balance sheet at 31. 12. 2008, the profit and loss statement, the survey of changes of equity and the cash flow survey for the period from 1. 1. 2008 till 31. 12. 2008 and the appendix to this financial statement including the description of the applied significant accounting methods.

### Responsibility of the statutory body of the accounting entity for the financial statements

The preparation and the true representation of the financial statement in compliance with the Czech legislation is the responsibility of the statutory body of EKOL, spol. s r.o.. A part of the said responsibility is to propose, introduce and implement internal audit of the preparation and true representation of the financial statements in order to ensure that no material inaccuracies caused by fraud or mistake are included, to select and exercise appropriate accounting methods and to carry out reasonable accounting estimates.

### Auditor's responsibility

Our task is to give an opinion on the present financial statements based on the performed audit. We have performed the audit in compliance with the Act on Auditors, the International Auditing Standards and related implementation clauses of the Chamber of Auditors of the Czech Republic. According to the said legislation, we are obliged to abide by ethical standards and to plan the audit in order to acquire reasonable certainty that the financial statement does not contain material inaccuracies.

The audit includes the performance of auditing processes, the purpose of which is to acquire evidence with respect to the amounts and facts stated in the financial statement. The selection of the auditing processes depends on the discretion of the auditor, including the assessment of risks that the financial statement contains material inaccuracies caused by fraud or mistake. During the assessment of such risks the auditor takes into account internal audits relevant for the preparation and true representation of the financial statement. The objective of the assessment of internal audits is to suggest appropriate auditing methods, not to comment on the effectiveness of the internal audit. The audit also includes the assessment of the appropriateness of applied accounting methods, the adequacy of accounting estimates carried out by the management and also the assessment of the overall presentation of the financial statement. We believe that the acquired evidence constitutes a satisfactory and adequate basis for expressing our opinion.

In our opinion, the financial statement presents a true and fair image of assets, liability, equity and financial situation of EKOL, spol. s r.o. at 31. 12. 2008 and its costs, revenues and results of its business and cash flows in 2008 in compliance with the Czech accounting legislation.

Brno, July 31, 2009

BDO Prima CA s. r. o.  
Represented by:

Ing. Jiří Kadlec  
Auditor, Certificate No.1246





## AUDIT OF CONSOLIDATED FINANCIAL STATEMENT AT 31. 12. 2008



**BDO Prima CA s. r. o.**  
Auditorská, účetní a poradenská firma

Marie Steyskalové 14, Brno, 616 00  
Tel.: +420 541 235 273  
Fax: +420 541 235 745  
E-mail: bdoca@bdoca.cz

**External Auditor's Report  
on auditing the consolidated financial statements of the group of EKOL companies  
at 31.12.2009**

Name of company	Registered office
EKOL, spol. s r.o.	Brno, Křenová 65
EKOL energo s.r.o.	Brno, Křenová 65
Strejček spol. s r.o.	Brno, Křenová 65
EKOL TURBO a.s.	Brno, Křenová 65
TENERGO Brno, a.s.	Brno, Křenová 65

Audited period: 1.1.2008 – 31.12.2008

**Objective of audit, its scope and specification of responsibility:**

We have audited the attached consolidated financial statements of EKOL, spol. s r.o., i.e. the consolidated balance at 31.12.2008, the consolidated profit and loss statement for the period from 1.1.2008 till 31.12.2008 and the appendix to this financial statement including the description of applied significant accounting methods. The data on the group of EKOL companies are given in the appendix to this financial statement. The consolidating entity of the group of EKOL companies consisted of the following trading companies at 31.12.2009:

Parent company:	EKOL, spol. s r.o.
Subsidiary:	EKOL energo s.r.o. Strejček spol. s r.o. EKOL TURBO a.s.
Affiliate company:	TENERGO Brno, a.s.

**Responsibility of the statutory body of the accounting entity for the financial statements**

The preparation and the true representation of the consolidated financial statements in compliance with the Czech legislation is the responsibility of the statutory body of EKOL, spol. s r.o.. A part of the said responsibility is to propose, introduce and implement internal audit of the preparation and true representation of the consolidated financial statements in order to ensure that no material inaccuracies caused by fraud or mistake are included, to select and exercise appropriate accounting methods and to carry out reasonable accounting estimates.

**Auditor's responsibility**

Our task is to give an opinion on the present consolidated financial statements based on the performed audit. We have performed the audit in compliance with the Act on Auditors, the International Auditing Standards and related implementation clauses of the Chamber of Auditors of the Czech Republic. According to said legislation, we are obliged to abide by ethical standards and to plan the audit in order to acquire reasonable certainty that the consolidated financial statements do not contain material inaccuracies.

The audit includes the performance of auditing processes, the purpose of which is to acquire evidence with respect to the amounts and facts stated in the consolidated financial statements. The selection of the auditing processes depends on the discretion of the auditor, including the assessment of risks that the financial statement contains material inaccuracies caused by fraud or mistake. During the assessment of such risks the auditor takes into account internal audits relevant for the preparation and true representation of the consolidated financial statements. The objective of the assessment of internal audits is to suggest appropriate auditing methods, not to comment on the effectiveness of the internal audit.

The audit also includes the assessment of the appropriateness of applied accounting methods, the adequacy of accounting estimates carried out by the management and also the assessment of the overall presentation of the consolidated financial statements.

We are convinced that the acquired evidence constitutes a satisfactory and adequate basis for expressing our opinion.

**Auditor's opinion**

In our opinion, the consolidated financial statements present in all material respects a true and fair image of assets, liability, equity and financial situation of EKOL, spol. s r.o. at 31.12.2008 and its costs, revenues and results of its business and cash flows in 2008 in compliance with the Czech accounting legislation.

Brno, August 31, 2009  
Audit performed by BDO Prima CA s.r.o., auditing company  
Chamber of Auditors of the Czech Republic No. 305  
Marie Steyskalové 14  
616 00 Brno



Ing. Jiří Kadlec  
Auditor, Certificate No.1246  
of the Chamber of Auditors  
of the Czech Republic

## FINANCIAL STATEMENTS



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ANNEX TO CONSOLIDATED FINANCIAL STATEMENT 2 0 0 8

**BALANCE SHEET at 31. 12. 2008 – Assets**

(in thousands CZK)					2008	2007	2006
		gross	correction	net	net	net	
<b>TOTAL ASSETS</b>		<b>1 035 361</b>	<b>-92 034</b>	<b>943 327</b>	<b>829 883</b>	<b>654 277</b>	
<b>B.</b>	<b>LONG-TERM ASSETS</b>	<b>268 289</b>	<b>-89 212</b>	<b>179 077</b>	<b>181 644</b>	<b>116 613</b>	
B.I.	Long-term intangible assets	31 005	-23 682	7 323	6 840	7 419	
B.I.2	Research and development	0	0	0	0	0	
B.I.3.	Software	20 462	-14 629	5 833	4 387	3 967	
B.I.4.	Valuable rights	10 543	-9 053	1 490	2 453	3 452	
B.I.7.	Intangible long-term assets under construction	0	0	0	0	0	
B.II.	Long-term tangible assets	119 126	-65 530	53 596	157 589	91 979	
B.II.1.	Land	244	0	244	15 517	14 880	
B.II.2.	Buildings, halls and structures	53 357	-19 414	33 943	117 347	37 180	
B.II.3.	Machinery, equipment, vehicles, furniture, fixtures	65 029	-46 116	18 913	23 243	24 100	
B.II.7.	Long-term tangible assets under construction	496	0	496	1 482	15 819	
B.III.	Long-term financial assets	118 158	0	118 158	17 215	17 215	
B.III.1.	Shares and ownership interests in enterprises with controlling & governing influence	113 066	0	113 066	11 660	11 660	
B.III.2.	Shares and ownership interests in enterprises with substantial influence	5 092	0	5 092	5 555	5 555	
<b>C.</b>	<b>CURRENT ASSETS</b>	<b>765 992</b>	<b>- 2 822</b>	<b>763 170</b>	<b>646 312</b>	<b>536 304</b>	
C.I.	Inventory	216 149	0	216 149	214 972	103 011	
C.I.1.	Materials	51 719	0	51 719	37 092	37 349	
C.I.2.	Work-in-progress and semi-finished products	160 679	0	160 679	177 878	65 662	
C.III.	Short-term receivables	418 520	-2 822	415 698	361 043	192 770	
C.III.1.	Trade receivables	208 131	- 2 822	205 309	200 622	82 900	
C.III.2.	Receivables – from enterprises with controlling & governing influence	54 094	0	54 094	88 381	89 372	
C.III.3.	Receivables from enterprises with substantial influence	0	0	0	3 800	3 800	
C.III.4.	Receivables from partners and participants in an association	1 115	0	1 115	0	0	
C.III.6.	Due from state – tax receivables	16 166	0	16 166	18 512	3 889	
C.III.7	Short-term provided advances	129 640	0	129 640	47 419	3 931	
C.III.8.	Estimated accrued revenues	2 346	0	2 346	0	0	
C.III.9.	Other receivables	7 028	0	7 028	2 309	8 878	
C.IV.	Short-term financial assets	131 323	0	131 323	70 297	240 523	
C.IV.1	Cash	990	0	990	802	2 439	
C.IV.2.	Bank accounts	130 333	0	130 333	65 411	226 654	
C.IV.3.	Short-term financial assets	4 015	0	4 015	4 084	11 430	
<b>D.I.</b>	<b>ACCRUALS</b>	<b>1 080</b>	<b>0</b>	<b>1 080</b>	<b>1 927</b>	<b>1 360</b>	
D.I.1.	Deferred expenses	512	0	512	1 914	1 243	
D.I.2.	Accrued revenues	568	0	568	13	117	

**BALANCE at 31. 12. 2008 – Liabilities**

(in thousands CZK)		2008	2007	2006
<b>TOTAL LIABILITIES</b>		<b>943 327</b>	<b>829 883</b>	<b>654 277</b>
<b>A.</b>	<b>EQUITY</b>	<b>498 573</b>	<b>483 707</b>	<b>440 741</b>
A.I.	Registered capital	5 000	5 000	5 000
A.I.1.	Registered capital	5 000	5 000	5 000
A.II.	Capital funds	7 170	7 170	7 170
A.II.2.	Other capital funds	7 170	7 170	7 170
A.III.	Reserve and other funds created from net profit	500	500	500
A.III.1.	Legal reserve fund	500	500	500
A.III.2.	Statutory and other funds	0	0	0
A.IV.	Profit (loss) of previous years	470 853	425 717	381 856
A.IV.1.	Retained earnings from previous years	471 036	425 717	381 856
A.IV.2.	Accumulated losses from previous years	- 183	0	0
A.V.	Profit (loss) (+/-)	+ 15 050	+ 45 320	+ 46 215
<b>B.</b>	<b>LIABILITIES</b>	<b>440 019</b>	<b>341 409</b>	<b>208 501</b>
B.I.	Reserves	0	0	9 686
B.I.1.	Reserves – acc. to special legislative acts	0	0	9 686
B.I.4.	Other reserves	0	0	0
B.II.	Long-term payables	1 061	3 079	3 079
B.II.9.	Other payables	4	2	2
B.II.10.	Due to state- deferred taxes	1 057	3 077	3 077
B.III.	Short-term payables	438 958	338 330	195 736
B.III.1.	Trade payables	163 322	163 596	91 742
B.III.2.	Payables to controlled and governed enterprises	80	86	8 317
B.III.4.	Payables to partners and participants in an association	0	81	81
B.III.5.	Payables to employees	2 318	3 463	2 811
B.III.6.	Payables to social security	1 264	2 082	1 653
B.III.7.	Due to state – taxes and subsidies	6 314	694	6 615
B.III.8.	Short-term received advances	245 345	154 839	63 683
B.III.10.	Estimated accrued expenses	20 247	12 932	20 595
B.III.11.	Other payables	68	557	239
B.IV.	Bank loans	0	0	0
B.IV.1.	Long-term bank loans	0	0	0
<b>C.I.</b>	<b>ACCRUALS</b>	<b>4 735</b>	<b>4 767</b>	<b>5 035</b>
C.I.1.	Accrual expenses	4 735	4 735	5 035
C.I.2.	Deferred revenues	0	32	0

**PROFIT AND LOSS ACCOUNT at 31. 12. 2008**

(in thousands CZK)		2008	2007	2006
II.	Revenues from goods	22 565	0	33 090
A.	Cost of goods sold	19 320	0	24 014
<b>+</b>	<b>Sale margin</b>	<b>3 245</b>	<b>0</b>	<b>9 076</b>
II.	Production	805 975	697 444	758 279
II.1.	Revenues from own products and services	823 161	584 418	716 762
II.2.	Change in inventory of own production	-17 199	112 341	27 259
II.3.	Capitalization	13	685	14 258
B.	Capitalization	769 905	566 585	628 299
B.1.	Consumed material and utilities expenses	454 173	319 714	420 565
B.2.	Services	315 732	246 871	207 734
<b>+</b>	<b>Added value</b>	<b>39 315</b>	<b>130 859</b>	<b>139 056</b>
C.	Personnel expenses	52 086	69 977	64 492
C.1.	Wages and salaries	37 954	51 187	47 121
C.2.	Remuneration to board members	0	0	0
C.3.	Social security expenses	13 100	17 688	16 312
C.4.	Social security expenses	1 032	1 102	1 059
<b>+</b>	<b>Taxes and fees</b>	<b>438</b>	<b>4 102</b>	<b>318</b>
E.	Depreciation of intangible and tangible fixed assets	13 886	13 998	13 063
III.	Revenues from disposals of long-term assets and materials	122 099	1 580	5 372
III.1.	Revenues from disposals of long-term assets	21 174	187	130
III.2.	Revenues from disposals of materials	100 925	1 393	5 242
F.	Net book value of disposed long-term assets and material sold	106 021	1 718	0
F.1.	Net book value of disposed long-term assets	5 774	675	0
F.2.	Materials sold	100 247	1 043	0
G.	Change in reserves and adjustments in operating area	-44	-61 356	3 049
IV.	Other operating revenues	4 426	697	3 487
H.	Other operating expenses	1 537	54 519	4 711
<b>*</b>	<b>Operating profit (loss)</b>	<b>-8 084</b>	<b>50 178</b>	<b>62 277</b>
M.	Change in reserves and adjustments in financial area	0	0	0
X.	Interests received	4 079	4 610	4 325
N.	Interests paid	277	0	8
XI.	Other financial revenues	1 870 997	497 791	436 696
O.	Other financial expenses	1 849 848	496 909	441 137
<b>*</b>	<b>Profit (loss) from financial operations</b>	<b>24 951</b>	<b>5 492</b>	<b>- 122</b>
Q.	Income tax on ordinary income	1 882	16 215	15 976
Q.1.	Due	3 902	16 215	15 976
Q.2.	Deferred	-2 020	0	0
<b>**</b>	<b>Ordinary income</b>	<b>+ 14 985</b>	<b>+ 39 455</b>	<b>+ 46 179</b>
XIII.	Extraordinary revenues	97	5 865	37
R.	Extraordinary expenses	32	1	1
S.	Income tax on extraordinary income	0	0	0
S.1.	Due	0	0	0
S.2.	Deferred	0	0	0
<b>*</b>	<b>Extraordinary income</b>	<b>+ 65</b>	<b>+ 5 865</b>	<b>+ 36</b>
<b>***</b>	<b>Profit (loss) of current accounting period (+/-)</b>	<b>+ 15 050</b>	<b>+ 45 320</b>	<b>+ 46 215</b>
<b>****</b>	<b>Profit (loss) before tax</b>	<b>+ 16 932</b>	<b>+ 61 535</b>	<b>+ 62 191</b>



## ANNEX TO FINANCIAL STATEMENT 2008

### 1. GENERAL DATA

The company is subject to audit in compliance with the Accountancy Act No. 563/91 Coll.

**EKOL, spol. s r.o., Brno, ID: 41600983**

Brno, Křenová 65, Zip Code 602 00

A legal entity incorporated in the Commercial Register of the Regional Court Brno, section C, file 1070

Persons with more than 20% participation in the registered capital

Prof. Ing. Stanislav Veselý, CSc.	50,9 %
Ing. Gustav Poslušný	44,1 %
The shares of the afore-mentioned persons make up in total	95 %

The shares of the shareholders in the registered capital are fully paid up.

The company was awarded the ISO 9001:2000 certificate No. 154080.

The primary scope of business is defined as "construction of machines with mechanical drive, especially construction of power generation equipment", manufacture of steam turbines, supply and erection of power generation systems equipped with cogeneration units.

### 2. DESCRIPTION OF ORGANIZATIONAL STRUCTURE

The company is managed by:

Prof. Ing. Stanislav Veselý, CSc., General Manager – company executive

Ing. Gustav Poslušný, Finance Manager – company executive

Ing. Jaromír Kříž – company executive

#### FURTHER STRUCTURING

Technical Department

Ing. Jan Saňka

Gas Turbine Division

Václav Janišťin

Steam Turbine Division

Ing. Jaromír Kříž

Power Engineering Division

Čestmír Stejný

Technical Service Division

Ing. Stanislav Parýzek

Technical Service Division

Ing. Lubomír Doležal

Permanent business premises were established in Slovakia in 1996

EKOL, spol. s r.o., org. složka

Hečkova 2, Martin 036 01,

DIČ: 35676957.

Jan Dolník – Manager

Permanent business premises were established in Kazakhstan in 2001

ATYRAU

Ing. Stanislav Parýzek – Manager

Permanent business premises were established in Germany in 2002

SAYDA

Ms. Anja Schuster – Manager

## ANNEX TO FINANCIAL STATEMENT 2008

3.	<b>The company participates in the registered capital in another company with a share of more than 20 %</b>		
	<b>Strejček spol. s r.o. Brno, IČO 25346245</b>		<b>100 %</b>
	Equity at 31. 12. 2008		4 569 thousand CZK
	Profit in 2008		530 thousand CZK
	Revenues in 2008		7 418 thousand CZK
	The company runs a designing office business.		
	<b>TENERGO Brno, a.s. Brno</b>		<b>50 %</b>
	Equity in 2008		40 054 thousand CZK
	Profit in 2008		4 471 thousand CZK
	Revenues in 2008		232 541 thousand CZK
	TENERGO is a holder of a license for heat generation and distribution in the territory of Devínská Nová Ves and in Snina.		
	<b>EKOL GmbH Energiesysteme, Aachen, BRD</b>		<b>70 %</b>
	Loss in 2001		7 685 thousand CZK
	There were serious disagreements in the management of this German company and it was impossible to assert the influence as the majority partner. The 2001 financial statement was not approved by the general meeting. The 2002 to 2008 financial statements have not yet been submitted by this company. For this serious material reason, the provision of Act No. 563/91 Coll., Section 27 on real asset pricing cannot be fulfilled. In compliance with Art. 5 of this Section, the valuation by real value must be carried out for all subsidiary companies. Since basic documents of EKOL GmbH Berlin are missing, the task cannot be fulfilled.		
	<b>ETE OOO, S. Petersburg, Russian Federation</b>		<b>33 %</b>
	No business yet		
	<b>EKOL TURBO, a.s. Brno</b>		<b>51 %</b>
	Vlastní kapitál v roce 2008		1 907 tis. Kč
	Zisk za rok 2008		-73 tis. Kč
	Tržby za rok 2008		0 tis. Kč
	Dosud bez činnosti		
	<b>EKOL Energo s.r.o. Brno</b>		<b>100 %</b>
	Equity in 2008		1 907 thousand CZK
	Profit in 2008		73 thousand CZK
	Revenues in 2008		0 thousand CZK
	No business yet		
4.	<b>Personnel and wages data</b>	2007	2008
	Average number of employees	159	105
	Wages and salaries in thousands CZK	49 838	44 940
	Management	10	8
	Wages and salaries in thousands CZK	4 686	6 114
5.	<b>Receivables</b>	2007	2008
	Total	379 670 thousand CZK	409 778 thousand CZK
	Out of which trade receivables	203 489 thousand CZK	205 027 thousand CZK

Our company pays great attention to receivables after the maturity date. There are four customers in bankruptcy and legal proceedings whose receivables cannot endanger the financial stability of the company. According to the Reserve Act, adjustments amounting to the total sum of 2 822 thousand CZK (at Dec. 31, 2008) were created for these and further receivables. In the expense of 2008 the adjustment creation amounts to 0 thousand CZK.

According to the decision of the General Meeting of October 8, 2007, the receivables from the subsidiary company Ekol GmbH Energiesysteme Berlin in the total amount of 49 972 thousand CZK were written off to debit side of expenses together with the cancellation of adjustments from previous years.

They will be still kept separately in the off-balance sheet accounts of the company accountancy.

**ANNEX TO FINANCIAL STATEMENT 2008**

6. Payables	2007	2008
Total	338 330 thousand CZK	433 036 thousand CZK
Out of which trade payables	139 483 thousand CZK	147 138 thousand CZK

The cause of the increase of payables consists in the increase of volume of job orders.

Payables over 180 days	0 CZK
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All payables are real.

Payables outside accounting – leasing – amount to 1,119 thousand CZK.

There are no long-term payables except for the deferred tax payables.

7. Ordinary revenues	
Total	845 726 thousand CZK
Czech Republic	311 162 thousand CZK
Egypt	314 718 thousand CZK
Slovakia incl. organizational unit	12 927 thousand CZK
Poland	157 640 thousand CZK
Russia	46 884 thousand CZK
Romania	2 395 thousand CZK

8. Changes in equity	State at 31.12.2007	Changes	State at 31.12.2008
Registered capital	5 000	0	5 000
Capital funds	7 170	0	7 170
Reserve fund	500	0	500
Other funds	0	0	0
Retained earnings from previous years	425 717	+45 137	471 036
Accumulated losses from previous years –			
deferred taxes from all previous years	0	-183	-183
Profit of the current year	45 320	-30 270	15 050
Total	483 707	14 867	498 573

**9. Other information on the company**

Research and development

The research and development work at 31. 12. 2008 were not activated.

Payables to health insurance companies, social welfare and state budget:

All payables which arose in 2008 were paid within legal deadlines.

The payables at 31. 12. 2008 were paid before 31. 1. 2009.

Environmental issues and safety at work:

No penalties or sanctions were due in 2008. The illness rate and the accident rate do not deviate from usual average.

**10. Changes after the date of financial statement**

## CONSOLIDATED FINANCIAL STATEMENT AT DEC. 31, 2008

### ASSETS

(in thousands CZK)	line no.	2008	2007
<b>A. RECEIVABLES FOR CAPITAL SUBSCRIPTION</b>	<b>001</b>	<b>0</b>	
<b>B. LONG-TERM ASSETS</b>	<b>002</b>	<b>349 577</b>	<b>277 919</b>
<b>B.I. Long-term intangible fixed assets</b>	<b>003</b>	<b>8 586</b>	<b>8 686</b>
1. Incorporation expense	004	43	47
2. Research and development	005	0	0
3. Software	006	7 053	6 186
4. Valuable rights	007	1 490	2 453
5. Goodwill	008	0	0
6. Valuable rights	009	0	0
7. Long-term intangible assets under construction	010	0	0
8. Advance payments for long-term intangible assets	011	0	0
<b>B.II. Long-term tangible fixed assets</b>	<b>012</b>	<b>337 950</b>	<b>268 499</b>
1. Land	013	18 487	15 552
2. Buildings, halls and structures	014	116 778	119 561
3. Machinery, equipment, vehicles furniture and fixtures	015	186 947	123 034
4. Perennial crops	016	0	0
5. Breeding and draught animals	017	0	0
6. Other tangible fixed assets	018	0	0
7. Long-term tangible fixed assets under construction	019	18 543	9 551
8. Advance payments for tangible fixed assets	020	120	801
9. Difference in valuation to acquired assets	021	0	0
<b>B.III. Long-term financial assets</b>	<b>022</b>	<b>736</b>	<b>734</b>
1. Shares and ownership interests in governed and controlled enterprises	023	640	640
2. Shares and ownership interests in enterprises with substantial influence	024	96	94
3. Other long-term securities and shares	025	0	0
4. Bank loans – controlling & governing enterprise, substantial influence	026	0	0
5. Other long-term financial assets	027	0	0
6. Acquisition of long-term financial assets	028	0	0
7. Advance payments for long-term financial assets	029	0	0
<b>B.IV. POSITIVE CONSOLIDATION DIFFERENCE</b>	<b>030</b>	<b>2 305</b>	<b>0</b>
<b>B.IV.(-) NEGATIVE CONSOLIDATION DIFFERENCE</b>	<b>031</b>	<b>0</b>	<b>0</b>
<b>B.V. SECURITIES AND SHARES IN EQUIVALENCE</b>	<b>032</b>	<b>0</b>	<b>0</b>
<b>C. CURRENT ASSETS</b>	<b>033</b>	<b>750 984</b>	<b>596 150</b>
<b>C.I. Inventory</b>	<b>034</b>	<b>300 893</b>	<b>217 181</b>
1. Materials	035	-51 818	39 296
2. Work-in-progress and semi-finished products	036	348 931	177 878
3. Finished products	037	28	0
4. Animals	038	0	0
5. Goods	039	3 751	2
6. Advance payments for inventory	040	0	5
<b>C.II. Long-term receivables</b>	<b>041</b>	<b>0</b>	<b>0</b>
2. Receivables – from enterprises with controlling & governing influence	043	0	0
3. Receivables – from enterprises with substantial influence	044	0	0
4. Receivables – from partners and participants in an association	045	0	0
5. Long-term advance payments	046	0	0
6. Estimated accrued revenues	047	0	0
7. Other receivables	048	0	0
8. Due from state – deferred taxes	049	0	0
<b>C.III. Short-term receivables</b>	<b>050</b>	<b>288 799</b>	<b>290 122</b>
1. Trade receivables	051	170 396	204 474
2. Receivables – from controlling & governing enterprises	052	7 094	0
3. Receivables – from enterprises with substantial influence	053	0	0
4. Receivables from partners and participants in an association	054	1 115	0
5. Social security and health insurance	055	0	0
6. Due from state – tax receivables	056	16 284	18 512
7. Short-term advance payments	057	84 491	64 817
8. Estimated accrued revenues	058	2 346	10
9. Other receivables	059	7 073	2 309
<b>C.IV. Short-term financial assets</b>	<b>060</b>	<b>161 292</b>	<b>88 847</b>
1. Cash	061	1 656	1 358
2. Bank accounts	062	159 636	87 489
3. Short-term securities and shares	063	0	0
4. Short-term financial assets	064	0	0
<b>D.I. Accruals</b>	<b>065</b>	<b>7 906</b>	<b>4 900</b>
1. Deferred expense	066	5 726	4 271
2. Complex deferred expense	067	0	0
3. Accrued revenues	068	2 181	629
<b>TOTAL ASSETS (A+B+C)</b>	<b>069</b>	<b>1 108 466</b>	<b>878 969</b>

## CONSOLIDATED FINANCIAL STATEMENT AT DEC. 31, 2008

### LIABILITIES

(in thousands CZK)	line no.	2008	2007
<b>A. EQUITY</b>	<b>070</b>	<b>519 160</b>	<b>488 827</b>
<b>A.I. Registered capital</b>	<b>071</b>	<b>5 000</b>	<b>5 000</b>
1. Registered capital	072	5 000	5 000
2. Own shares	073	0	0
3. Changes of equity	074	0	0
<b>A.II. Capital funds</b>	<b>075</b>	<b>7 170</b>	<b>7 170</b>
1. Share premium	076	0	0
2. Other capital funds	077	7 170	7 170
3. Gains or losses from revaluation of assets and payables	078	0	0
4. Gains or losses from revaluation in changes	079	0	0
<b>GAINS AND LOSSES FROM CONSOLIDATED ADJUSTMENTS</b>	<b>080</b>	<b>0</b>	<b>0</b>
<b>A.III. Reserve funds, indivisible fund and other funds created from net profit</b>	<b>081</b>	<b>1 059</b>	<b>1 058</b>
1. Legal reserve fund	082	1 059	1 058
2. Statutory and other funds	083	0	0
<b>A.IV. Profit (loss) of previous years</b>	<b>084</b>	<b>475 356</b>	<b>436 649</b>
1. Retained earnings from previous years	085	475 550	436 649
2. Accumulated losses from previous years	086	-193	0
<b>A.V. Profit (loss) of current period</b>	<b>087</b>	<b>30 575</b>	<b>38 950</b>
<b>A.V.2. SHARE ON PROFIT (LOSS) OF CURRENT PERIOD</b>	<b>088</b>	<b>0</b>	<b>0</b>
<b>A.VI. CONSOLIDATION RESERVE FUND</b>	<b>089</b>	<b>0</b>	<b>0</b>
<b>B. LIABILITIES</b>	<b>090</b>	<b>516 859</b>	<b>372 856</b>
<b>B.I. Reserves</b>	<b>091</b>	<b>0</b>	<b>0</b>
1. Reserves acc. To special legal regulations	092	0	0
2. Reserve for pensions and other liabilities	093	0	0
3. Reserve for income tax	094	0	0
4. Other reserves	095	0	0
<b>B.II. Long-term payables</b>	<b>096</b>	<b>9 711</b>	<b>6 552</b>
1. Trade payables	097	0	2
2. Payables – from controlling & governing enterprises	098	0	0
3. Receivables – from enterprises with substantial influence	099	0	0
4. Receivables from partners and participants in an association	100	0	0
5. Long-term advance payments	101	0	0
6. Issued bonds	102	0	0
7. Drafts at long sight	103	0	0
8. Estimated accrued expenses	104	0	0
9. Other receivables	105	4	2
10. Due to state – deferred taxes	106	9 707	6 548
<b>B.III. Short-term payables</b>	<b>107</b>	<b>459 311</b>	<b>330 599</b>
1. Trade payables	108	177 648	168 839
2. Payables – from controlling & governing enterprises	109	0	-17 223
3. Receivables – from enterprises with substantial influence	110	0	0
4. Receivables from partners and participants in an association	111	0	81
5. Payables to employees	112	4 984	4 175
6. Payables to social security	113	2 845	2 576
7. Due to state – taxes and subsidies	114	9 324	612
8. Short-term advance payments received	115	239 381	156 077
9. Issued bonds	116	0	0
10. Estimated accrued expenses	117	20 886	13 626
11. Other payables	118	4 246	1 836
<b>B.IV. Bank loans</b>	<b>119</b>	<b>47 837</b>	<b>35 705</b>
1. Long-term bank loans	120	33 936	30 765
2. Short-term bank loans	121	13 901	4 940
3. Short-term financial assistance	122	0	0
<b>C.I. Accruals</b>	<b>123</b>	<b>71 514</b>	<b>17 286</b>
1. Accrued expense	124	71 105	17 122
2. Deferred revenues	125	409	164
<b>D. MINORITY EQUITY CAPITAL</b>	<b>126</b>	<b>934</b>	<b>0</b>
<b>D.I. MINORITY REGISTERED CAPITAL</b>	<b>127</b>	<b>980</b>	<b>0</b>
<b>D.II. MINORITY CAPITAL FUNDS</b>	<b>128</b>	<b>0</b>	<b>0</b>
<b>D.III. MINORITY RETAINED EARNINGS INCL. RETAINED EARNINGS FROM PREV. YEARS</b>	<b>129</b>	<b>-10</b>	<b>0</b>
<b>D.IV. PROFIT (LOSS) – CURRENT ACCOUNTING PERIOD</b>	<b>130</b>	<b>-36</b>	<b>0</b>
<b>TOTAL LIABILITIES (A+B+C+D)</b>	<b>131</b>	<b>1 108 466</b>	<b>878 969</b>

## CONSOLIDATED FINANCIAL STATEMENT AT DEC. 31, 2008

### PROFIT AND LOSS ACCOUNT

(in thousands CZK)	line no.	2008	2007
I. Revenues from goods (+)	01	12 898	11
<b>A. Cost of goods sold (-)</b>	<b>02</b>	<b>10 957</b>	<b>0</b>
+ Sale margin	03	1 942	11
II. Production	04	1 063 427	789 944
1. Revenues from own products and services (+)	05	881 299	676 675
2. Change in inventory of own production and services	06	181 999	112 341
3. Capitalization (+)	07	129	928
<b>B. Production consumption</b>	<b>08</b>	<b>898 888</b>	<b>634 693</b>
1. Consumed material and utilities expense	09	608 855	382 489
2. Services	10	290 032	252 204
+ Added value	11	166 481	155 262
<b>C. Personnel expense</b>	<b>12</b>	<b>111 415</b>	<b>82 426</b>
1. Wages and salaries	13	81 413	60 097
2. Remuneration to board members	14	0	88
3. Social security expense	15	27 950	20 762
4. Social security expense	16	2 052	1 479
<b>D. Taxes and fees</b>	<b>17</b>	<b>661</b>	<b>4 220</b>
<b>E. Depreciation of intangible and tangible fixed assets</b>	<b>18</b>	<b>35 024</b>	<b>25 247</b>
ACCOUNTING (DEPRECIATION) FOR OPERATING PROFIT	19	-121	0
III. Revenues from disposals of fixed assets and materials	20	11 983	1 601
1. Revenues from disposals of fixed assets	21	9 463	200
2. Revenues from disposals of materials	22	2 520	1 401
<b>F. Net book value of disposed fixed assets and materials sold</b>	<b>23</b>	<b>13 888</b>	<b>1 736</b>
1. Net book value of disposed fixed assets sold	24	11 580	685
2. Sold material	25	2 308	1 051
<b>G. Change in reserves and adjustments in operating area and deferred complex expense</b>	<b>26</b>	<b>-34</b>	<b>-61 123</b>
IV. Other operating revenues	27	8 604	728
<b>H. Other operating expenses</b>	<b>28</b>	<b>2 309</b>	<b>54 671</b>
V. Transfer of operating revenues	29	0	0
<b>I. Transfer of operating expense</b>	<b>30</b>	<b>0</b>	<b>0</b>
Operating profit (loss)	31	23 805	50 414
CONSOLIDATED OPERATING PROFIT (LOSS)	32	23 684	50 414
VI. Revenues from sales of securities and shares	33	0	0
<b>J. Securities and shares sold</b>	<b>34</b>	<b>0</b>	<b>0</b>
VII. Revenues from long-term financial assets	35	0	0
1. Revenues from shares in controlled and governed enterprises and accounting entity under substantial influence	36	0	0
2. Revenues from other long-term securities and shares	37	0	0
3. Revenues from other long-term financial assets	38	0	0
VIII. Revenues from short-term financial assets	39	0	0
<b>K. Expense from financial assets</b>	<b>40</b>	<b>0</b>	<b>0</b>
IX. Revenues from revaluation of securities and derivatives	41	0	0
<b>L. Expense for revaluation of securities and derivatives</b>	<b>42</b>	<b>0</b>	<b>0</b>
<b>M. Change in reserves and adjustments in financial area</b>	<b>43</b>	<b>0</b>	<b>0</b>
X. Interest received	44	2 256	3 451
<b>N. Interest expense</b>	<b>45</b>	<b>5 836</b>	<b>2 950</b>
XI. Other financial revenues	46	1 873 998	499 201
<b>O. Other financial expense</b>	<b>47</b>	<b>1 856 647</b>	<b>498 811</b>
XII. Transfer of financial revenues	48	0	0
<b>P. Transfer of financial expense</b>	<b>49</b>	<b>0</b>	<b>0</b>
Transfer of financial expense	50	13 771	891
CONSOLIDATED PROFIT (LOSS) FROM FINANCIAL OPERATIONS	51	13 771	891
<b>Q. Income tax on ordinary income</b>	<b>52</b>	<b>7 947</b>	<b>18 220</b>
1. due	53	4 788	16 901
2. deferred	54	3 159	1 319
Ordinary income	55	29 629	33 085
CONSOLIDATED ORDINARY INCOME	56	29 508	33 085
XIII. Extraordinary revenues	57	1 063	5 865
<b>R. Extraordinary expense</b>	<b>58</b>	<b>32</b>	<b>0</b>
<b>S. Income tax on extraordinary income</b>	<b>59</b>	<b>0</b>	<b>0</b>
1. due	60	0	0
2. deferred	61	0	0
Extraordinary income	62	1 031	5 865
CONSOLIDATED EXTRAORDINARY INCOME	63	1 031	5 865
<b>T. Transfer of profit or loss to partners</b>	<b>64</b>	<b>0</b>	<b>0</b>
Profit (loss) of current accounting period	65	30 660	38 950
KCONSOLIDATED PROT (LOSS) FOR ACCOUNTING PERIOD WITHOUT EQUIVALENCE RATIO	66	30 539	38 950
z toho: profit (loss) of current accounting period without minority shares	67	30 575	38 950
minority profit (loss) of current accounting period	68	-36	0
SHARE IN PROFIT (LOSS) IN EQUIVALENCE	69	0	0
Profit (loss) before tax	70	38 607	57 170
CONSOLIDATED PROFIT (LOSS) FOR ACCOUNTING PERIOD	71	30 539	38 950

## CONSOLIDATED FINANCIAL STATEMENT AT DEC. 31, 2008

### 1. DEFINITION OF CONSOLIDATION UNIT

#### 1.1 a) Parent company EKOL, spol. s r.o.

Name, registered address	Parent company	subsidiary	Share in fixed assets (participation)	Degree of dependence on ZJ (influence)	Consolidation method	Date of financial statement
EKOL energo s.r.o. Křenová 65, Brno	x		100%	100%	A	31. 12. 2008
STREJČEK spol. s r.o.	x		100%	100%	A	31. 12. 2008
EKOL TURBO, a.s.Brno		x	51%	51%	A	31. 12. 2008
TENERGO Brno, a.s. Křenová 65, Brno		x	50,0%	50,0%	B	31. 12. 2008

Note: Consolidation method:  
 A – full consolidation method  
 B – proportional consolidation method

The financial statements of the above-mentioned companies were elaborated according to Czech regulations at 31. 12. 2008.

#### 1.1 b) Companies excluded from the consolidation duty

Name, registered address	Reason for exemption from consolidation duty
E. T. E. o. o. o. Russia – 33 %	The company does not submit any information. Its share in the turnover of the consolidation unit is negligible.
EKOL GmbH Energysysteme	The company does not submit any information. There were disagreements concerning the management – the influence of the majority owner is unenforceable.

#### 1.1 c) Consolidation system

Direct consolidation of all companies of the consolidation unit at the same time.

## 2 GENERAL INFORMATION

### 2.1 Average number of employees

of the consolidation unit during the period of drawing up the consolidated financial statement:

	Employees		Out of this managing staff	
	2007	2008	2007	2008
Average number	190	246	14	12
Staff costs	82 426	111 415	10516	9013
consisting of - wage costs	60 097	81 413	7 677	6579
- remunerations to members of company bodies	88	0	88	0
- social and health insurance costs	20 762	27 950	2629	2253
- social security expenses	1 479	2 052	189	16261

2.2 The amount of remunerations, advance payments, loans and other receivables, liabilities and other performances, received or rendered guarantees and/or covenants to perform including pension scheme, both in monetary and natural form – for members of statutory, control and supervisory bodies including the former members of such bodies (including interest rate and main conditions):

Life insurance	415
For shareholders	16
For members of statutory bodies	16

### 2.3 Survey of method of transformation of data from individual accounting to CFS (v thousand CZK)

- included in the CFS are the amounts from each item of the Balance sheet and the Profit and Loss Account in the above-mentioned share values from the allied companies
- excluded from CFS are share contributions to the full amount
- excluded from CFS are mutual links in cost and expense items from services amounting to 65 793 thousand CZK.

**CONSOLIDATED FINANCIAL STATEMENT AT DEC. 31, 2008**

Data in thousands CZK	EKOL energo s.r.o.	STREJČEK spol. s r.o.	EKOL Turbo, a.s	Tenergo a.s.
Registered capital	105 000	926	1 020	5 000
Shares	106 443	4 963	1 020	5 000
Excluded from CFS				
Profit (loss) 2008			-36	2 236

As share in profit of the other shareholder in the above-mentioned companies

- the amount of 141 174 thousand CZK as the balance of unpaid inter-company invoices is excluded on both sides from the sum of short-term receivables and short-term liabilities including loans.

**2.4 Information on accounting methods and general accounting principles**

- all accounting entities keep accounts in accordance with Czech regulations (transformation into the Czech accounting system is carried out for the organizational units abroad)
- charts of accounts and arrangement of items of statements are identical
- evaluation of property and liabilities is in conformity with the Accounting Act
- foreign currency is transferred to CZK with invoices received and issued by a fixed exchange rate fixed according to the CNB exchange rate at the first day of the month; at the end of the fiscal year, the conversion is done according to the CNB rate of exchange.
- the consolidation is carried out in conformity with the decree No. 500/02 Coll. and ČÚS No. 20

Changes as compared to the previous accounting periods:

- |   |  |
|---|--|
| a) changes in the method of evaluation (description, reason, amount):   | 0  |
| b) changes in procedures of keeping accounts (description, reason, amount):   | 0  |
| c) changes in methods of depreciation (description, reason, amount):  | 0  |
| d) change in arrangement and definition of contents of items of consolidated financial statement (description, reason, amount):   | changes resulting from Decree 500/2002 Coll. |
| e) changes in purchase and residual prices of long-term property (as compared to previous period in connection with the exchange rate conversion of accounts of consolidated accounting entities with registered office abroad, which keep their accounts in foreign currency, minimally according to individual kinds of such property): | 0  |
| e) share in profit (loss) independently or jointly controlled or managed persons and persons under substantial influence  | data given under 2.3.                        |
| f) profit and loss from sale of inventory and long-term property between accounting entities of the consolidation unit  |  |

**Sale of inventory**

Seller	Buyer	Goods on stock	Profit from sale
Ekol spol. s r.o. Brno	EKOL energo s.r.o. Brno	51 260	1 025
EKOL energo s.r.o. Brno	Ekol spol. s r.o. Brno	90 000	13 500

**Sale of long-term property**

Seller	Buyer	Property purchase price	Profit from sale
Ekol spol. s r.o. Brno	EKOL energo s.r.o. Brno	21 063	16 980
EKOL energo s.r.o. Brno	Ekol spol. s r.o. Brno	1 558	73



## CONSOLIDATED FINANCIAL STATEMENT AT DEC. 31, 2008

### 3 COMPLEMENTARY INFORMATION TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

#### 3.1 Comments and grounds for change of equity of consolidated unit

between two consolidations, especially in case of change of scope of consolidation unit and settlement of securities and shares issued by the consolidating accounting entity held by the consolidated accounting entities. Between the consolidations of 2007 and 2008, the consolidation unit was expanded by the share of 50% in Strejček spol. s r.o.

The equity of the consolidated unit increased interannually from 488,827 thousand CZK to 519,160 thousand CZK, especially as a result of the achieved profit of the current accounting period amounting to 30,575 thousand CZK.

#### 3.2 Comments to data on:

##### a) Overdue outstanding debts:

- They are especially receivables overdue by more than 180 days in EKOL Brno, to which an adjustment of 100% has been created.

Time	Amount in thousands of CZK	
	2007	2008
180 and more days	2 868	2 822

##### b) Závazcích po lhůtě splatnosti

Time	Amount in thousands of CZK	
	2007	2008
180 and more days	0	0

##### c) Receivables from accounting entities of the consolidation unit with date of maturity more than 5 years:

0

##### d) Payables to accounting entities of the consolidation unit with date of maturity more than 5 years:

0

#### 3.3 Total amount of further payables, if any (3.3both non-monetary and monetary), which are not monitored in current accounting of individual enterprises of the consolidation unit and are not mentioned in the consolidated balance sheet:

- They are especially payables resulting from leasing agreements with the parent company, whose total amount is 1,119 thousand CZK at 31.12.2008 (2,286 thousand CZK – 2007).

#### 3.4 Revenues from routine activity in the following breakdown – domestic, foreign countries:

Main activity	Domestic		Foreign countries		Total	
	2007	2008	2007	2008	2007	2008
Revenues from goods and services	295 049	346 735	383 966	534 564	679 015	881 299

#### 3.5 Character and commercial purpose of operations of accounting entities

of the consolidation unit, if the risks or benefits from these operations are significant and if the publication of such risks or benefits is necessary to evaluate the financial situation of the accounting entity; information on the financial impact of such operations on the accounting entity.

0

#### 3.6 Information on transactions made by the accounting entities of the consolidation unit with an allied party, including the volume of such transactions, the nature of the relation to the allied party and other information on such transactions, which is necessary to understand the financial situation of the accounting entity, if such transactions are significant and have not been made under ordinary market conditions

0

#### 3.7 Audit cost

The holding companies expended for the audit for the accounting period 150 thousand CZK

#### 3.8 Significant events after the date of the financial statement.







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