



Annual Report

2009

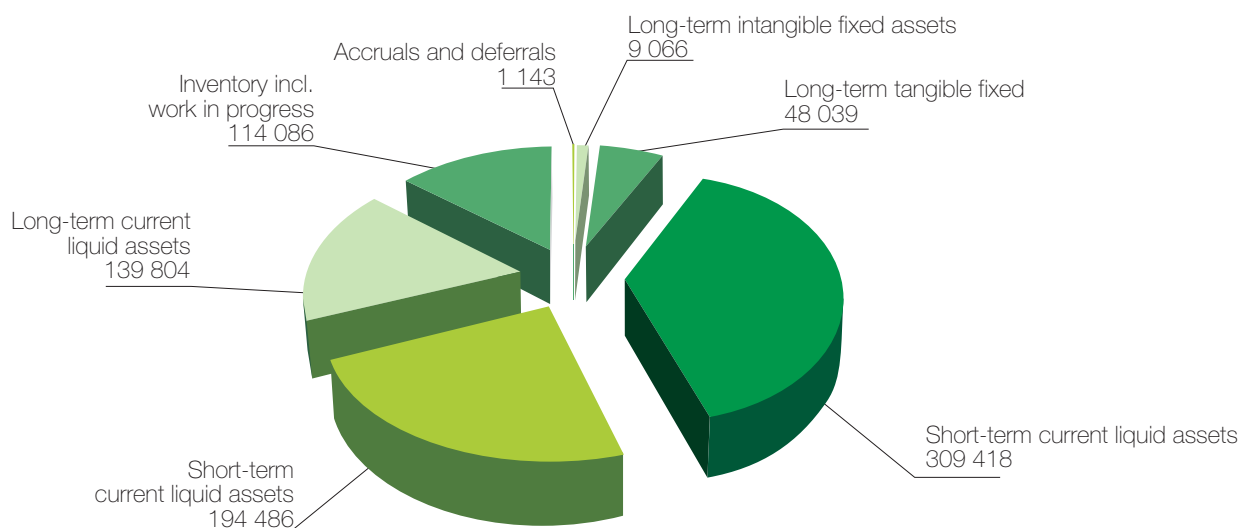
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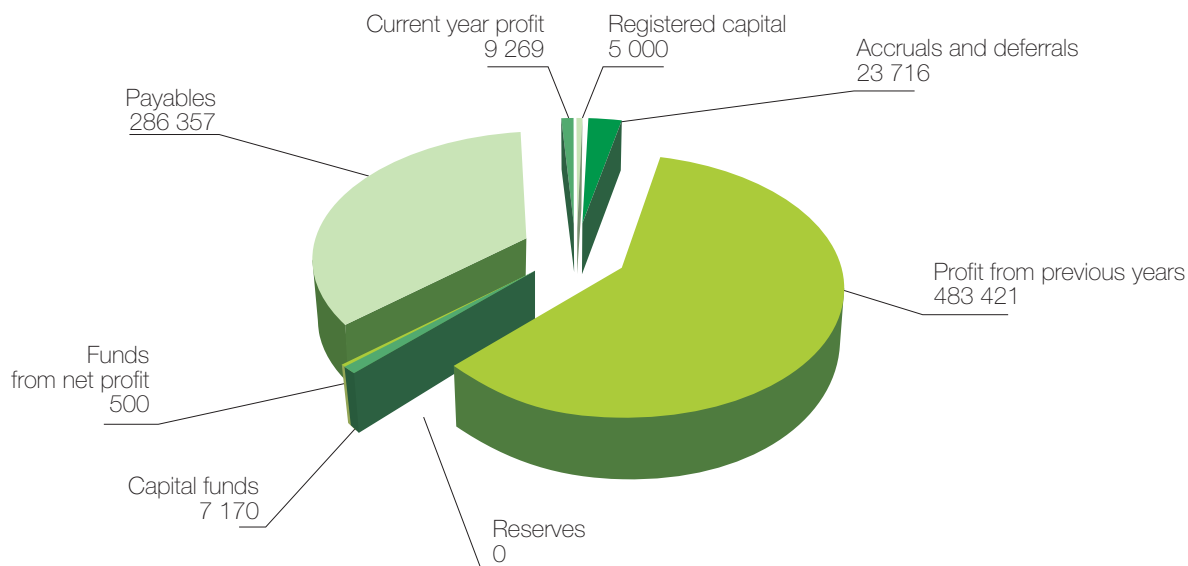
## SELECTED FINANCIAL INDICATORS

Index (in thousands CZK)	2009	2008	2007
PRODUCTION AND GOODS SOLD	739 807	828 540	697 444
OF WHICH: REVENUES	803 255	823 161	584 418
OUTPUT CONSUMPTION	606 544	769 905	566 585
ADDED VALUE	76 270	39 315	130 856
NET PROFIT	9 269	15 050	45 320
TOTAL ASSETS	816 042	943 327	829 883
CURRENT ASSETS	617 990	763 170	646 312
LIABILITIES	286 966	440 019	346 176
EQUITY	505 360	498 573	483 707

Structure of assets 2009 (in thousands of CZK): 816 042



Structure of liabilities 2009 (in thousands of CZK): 816 042





## GENERAL MANAGER'S FOREWORD

Ladies and gentlemen,

Since 2009, Ekol has had its own specialists in planning, designing, manufacturing and commissioning steam turbines and boilers. Consequently, Ekol, spol. s r.o., is the only company in the Czech Republic with the advantage to supply the market with complete power plants. In the field of power plants Ekol concentrates on trigeneration. This line of business is completed with supplies of gas turbines purchased from renowned world manufacturers. Thus, we are able to design and supply steam gas power plants with the best thermal efficiencies and operation variability.

Our priority in supplying heat & power plants is the individual approach to the customer. Based on the customer's specifications we optimize the thermal cycle in order to achieve the maximum efficiency in both the summer and the winter operation. The price, the time of delivery and, of course, the quality of the supply are our further priorities.

In addition to heat & power plants, Ekol also focuses on piece supplies for steam turbines, steam boilers and spare parts for the said equipment. A considerable market share is represented by biomass technologies using wood chips, straw from different crops and bagasse as fuel. We offer a wide range of individual supplies or complete heat & power plants.

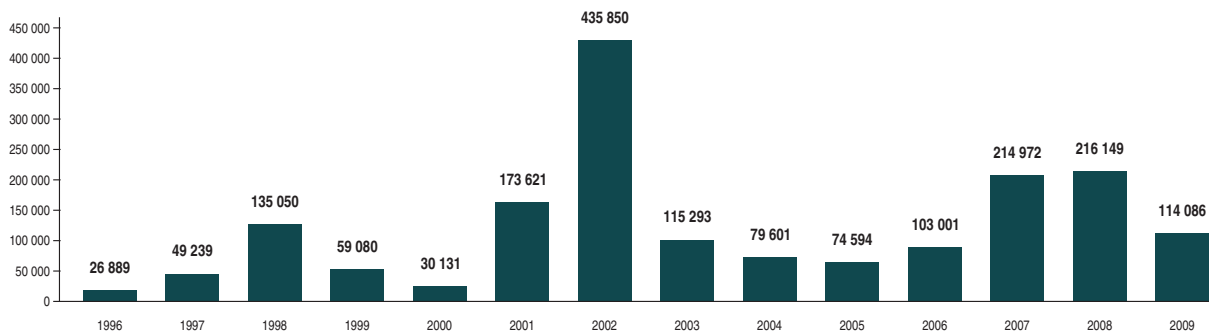
In 2009, the strategic goal of Ekol was reducing the steam turbine and boiler manufacture cost. This commitment is associated with the research and development tasks in the field of thermodynamic and strength calculations and unification which will be continued also in the coming years.

I assess the 2009 results as favorable and express my thanks to all staff members for their achievements. My thanks go also to our customers for their confidence and trust.

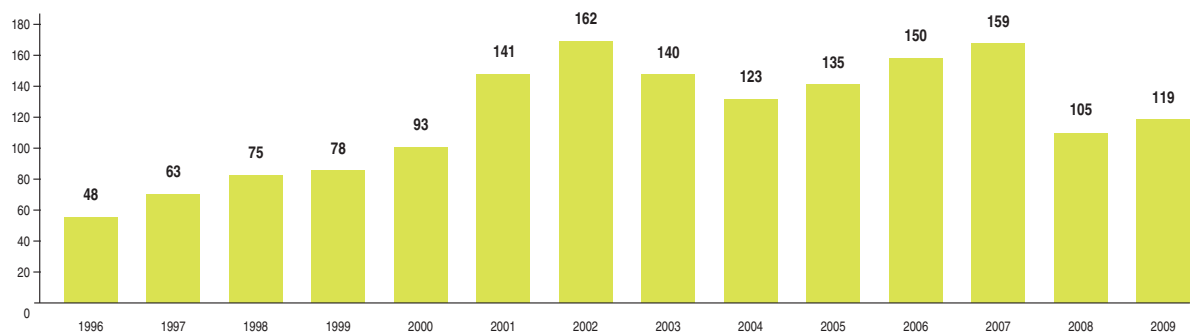
Prof. Ing. Stanislav Veselý, CSc.  
General Manager, EKOL, spol. s r. o.

## DEVELOPMENT 1996–2009

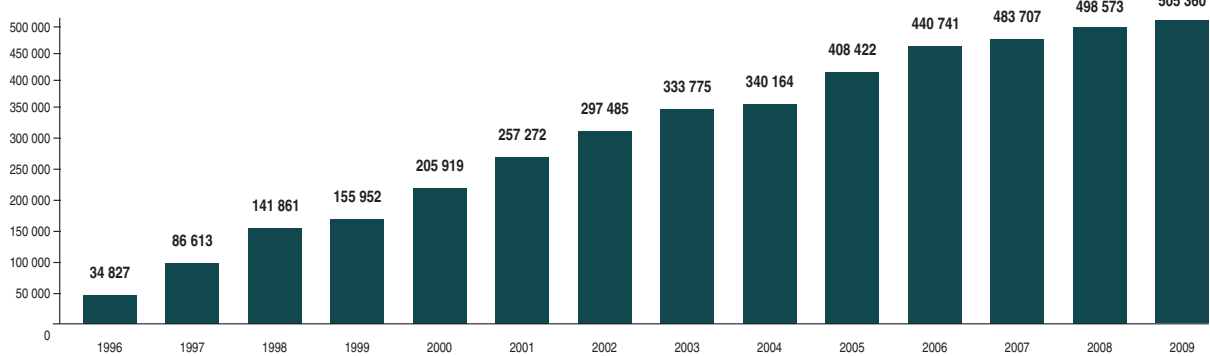
Inventory including work in progress (in thousands CZK)



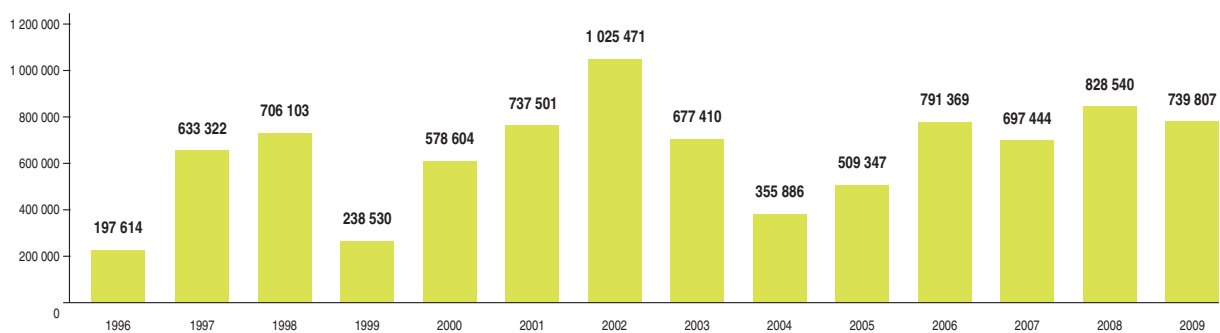
Number of employees (in persons)

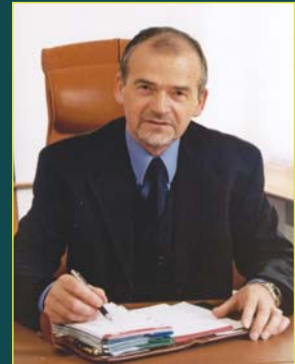


Equity (in thousands of CZK)



Production and goods sold (in thousands of CZK)





## FINANCE MANAGER'S COMMENTS

Dear business partners,

Part of the present annual report 2009 is an assessment which also gives the view of the development of the company since its establishment.

Although the company can be very positively assessed from the point of view of the development of equity capital as one of the major economic indices, because no decrease has taken place throughout the entire period, it is not easy for me as the finance manager to assess the 2009 results.

Looking at the economic indices, we are aware that the world crisis has not spared our company either – the planned volumes of performances have not been met. It was only the austerity measures that lead to the achievement of acceptable economic results.

As you have already been informed, Ekol expanded its production activity with commissioning a new investment in the EKOL energo subsidiary in 2008, which is responsible for the complete manufacture especially of steam turbines and spare parts for gas turbines.

In the middle of 2009 Ekol decided to expand its power engineering business with boiler supplies. This decision manifests itself of course fully in the 2009 economic indices not only by the increase of wage cost invested in these projects.

But at what other time should we be optimistic than at the time when we are not successful as we would wish to be so that we have enough energy to overcome the negative influences and to achieve the pursued goals.

As it follows from the General Manager's foreword, Ekol has nowadays thanks to its enormous development since 2007 capacities, products and equity capital of its own which give it possibilities to be a much greater player on the market in the field of supplies for power engineering than till now. I believe that thanks to the changes we have invested into we will be able to implement our plans and achieve our goals when the world economic crisis is overcome.

The 2009 results achieved by the group and included in the consolidated financial statements are positive.

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



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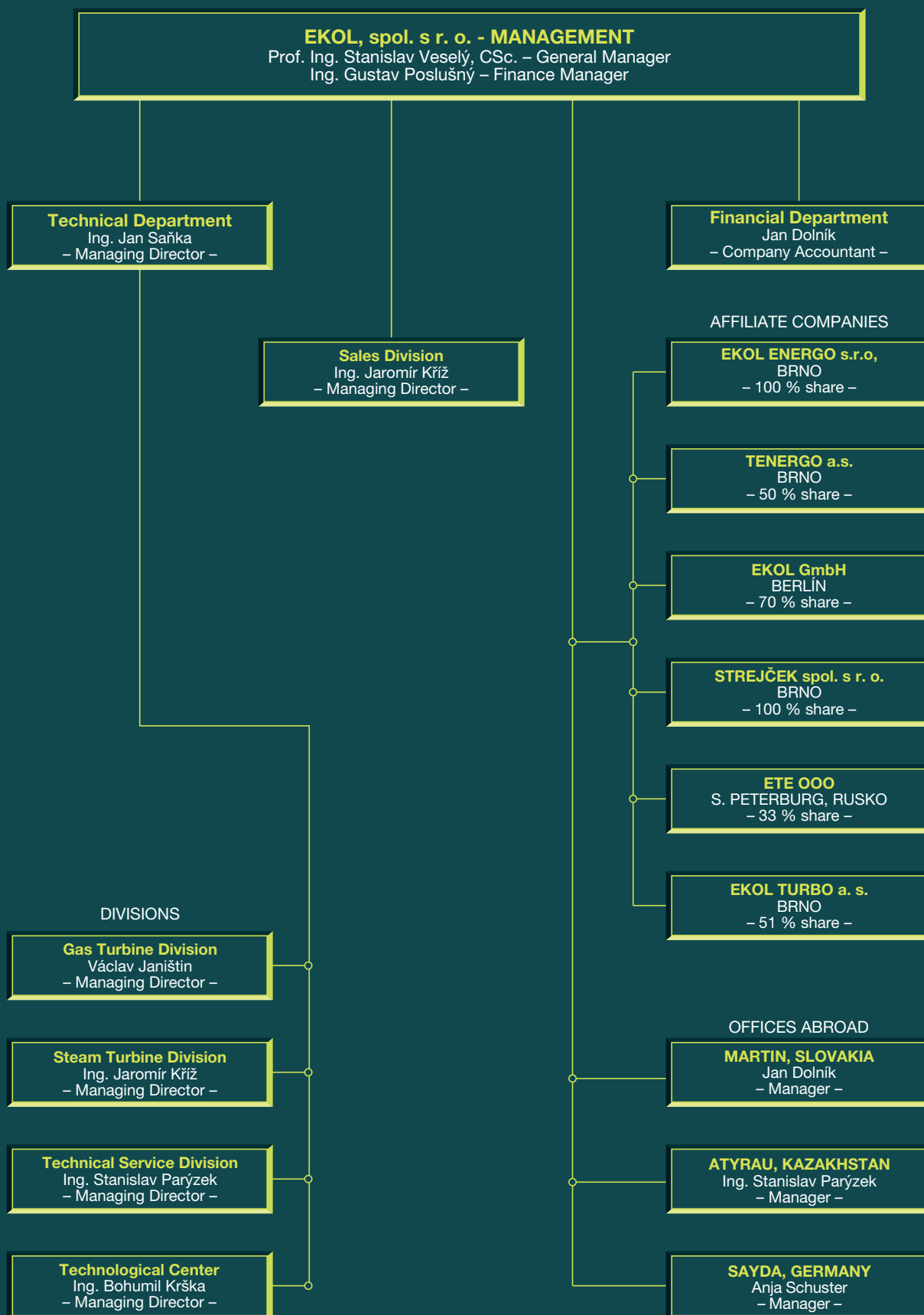
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7

- 1 Ing. Vratislav Goj
- 2 Ing. Jan Saňka
- 3 Ing. Jaromír Kříž
- 4 Václav Janišťin
- 5 Ing. Bohumil Krška
- 6 Ing. Stanislav Pařízek
- 7 Jan Dolník

## ORGANIZATIONAL STRUCTURE





## COMPANY PROFILE

### I. GAS TURBINES

EKOL purchases gas turbines for its deliveries from world turbine manufacturers. The gas turbines are delivered to the customer on a skid with an acoustic hood incl. design, erection and commissioning.

#### *Gas turbine accessories*

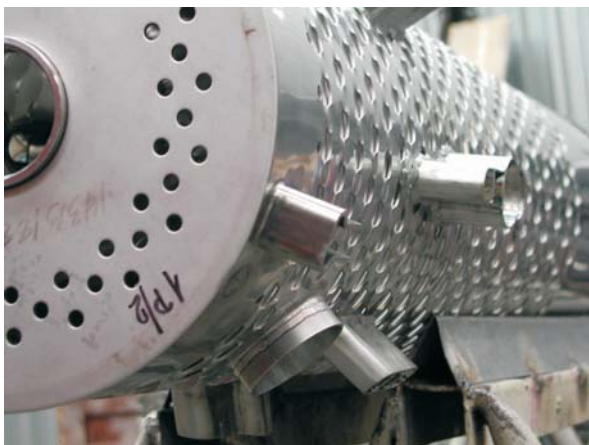
The company designs, manufactures and supplies gas turbine accessories for its own deliveries as well as deliveries of other suppliers.

#### *Spare parts*

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

#### *Retrofitting older gas turbine types:*

- to increase efficiency by installing new recuperators
- to increase power
- more comfortable operation as a result of the replacement of obsolete hydraulic systems by all-electronic systems
- to eliminate adverse effects of gas turbine operation on the 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 by installing efficient separators
  - reducing NO<sub>x</sub> and CO emissions by modifying combustion chamber burners and by supplying new burners with 3<sup>rd</sup> 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

Our goal is not only to elaborate the design according to the customer's requirements but also to cooperate with the customer during the preparation of offer. We endeavor to offer our customer a solution which they will appreciate especially during operation of the supplied equipment.

Based on the customer's requirement we offer optimization of parameters, the turbine type, the power, operation. The optimization is carried out in association with the other technology especially the steam source (steam boiler), the demand for heat and electricity supply. In connection with the design also the project economy is assessed.

#### Power output up to 60 MW for generator drive

Our turbine generators are supplied with back-pressure or condensing turbines. Depending on the 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 speed 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 with steam turbines. First of all, we supply steam turbine spare blades (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 re-commissioning 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 service 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 operational parameters

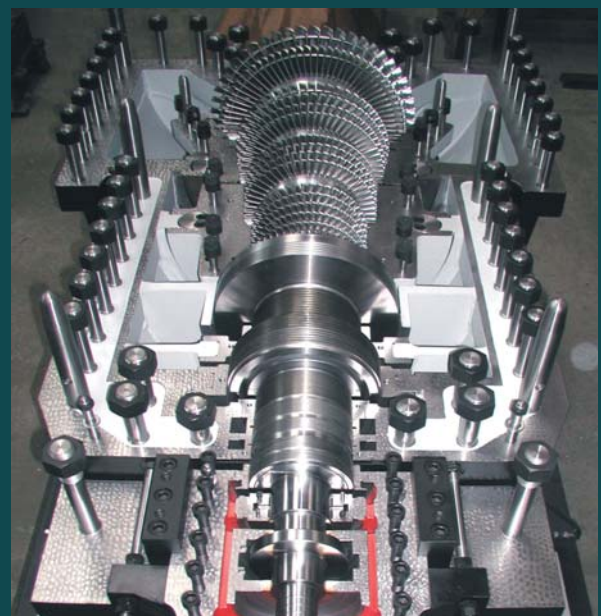
On operator's request for change of turbine operating parameters we perform the modification of the turbine encompassing the calculation, design of the new blading and modification of the new flow channel of the turbine with optimization to the newly defined parameters. The features in question are, 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 into the extraction system, etc.

#### Modernization

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 power engineering. The basic principle is to offer the best solution available. In power industry especially cogeneration and trigeneration technologies are being employed 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 biomass technologies. We at EKOL try to follow all the latest trends and offer complex services in capital investment. Therefore, our division has extended its activity also to the building business – especially building of industrial halls including technological equipment.



## COMPANY PROFILE

### III. POWER ENGINEERING UNITS

#### Conceptual decisions

*Technical-economic studies and analyses of co-generation and steam gas power plants*

#### Work preparation

*All stages of the design documentation*

#### Work implementation

*Complex deliveries based on EPC contracts or sub-deliveries*

#### Cogeneration units

*Electric output from 10 to 5000 kW, incl. all accessories*

#### Instrumentation & control and extraction of electric output

*Switchboards, cable lines, transformer stations*



### IV. BOILER DIVISION

#### Boilers and boiler houses – complete deliveries

Ekol furnishes complete steam, hot water and warm water boiler houses/boilers supplies using the following fuels as energy sources:

- Wood chips and wood waste
- Straw and biomass
- Bagasse
- Liquid and gaseous fuels
- Brown and bituminous coal
- Technological gases
- Waste heat (waste heat recovery boilers)

We offer the following range of general supplies:

- Design for building permission
- Boiler/boiler house planning and design
- Manufacture including supervision as part of the Quality Assurance System
- Equipment supplies and erection
- Commissioning
- Warranty and after-warranty service

Steam boilers for power plants or heat & power plants combined with a steam turbine for combined power and heat generation are the boiler division key product.

#### Boiler modernization and ecologization

We offer and perform modernization and ecologization of boilers.

We furnish the design and the supplies of supplementary heat exchanging surfaces of the existing equipment to improve their efficiency or modifications initiated by the change of the fuel base of the source of heat.

#### Partial supplies/boiler house and boiler accessories

As part of the complete or partial supplies of boiler houses, boilers and their accessories we will design and implement the following supplies:

- I&C
- Condensate systems for steam boiler houses

- Devices for thermal liquidation of waste gases or liquids from technological processes
- Water, steam, hot water and warm water piping
- Heat-exchanger plants
- Technology of thermal feed water treatment plants
- Storage tanks and expansion tanks

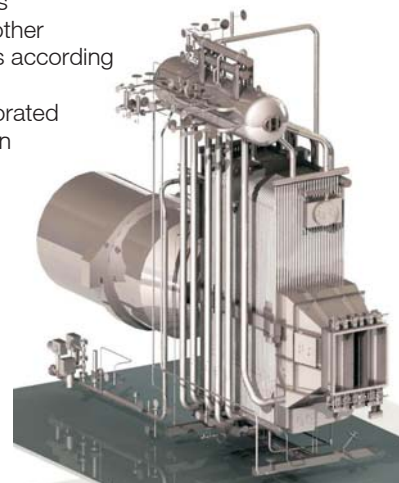
As part of our complex supplies we also provide designs, deliveries and erection of following equipment supplied on cooperation basis:

- Boiler house fuel systems (both internal and external)
- Clunker removal
- Dust and soot collection
- Power circuit wirings
- I&C master systems for technological units including links to existing equipment
- Civil part of final deliveries

#### Spare parts supplies

We supply spare parts:

- for own boilers
- for boilers of other manufacturers according to the original or newly elaborated documentation



## COMPANY PROFILE

### V. TECHNICAL SERVICES DIVISION – DESIGN DEPARTMENT, TECHNOLOGICAL CENTER

The turbine generators are designed not only to meet the customer's requirements but also to optimize the whole cycle. This helps to shorten the payback period of initial investments and optimize the total amount of the initial investment.

At present, we experience a considerable increase in requirements for shortening the times of delivery of turbine generators which can only be met with a high rate of unification. This was reason why the Technological Center (TC) was established within the Technical Services Division. Its major task is to unify and standardize the individual steam and gas turbine components. The TC activity is implemented in accordance with the Strategic general plan set up for 2008–2013.

The result of the TC activity is:

- To produce the complete design and manufacture documentation using new innovative elements and technologies for steam turbines.
- To protect the results of own activity – patents.

The unified series of steam turbine equipment of own design divided according to the rated output and type of equipment are elaborated step-by-step.

The TC activity encompasses processes from the elaboration of the design standard, the creation or completion of calculation and supporting programs, the creation and completion of design and manufacture documentation to the elaboration of standardized documentation for operation and maintenance.

The result of the successfully managed project will be a compact modular system of individual compatible turbine generator components and subgroups.

Range of technical parameters of EKOL steam turbines from the point of view of the design:

Turbine types:	Back-pressure – R
	Condensing – K
	Extraction – P, T, PP, PT, PR
Output classes:	1, 4, 6, 10, 12, 15, 20, 25, 30, 40, 50, 60 MW
Output classes:	3 000–20 000 min <sup>-1</sup>
Admission steam	
reference parameters:	3,5 MPa      435 °C
	6,4 MPa      480 °C
	9 MPa        535 °C
	13 MPa      535 °C



### VI. MACHINERY DIAGNOSTICS

The VIBROSERVIS Division offers services in measuring vibrations of industrial machines and equipment, vibration diagnostics, field balancing and alignment of machine couplings.

- Measuring broad-band vibrations
- Frequency analyses of mechanical vibrations
- Vibration analyses depending on machine speed and examining transfer functions using various methods to determine resonance regions
- Field balancing of rigid and flexible rotors without the necessity of machine dismantling
- Coupling alignment by laser device
- Measuring the state of bearings

Periodical diagnostic measurements by means of a data collector to obtain a permanent survey of the vibration situation even in large machinery. Long-term data archiving on a PC, creating trends, monitoring changes of state after completed repairs, etc.

Parallel "on-line" monitoring up to 16 measuring channels for a detailed analysis of more sophisticated units, especially steam and gas turbines.

Based on the results of the measurements we offer the following services:

- Assessment of the state of the machine in conformity with valid standards
- Identification of the reason for the deteriorated or unsatisfactory vibration condition of the machine:
  - Unbalance of rotating parts
  - Incorrect alignment of coupling
  - Faulty mounting of machine (e.g. loose or damaged bedplate, loosened joints, etc.)
  - Damaged bearings
  - Worn gears
  - Incorrect design (e.g. operation in resonance regions, insufficient rigidity of mounting, etc.)
  - Incorrect design (e.g. operation in resonance regions, insufficient rigidity of mounting, etc.)
  - Necessary on-the-spot intervention in cooperation with the operator and subsequent check of the influence of the measure taken.

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

### VII. MACHINING OF MACHINE COMPONENTS

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

## IMPORTANT CONTRACTS IN 2009

### STEAM TURBINES

#### Dalkia Kolín

Supply of a 0.6 MW back-pressure steam turbine  
The supply includes the design, turbine hall installation using low-pressure steam boiler parameters.

#### České Budějovice – G-Team a.s. Heat & Power Plant

Supply of a 12 MW back-pressure steam turbine.  
Turbine hall rehabilitation, complete civil part, cooling circuit including cooling towers and condensing system.

#### ŽDAS a.s.

6 MW back-pressure steam turbine retrofit and supply.  
Supply including the turbine hall rehabilitation.

#### ENEZA s.r.o.

Steam turbine retrofit for a locality in Turkey.



### GAS TURBINES

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

Supplies and replacement of GT gas turbine inlet duct liners. Supply and erection of bellows, exhaust duct modification. Supply and erection of modified central bearing pedestals for gas turbines, oil filter exchange  
Installation of starting devices.

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

Supply of GT 750-6 gas turbine spare parts.  
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 GT 750-6 gas turbine spare parts.

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

Repair of ST 1CH gas turbine parts.  
Spare part supplies.

#### Hnojiva Duslo, spol s.r.o., Slovakia

General overhaul of ST 1CH gas turbine generator set.

#### ZKMK, Kazakhstan

Supply of GT 750-6 gas turbine spare parts.



#### Arslan – SKB, Kazakhstan

Supply of GT 750-6 gas turbine spare parts.

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

Supply of GT 750-6 gas turbine spare parts.



### BOILER DIVISION

#### E.S.I.I.C., Egypt

Supply of boiler drums and distributors.

## IMPORTANT CONTRACTS 2010

### STEAM TURBINES

**Kazanj Compressormash**  
Supply of a 4.5 MW condensing steam turbine for compressor drive.  
Explosionproof design.  
Russia

**Bučina Zvolen**  
Supply of a 5.6 MW condensing steam turbine with a controlled extraction.  
Supply of the turbine hall including air condensing system. Biomass firing project.  
Slovakia

**Bioenergo s.r.o.**  
Supply of an 11 MW condensing steam turbine.  
Supply of the turbine hall for biomass fuelled power plant.  
Slovakia.



**Synthos Dwory**  
Start of the supply of a 29 MW back-pressure steam turbine with controlled extraction.  
Supply of turbine hall including designs.  
Poland.

**Energetika Třinec**  
Steam turbine general overhaul.

### GAS TURBINES AND POWER ENGINEERING UNITS

**NET 4 GAS, a.s., Czech Republic**  
Supplies and replacement of GT 750-6 gas turbine inlet duct liners.  
Supply and erection of bellows.  
Supply and erection of modified central bearing pedestals for gas turbines.  
Installation of starting devices.

**EUSTREAM, a.s., Slovakia**  
Supply of GT 750-6 gas turbine spare parts.  
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 GT 750-6 gas turbine spare parts.

**Lovochemie, a.s., Czech Republic**  
Repair of ST 1CH gas turbine parts.

**VerbundnetzGas AG, Germany**  
Erection of a super ultra-low emission combustion chamber for a GT 750-6 gas turbine.

**Synthesis, a.s., Czech Republic**  
Repair of an ST 1CH turbo compressor.



**KAZIMPEX, Kazakhstan**  
Supply of GT 750-6 gas turbine spare parts.

**ZKMK, Kazakhstan**  
Supply of GT 750-6 gas turbine spare parts.

**Belaruskalij Soligorsk, Belarus**  
Supply of a 7.1 MW cogeneration unit including a waste-heat boiler and flue gas duct.

### BOILER DIVISION

**OAO NAFTAN, Belarus**  
Supply of a B201D/N waste-heat boiler.

**CHETENG Engineering, s.r.o., Czech Republic**  
Supply of a B302/N waste-heat boiler to Belarus.

**E.S.I.I.C., Egypt**  
Modification of DIA, Takuma and Mitsubishi boiler fuel systems.

**RUP PO Belaruskalij, Belarus**  
Supply of an RU2 waste-heat boiler.



## TRADITIONAL TRIATHLON PARTNER



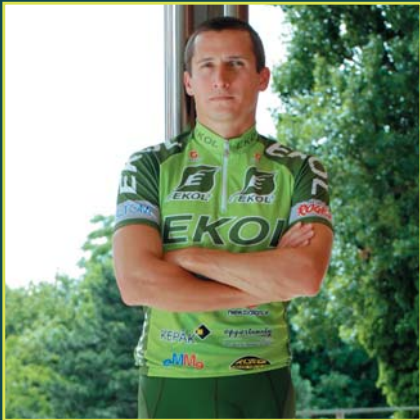
Back in 1997 EKOL, spol. s r.o. became involved in one of the most progressive sports – the triathlon.

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.

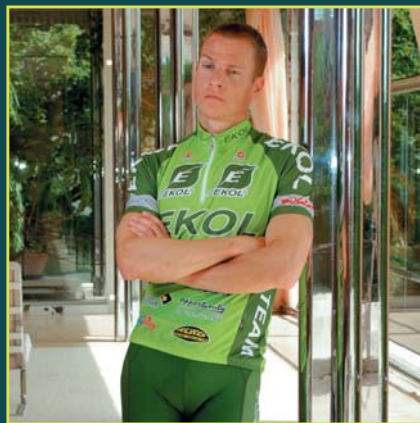




### FILIP OSPALÝ

**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
- Winner of a World Cup event



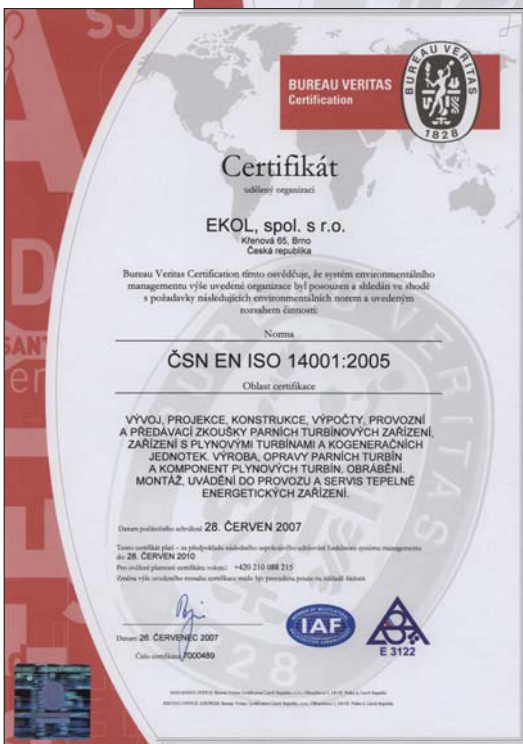
### RADKA VODIČKOVÁ

**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



- 1 Certificate ČSN EN ISO 9001:2001
- 2 Certificate ČSN EN ISO 9001:2009
- 3 Certificate OHSAS 18001:1999
- 4 Certificate OHSAS 18001:2008
- 5 Certificate ČSN EN ISO 14001:2005

## AUDIT OF FINANCIAL STATEMENT AT 31. 12. 2009



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 Marie Stejskalové 14  
 Brno  
 616 00

## 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 as at 31. 12. 2009, the profit and loss statement, the survey of changes of equity and the cash flow survey for the period from 1.1.2009 till 31.12.2009 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.

### Auditor's 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. as at 31. 12. 2009 and its costs, revenues and results of its business and cash flows in for the period between 1.1.2009 and 31.12.2009 in compliance with the Czech accounting legislation.

Brno, July 29, 2010

BDO Prima CA s. r. o., Auditor's Certificate No. 305  
 Represented by:

Ing. Jiří Kadlec  
 Auditor, Certificate No.1246



## AUDIT OF CONSOLIDATED FINANCIAL STATEMENT AT 31. 12. 2009



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

Companies whose consolidated financial statements for 2009 have been audited:

Company name	Registered address
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, spol. s r. o.	Martin, Hečkova 2
EKOL TURBO a.s.	Brno, Křenová 65
TENERGO Brno, a.s.	Brno, Křenová 65

**Audited period: 1. 1. 2009 - 31. 12. 2009**

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

We have audited the attached consolidated financial statements of the group of EKOL companies, i.e. the consolidated balance sheet as at 31.12.2009, the consolidated profit and loss account for the period from 1.1.2009 till 31.12.2009 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.
Subsidiaries:	EKOL energo s.r.o. Strejček spol. s r. o. EKOL TURBO a.s. EKOL, spol. s r. o.
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 the parent company. A part of the said responsibility is to propose, introduce and implement internal audits 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 the group of EKOL companies at 31.12.2009 and its costs, revenues and results of its business and cash flows in 2009 in compliance with the Czech accounting legislation.

Brno, September 17, 2010

BDO CA s. r. o.  
 represented by:

Ing. Jiří Kadlec  
 Auditor, Certificate No.1246





## FINANCIAL STATEMENTS

ANNEX TO FINANCIAL STATEMENT 2009

ANNEX TO CONSOLIDATED FINANCIAL STATEMENT 2009

**BALANCE SHEET AS AT 31. 12. 2009 – Assets**

(in thousands CZK)		2009		2008		2007	
		gross	correction	net	net	net	net
<b>TOTAL ASSETS</b>		<b>919 384</b>	<b>-103 342</b>	<b>816 042</b>	<b>943 327</b>	<b>829 883</b>	
<b>B.</b>	<b>LONG-TERM ASSETS</b>	<b>297 172</b>	<b>-100 263</b>	<b>196 909</b>	<b>179 077</b>	<b>181 644</b>	
B.I.	Long-term intangible assets	36 617	-27 551	9 066	7 323	6 840	
B.I.3.	Software	25 010	-17 786	7 224	5 833	4 387	
B.I.4.	Valuable rights	10 543	-9 612	931	1 490	2 453	
B.I.6.	Other long-term intangible assets	1 064	-153	911	0	0	
B.I.7.	Intangible long-term assets under construction	0	0	0	0	0	
B.II.	Long-term tangible assets	120 751	-72 712	48 039	53 596	157 589	
B.II.1.	Land	244	0	244	244	15 517	
B.II.2.	Buildings, halls and structures	43 733	-21 172	32 561	33 943	117 347	
B.II.3.	Machinery, equipment, vehicles, furniture and fixtures	66 774	-51 540	15 234	18 913	23 243	
B.II.7.	Long-term tangible assets under construction	0	0	0	496	1 482	
B.III.	Long-term financial assets	139 804	0	139 804	118 158	17 215	
B.III.1.	Shares and ownership interests in enterprises with controlling & governing influence	134 712	0	134 712	113 066	11 660	
B.III.2.	Shares and ownership interests in enterprises with substantial influence	5 092	0	5 092	5 092	5 555	
<b>C.</b>	<b>CURRENT ASSETS</b>	<b>621 069</b>	<b>-3 079</b>	<b>617 990</b>	<b>763 170</b>	<b>646 312</b>	
C.I.	Inventory	114 086	0	114 086	216 149	214 972	
C.I.1.	Materials	20 161	0	20 161	51 719	37 092	
C.I.2.	Work-in-progress and semi-finished products	92 739	0	92 739	160 679	177 878	
C.III.	Short-term receivables	312 497	-3 079	309 418	415 698	361 043	
C.III.1.	Trade receivables	200 747	-3 079	197 668	205 309	200 622	
C.III.2.	Receivables – from enterprises with controlling & governing influence	53 488	0	53 488	54 094	88 381	
C.III.3.	Receivables from enterprises with substantial influence	0	0	0	0	3 800	
C.III.4.	Receivables from partners and participants in an association	1 115	0	1 115	1 115	0	
C.III.6.	Due from state – tax receivables	4 608	0	4 608	16 166	18 512	
C.III.7.	Short-term provided advances	54 010	0	54 010	129 640	47 419	
C.III.8.	Estimated accrued revenues	-8 477	0	-8 477	2 346	0	
C.III.9.	Other receivables	7 006	0	7 006	7 028	2 309	
C.IV.	Short-term financial assets	194 486	0	194 486	131 323	70 297	
C.IV.1.	Cash	701	0	701	990	802	
C.IV.2.	Bank accounts	193 785	0	193 785	130 333	65 411	
<b>D.I.</b>	<b>ACCRUALS</b>	<b>1 143</b>	<b>0</b>	<b>1 143</b>	<b>1 080</b>	<b>1 927</b>	
D.I.1.	Deferred expenses	297	0	297	512	1 914	
D.I.2.	Accrued revenues	846	0	846	568	13	

**BALANCE SHEET AS AT 31. 12. 2009 – Liabilities**

(in thousands CZK)	2009	2008	2007
<b>TOTAL LIABILITIES</b>	<b>816 042</b>	<b>943 327</b>	<b>829 883</b>
<b>A. EQUITY</b>	<b>505 360</b>	<b>498 573</b>	<b>483 707</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	483 421	470 853	425 717
A.IV.1. Retained earnings from previous years	483 421	471 036	425 717
A.IV.2. Accumulated losses from previous years	0	- 183	0
A.V. Profit (loss)	+ 9 269	+ 15 050	+ 45 320
<b>B. LIABILITIES</b>	<b>286 966</b>	<b>440 019</b>	<b>341 409</b>
B.I. Reserves	0	0	0
B.I.1. Reserves – acc. to special legislative acts	0	0	0
B.I.4. Other reserves	0	0	0
B.II. Long-term payables	609	1 061	3 079
B.II.9. Other payables	0	4	2
B.II.10. Due to state- deferred taxes	609	1 057	3 077
B.III. Short-term payables	286 357	438 958	338 330
B.III.1. Trade payables	184 464	163 322	163 596
B.III.2. Payables to controlled and governed enterprises	70	80	86
B.III.4. Payables to partners and participants in an association	0	0	81
B.III.5. Payables to employees	2 633	2 318	3 463
B.III.6. Payables to social security	1 408	1 264	2 082
B.III.7. Due to state – taxes and subsidies	6 310	6 314	694
B.III.8. Short-term received advances	91 414	245 345	154 839
B.III.10. Estimated accrued expenses	1	20 247	12 932
B.III.11. Other payables	57	68	557
B.IV. Bank loans	0	0	0
B.IV.1. Long-term bank loans	0	0	0
<b>C.I. ACCRUALS</b>	<b>23 716</b>	<b>4 735</b>	<b>4 767</b>
C.I.1. Accrual expenses	4 735	4 735	4 735
C.I.2. Deferred revenues	18 981	0	32

## PROFIT AND LOSS ACCOUNT AS AT 31. 12. 2009

(in thousands CZK)	2009	2008	2007
I. Revenues from goods	3 053	22 565	0
A. Cost of goods sold	2 993	19 320	0
<b>+ Sale margin</b>	<b>60</b>	<b>3 245</b>	<b>0</b>
II. Production	736 754	805 975	697 444
II.1 Revenues from own products and services	803 255	823 161	584 418
II.2. Change in inventory of own production and services	-67 697	-17 199	112 341
II.3. Capitalization	1 196	13	685
B. Production consumption	660 544	769 905	566 585
B.1. Consumed material and utilities expense	364 000	454 173	319 714
B.2. Services	296 544	315 732	246 871
<b>+ Added value</b>	<b>76 270</b>	<b>39 315</b>	<b>130 859</b>
C. Personnel expense	53 796	52 086	69 977
C.1. Wages and salaries	39 380	37 954	51 187
C.2. Remuneration to board members	0	0	0
C.3. Social security expense	13 176	13 100	17 688
C.4. Social security expense	1 240	1 032	1 102
<b>+ Taxes and fees</b>	<b>225</b>	<b>438</b>	<b>4 102</b>
E. Depreciation of intangible and tangible fixed assets	12 734	13 886	13 998
III. Revenues from disposals of fixed assets and materials	2 765	122 099	1 580
III.1. Revenues from disposals of fixed assets	1 029	21 174	187
III.2. Revenues from disposals of materials	1 736	100 925	1 393
F. Net book value of disposed fixed assets and materials sold	3 461	106 021	1 718
F.1. Net book value of disposed fixed assets sold	710	5 774	675
F.2. Sold material	2 751	100 247	1 043
G. Change in reserves and adjustments in operating area and deferred complex expense	257	-44	-61 356
IV. Other operating revenues	7 391	4 426	697
H. Other operating expense	3 186	1 537	54 519
<b>* Operating profit (loss)</b>	<b>12 767</b>	<b>-8 084</b>	<b>50 178</b>
M. Change in reserves and adjustments in financial area	0	0	0
X. Interest received	2 672	4 079	4 610
N. Interest expense	481	277	0
XI. Other financial revenues	854 072	1 870 997	497 791
O. Other financial expense	859 227	1 849 848	496 909
<b>* Profit (loss) from financial operations</b>	<b>-2 964</b>	<b>24 951</b>	<b>5 492</b>
Q. Income tax on ordinary income	3 279	1 882	16 215
Q.1 due	3 727	3 902	16 215
Q.2. deferred	-448	-2 020	0
<b>** Ordinary income</b>	<b>+ 6 524</b>	<b>+ 14 985</b>	<b>+ 39 455</b>
XIII. Extraordinary revenues	2 746	97	5 865
R. Extraordinary expense	0	32	1
S. Income tax on extraordinary income	0	0	0
S.1. due	0	0	0
S.2. deferred	0	0	0
<b>* Extraordinary income</b>	<b>+ 2 745</b>	<b>+ 65</b>	<b>+ 5 865</b>
<b>*** Profit (loss) of current accounting period</b>	<b>+ 9 269</b>	<b>+ 15 050</b>	<b>+ 45 320</b>
<b>**** Profit (loss) before tax</b>	<b>+12 548</b>	<b>+ 16 932</b>	<b>+ 61 535</b>

## ANNEX TO FINANCIAL STATEMENT 2009

### 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 %
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Ing. Gustav Poslušný	44,1 %
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The shares of the afore-mentioned persons make up in total	95 %
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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

Jan Dolník – company executive

#### FURTHER STRUCTURING

Technical Department

Gas Turbine Division

Steam Turbine Division

Technical Service Division

Boiler Division

Ing. Jan Saňka

Václav Janišťin

Ing. Jaromír Kříž

Ing. Bohumil Krška

Ing. Pavel Fencel

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 2009

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, ID 25346245</b>		<b>100 %</b>
	Equity at 31.12.2009		4 324 thousand CZK
	Profit in 2009		- 187 thousand CZK
	Revenues in 2009		0 thousand CZK
	The company runs a designing office business.		
	<b>TENERGO Brno, a.s. Brno</b>		<b>50 %</b>
	Equity in 2009		49 688 thousand CZK
	Profit in 2009		9 634 thousand CZK
	Revenues in 2009		220 329 thousand CZK
	TENERGO has obtained a license to manufacture and distribute heat in 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 of the majority partner. The 2001 financial statement was not approved by the general meeting. The 2002 to 2009 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, St. Petersburg, Russian Federation</b>		<b>33 %</b>
	No business yet.		
	<b>EKOL TURBO, a.s. Brno</b>		<b>51 %</b>
	Equity in 2009		1 878 thousand CZK
	Profit in 2009		-30 thousand CZK
	Revenues in 2009		0 thousand CZK
	No business yet.		
	<b>EKOL Energo s.r.o. Brno</b>		<b>100 %</b>
	Equity in 2009		159 270 thousand CZK
	Profit in 2009		27 202 thousand CZK
	Revenues in 2009		288 532 thousand CZK
	<b>EKOL Martin</b>		
	Equity in 2009		28 191 thousand CZK
	Profit in 2009		4 539 thousand CZK
	Revenues in 2009		27 099 thousand CZK
4.	<b>Personnel and wages data</b>	2008	2009
	Average number of employees	105	119
	Wages and salaries in thousands CZK	44 940	53 795
	Management	8	7
	Wages and salaries in thousands CZK	6 114	4 420
5.	<b>Receivables</b>	2008	2009
	Total	409 778 thousand CZK	312 497 thousand CZK
	Out of which trade receivables	205 027 thousand CZK	200 747 thousand CZK

The 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 3 079 thousand CZK (as at Dec. 31, 2009).

## ANNEX TO FINANCIAL STATEMENT 2009

<b>6. Payables</b>	2008	2009
Total	433 036 thousand CZK	286 357 thousand CZK
Out of which trade receivables	147 138 thousand CZK	184 464 thousand CZK
Payables over 180 days		0 thousands CZK

All payables are real.

Payables outside accounting – leasing – amount to 534 thousand CZK

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

<b>7. Ordinary revenues</b>	
Total	806 308 thousand CZK
Czech Republic	636 012 thousand CZK
Egypt	97 308 thousand CZK
SLovakia incl. organizational unit	29 072 thousand CZK
Bangkok	25 470 thousand CZK
Kazakhstan	11 040 thousand CZK
Germany	624 thousand CZK
New Zealand	1 860 thousand CZK
Poland	539 thousand CZK
India	2 339 thousand CZK
Romania	2 044 thousand CZK

<b>8. Changes in equity</b>	As at 31. 12. 2008	Changes	As at 31. 12. 2009
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	471 036	+ 12 385	483 421
Accumulated losses from previous years			
– deferred taxes from all previous years	- 183	0	0
Current year profit	15 050	- 5 781	9 269
Total	498 573	9 269	505 360

**9. Other information on the company**

Research and development.

The research and development work at 31.12. 2009 were not activated.

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

All payables which arose in 2009 were paid within legal deadlines.

The payables as at 31. 12. 2009 were paid before 31. 1. 2010.

Environmental issues and safety at work:

No penalties or sanctions were due in 2009. The illness rate and the accident rate do not deviate from usual average.

<b>10. Changes after the date of financial statement</b>	0
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## CONSOLIDATED FINANCIAL STATEMENTS AS AT 31. 12. 2009

### ASSETS

(in thousands CZK)	Line No.	Current account period	Previous accounting period
<b>A. RECEIVABLES FOR CAPITAL SUBSCRIPTION</b>	<b>001</b>	<b>0</b>	<b>0</b>
<b>B. LONG-TERM ASSETS</b>	<b>002</b>	<b>324 110</b>	<b>349 577</b>
<b>B.I. Long-term intangible fixed assets</b>	<b>003</b>	<b>9 823</b>	<b>8 586</b>
1. Incorporation expense	004	20	43
2. Research and development	005	0	0
3. Software	006	7 953	7 053
4. Valuable rights	007	931	1 490
5. Goodwill	008	0	0
6. Other intangible fixed assets	009	919	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>311 246</b>	<b>337 950</b>
1. Land	013	18 994	18 487
2. Buildings, halls and structures	014	119 474	116 778
3. Machinery, equipment, vehicles furniture and fixtures	015	173 635	186 947
4. Perennial crops	016	0	0
5. Breeding and draught animals	017	0	0
6. Other tangible fixed assets	018	20	0
7. Long-term tangible fixed assets under construction	019	1 780	18 543
8. Advance payments for tangible fixed assets	020	270	120
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>736</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	96
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>2 305</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>646 984</b>	<b>750 984</b>
<b>C.I. Inventory</b>	<b>034</b>	<b>173 086</b>	<b>300 893</b>
1. Materials	035	27 443	40 609
2. Work-in-progress and semi-finished products	036	144 458	256 504
3. Finished products	037	0	28
4. Animals	038	0	0
5. Goods	039	1 186	3 751
6. Advance payments for inventory	040	0	0
<b>C.II. Long-term receivables</b>	<b>041</b>	<b>0</b>	<b>0</b>
1. Trade receivables	042	0	0
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>251 176</b>	<b>288 799</b>
1. Trade receivables	051	201 094	170 396
2. Receivables – from controlling & governing enterprises	052	0	7 094
3. Receivables – from enterprises with substantial influence	053	0	0
4. Receivables from partners and participants in an association	054	1 115	1 115
5. Social security and health insurance	055	0	0
6. Due from state – tax receivables	056	5 900	16 284
7. Short-term advance payments	057	44 262	84 491
8. Estimated accrued revenues	058	- 8 477	2 346
9. Other receivables	059	7 283	7 073
<b>C. IV. Short-term financial assets</b>	<b>060</b>	<b>221 787</b>	<b>161 292</b>
1. Cash	061	2 131	1 656
2. Bank accounts	062	219 656	159 636
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>3 760</b>	<b>7 906</b>
1. Deferred expense	066	1 906	5 726
2. Complex deferred expense	067	0	0
3. Accrued revenues	068	1 854	2 181
<b>AKTIVA TOTAL (A+B+C+D)</b>	<b>069</b>	<b>973 920</b>	<b>1 108 466</b>

## CONSOLIDATED FINANCIAL STATEMENTS AS AT 31. 12. 2009

### LIABILITIES

(in thousands CZK)		Line No.	Current account period	Previous accounting period
<b>A.</b>	<b>EQUITY</b>	<b>070</b>	<b>575 265</b>	<b>519 160</b>
<b>A.I.</b>	<b>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.</b>	<b>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
GAINS AND LOSSES FROM CONSOLIDATED ADJUSTMENTS		080	0	0
<b>A.III.</b>	<b>Reserve funds, indivisible fund and other funds created from net profit</b>	<b>081</b>	<b>4 698</b>	<b>1 059</b>
1.	Legal reserve fund / Indivisible fund	082	4 698	1 059
2.	Statutory and other funds	083	0	0
<b>A.IV.</b>	<b>Profit (loss) of previous years</b>	<b>084</b>	<b>499 572</b>	<b>475 356</b>
1.	Retained earnings from previous years	085	514 097	475 550
2.	Accumulated losses from previous years	086	0	-193
<b>A.V.</b>	<b>Profit (loss) of current period</b>	<b>087</b>	<b>58 824</b>	<b>30 575</b>
<b>A.V.2.</b>	<b>SHARE ON PROFIT (LOSS) IN EQUIVALENCE</b>	<b>088</b>	<b>0</b>	<b>0</b>
<b>A.VI.</b>	<b>CONSOLIDATION RESERVE FUND</b>	<b>089</b>	<b>0</b>	<b>0</b>
<b>B.</b>	<b>LIABILITIES</b>	<b>090</b>	<b>310 949</b>	<b>516 859</b>
<b>B.I.</b>	<b>Reserves</b>	<b>091</b>	<b>62</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	62	0
<b>B.II.</b>	<b>Long-term payables</b>	<b>096</b>	<b>8 130</b>	<b>9 711</b>
1.	Trade payables	097	0	0
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.	Emitted bonds	102	0	0
7.	Drafts at long sight	103	0	0
8.	Estimated accrued expenses	104	0	0
9.	Other receivables	105	2	4
10.	Due to state – deferred taxes	106	8 129	9 707
<b>B.III.</b>	<b>Short-term payables</b>	<b>107</b>	<b>265 819</b>	<b>459 311</b>
1.	Trade payables	108	156 569	177 648
2.	Payables – from controlling & governing enterprises	109	0	0
3.	Receivables – from enterprises with substantial influence	110	257	0
4.	Receivables from partners and participants in an association	111	0	0
5.	Payables to employees	112	5 139	4 984
6.	Payables to social security	113	2 838	2 845
7.	Due to state – taxes and subsidies	114	9 022	9 324
8.	Short-term advance payments received	115	88 256	239 381
9.	Emitted bonds	116	0	0
10.	Estimated accrued expenses	117	1 541	20 886
11.	Other payables	118	2 196	4 246
<b>B.IV.</b>	<b>Bank loans</b>	<b>119</b>	<b>88 321</b>	<b>106 915</b>
1.	Long-term bank loans	120	80 110	93 014
2.	Short-term bank loans	121	8 211	13 901
3.	Short-term financial assistance	122	0	0
<b>C.I.</b>	<b>Accruals</b>	<b>123</b>	<b>32 585</b>	<b>12 436</b>
1.	Accrued expense	124	13 195	12 027
2.	Deferred revenues	125	19 390	409
<b>D.</b>	<b>MINORITY EQUITY CAPITAL</b>	<b>126</b>	<b>3 739</b>	<b>934</b>
<b>D.I.</b>	<b>MINORITY REGISTERED CAPITAL</b>	<b>127</b>	<b>1 363</b>	<b>980</b>
<b>D.II.</b>	<b>MINORITY CAPITAL FUNDS</b>	<b>128</b>	<b>0</b>	<b>0</b>
<b>D.III.</b>	<b>MINORITY RETAINED EARNINGS incl. retained earnings from previous years</b>	<b>129</b>	<b>1 937</b>	<b>-10</b>
<b>D.IV.</b>	<b>MINORITY PROFIT (LOSS) – CURRENT ACCOUNTING PERIOD</b>	<b>130</b>	<b>439</b>	<b>-36</b>
<b>TOTAL LIABILITIES (A+B+C+D)</b>		<b>131</b>	<b>973 920</b>	<b>1 108 466</b>

## CONSOLIDATED FINANCIAL STATEMENTS AS AT 31. 12. 2009

### PROFIT AND LOSS ACCOUNT FOR CONSOLIDATION

(in thousands CZK)	Line No.	Current acc. period	Previous acc. period
I. Revenues from goods (+)	01	4 490	12 898
<b>A. Cost of goods sold (-)</b>	<b>02</b>	<b>4 087</b>	<b>10 957</b>
+ Sale margin	03	403	1 942
II. Production	04	803 790	1 063 427
1. Revenues from own products and services (+)	05	880 944	881 299
2. Change in inventory of own production and services (+,-)	06	-78 386	181 999
3. Capitalization (+)	07	1 232	129
<b>B. Production consumption</b>	<b>08</b>	<b>588 985</b>	<b>898 888</b>
1. Consumed material and utilities expense	09	334 742	608 855
2. Services	10	254 243	290 032
+ Added value	11	204 755	166 481
<b>C. Personnel expense</b>	<b>12</b>	<b>107 386</b>	<b>111 415</b>
1. Wages and salaries	13	78 728	81 413
2. Remuneration to board members	14	0	0
3. Social security expense.	15	26 207	27 950
4. Social security expense	16	2 452	2 052
<b>D. Taxes and fees</b>	<b>17</b>	<b>465</b>	<b>661</b>
<b>E. Depreciation of intangible and tangible fixed assets</b>	<b>18</b>	<b>41 353</b>	<b>35 024</b>
ACCOUNTING (DEPRECIATION) FOR CONSOLIDATED OPERATING PROFIT	19	-121	-121
III. Revenues from disposals of fixed assets and materials	20	1 361	11 983
1. Revenues from disposals of fixed assets	21	1 029	9 463
2. Revenues from disposals of materials	22	332	2 520
F. Net book value of disposed fixed assets and materials sold	23	1 888	13 888
1. Net book value of disposed fixed assets sold	24	834	11 580
2. Sold material	25	1 055	2 308
<b>G. Change in reserves and adjustments in operating area and deferred complex expense</b>	<b>26</b>	<b>13</b>	<b>-34</b>
IV. Other operating revenues	27	9 168	8 604
<b>H. Other operating expenses</b>	<b>28</b>	<b>4 450</b>	<b>2 309</b>
V. Transfer of operating revenues	29	0	0
I. Transfer of operating expense	30	0	0
Operating profit (loss)	31	70 183	23 805
CONSOLIDATED OPERATING PROFIT (LOSS)	32	70 062	23 684
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	1 082	2 256
<b>N. Interest expense</b>	<b>45</b>	<b>5 196</b>	<b>5 836</b>
XI. Other financial revenues	46	855 475	1 873 998
<b>O. Other financial expense</b>	<b>47</b>	<b>860 413</b>	<b>1 856 647</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>
Profit (loss) from financial operations	50	9 052	13 771
CONSOLIDATED PROFIT (LOSS) FROM FINANCIAL OPERATIONS	51	9 052	13 771
<b>Q. Income tax on ordinary income</b>	<b>52</b>	<b>4 057</b>	<b>7 947</b>
1. due	53	5 796	4 788
2. deferred	54	-1 739	3 159
Ordinary income	55	57 074	29 629
CONSOLIDATED ORDINARY INCOME	56	56 953	29 508
XIII. Extraordinary revenues	57	2 849	1 063
<b>R. Extraordinary expense</b>	<b>58</b>	<b>538</b>	<b>32</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	2 311	1 031
CONSOLIDATED EXTRAORDINARY INCOME	63	2 311	1 031
T. Transfer of profit or loss to partners	64	0	0
Profit (loss) of current accounting period	65	59 385	30 660
CONSOLIDATED PROFIT (LOSS) FOR ACCOUNTING PERIOD WITHOUT EQUIVALENCE RATIO	66	59 264	30 539
out of which: profit (loss) of current accounting period without minority shares	67	58 825	30 575
minority profit (loss) of current accounting period	68	439	-36
SHARE IN PROFIT (LOSS) IN EQUIVALENCE	69	0	0
Profit (loss) before tax	70	63 442	38 607
CONSOLIDATED PROFIT (LOSS) FOR ACCOUNTING PERIOD	71	59 264	30 539

## CONSOLIDATED FINANCIAL STATEMENTS AS AT 31. 12. 2009

### 1. DEFINITION OF CONSOLIDATION UNIT

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

Name, registered address	Subsidiary	Affiliate	Degree of dependence on reg. cap. (influence)	Share in registered capital (particip-ation)	Consolidation method	Date of financial statement
EKOL energo s.r.o. Křenová 65, Brno	x		100%	100%	A	31. 12. 2009
STREJČEK spol. s r.o.	x		100%	100%	A	31. 12. 2009
EKOL TURBO, a.s.Brno	x		51%	51%	A	31. 12. 2009
TENERGO Brno, a.s. Křenová 65, Brno		x	50,0%	50,0%	B	31. 12. 2009
EKOL, spol.s.r.o., Martin	x		90%	90%	A	31. 12. 2009

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

The financial statements of the above-mentioned companies were elaborated as at 31.12.2009 according to Czech regulations, except for EKOL, spol. s r.o., which has its registered address in the Slovak Republic.

#### 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 accounting period when the consolidated financial statements were prepared:

	Employees		of which managing staff	
	2008	2009	2008	2009
Average number	246	270	12	13
Staff costs	111 415	107 386	9 013	8 012
of which: - wage cost	81 413	78 728	6 579	5 288
- remunerations to members of company bodies	0	0	0	0
- social and health insurance costs.	27 950	26 207	2 253	2 724
- social security expenses	2 052	2 452	212	264

### 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 – to members of statutory, control and supervisory bodies including the former members of such bodies (including interest rate and main conditions):

Life insurance	60
To shareholders	210
To members of statutory	210

### 2.3 Survey of method of transformation of data from individual accounting to consolidated financial statements (CFS) (in thousands of 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 the CFS are share contributions to the full amount
- excluded from the CFS are mutual links in cost and expense items from services amounting to 43 624 thousand CZK.

## CONSOLIDATED FINANCIAL STATEMENTS AS AT 31. 12. 2009

in thousands CZK	EKOL energo s.r.o.	STREJČEK spol. s r.o.	EKOL Turbo, a.s	Tenergo a.s.	EKOL, spol.s.r.o, Martin
Registered capital	105 000	926	1 020	5 000	3 443
Shares	106 443	4 963	1 020	5 000	21 646

Excluded from CFS:

HV 2009			-15	4 817	454
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as share in profit of the other shareholder in the above-mentioned companies.

- the amount of 139 207 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 made 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 statements (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  |
| f) share in profit (loss) independently or jointly controlled or managed person and person under substantial influence  | data given under 2.3.                        |
| g) 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	18 400	368
EKOL energo s.r.o. Brno	Ekol spol. s r.o. Brno	12 439	2 488

#### Sale of long-term property

Seller	Buyer	Property purchase price	Profit from sale
STREJČEK spol. s r.o.	EKOL energo s.r.o. Brno	31	28
STREJČEK spol. s r.o.	Ekol spol. s r.o. Brno	340	308

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

### 3.1 Comments on 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 2008 and 2009, the consolidation unit was expanded by the 90% share in EKOL, spol. s r.o., Slovak Republic, the purchase of the share in the amount of the proportional share of the equity of the subsidiary company.

The equity of the consolidated unit increased interannually from 519 160 thousand CZK to 575 265 thousand CZK, especially as a result of the achieved profit of the current accounting period amounting to 58 825 thousand CZK.

## CONSOLIDATED FINANCIAL STATEMENTS AS AT 31. 12. 2009

### 3.1.1. Reasons for fluctuations of the profit (loss) between 2008 and 2009

#### a) Significant decrease in stock purchased within the group

In 2008 a significant transfer of stock between Ekol and EKOL Energo took place. As a result, a high volume of purchased stock was shown in the group – 141 260 thousand CZK in total – as at 31. 12. 2008, of which the group margin was 14 525 thousand CZK (consolidation adjustment in 2008). This stock was used up and/or sold in 2009.

As at 31. 12. 2009, the volume of stock purchased in the group was only 30 839 thousand CZK, the margin was 2 856 thousand CZK (consolidation adjustment in 2009).

The total effect on the 2009 profit (loss) was + 11 669 thousand CZK (-14 525 thousand CZK in 2008).

#### b) Property sales/contributions in the group

The effect on the profit/loss from property sale in the group was + 2 105 CZK in 2009, especially because the Seller's and the Buyer's appreciations were different. The effect on the profit/loss was negative in the previous year (-8 787 thousand CZK) due to the significant difference between the selling price and the residual price of the property sold by Ekol to EKOL energo.

### 3.2 Comments on data on:

#### a) Due 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	
	2008	2009
180 and more days	2 868	3079

#### b) Overdue payables

Time	Amount in thousands of CZK	
	2008	2009
180 and more days	0	0

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

0

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

0

### 3.3 Total amount of further payables, if any (both 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 of the parent company, whose total amount is 534 thousand CZK as at 31. 12. 2009 (1 119 CZK – 2008).

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

Main activity	Domestic		Foreign countries		Total	
	2008	2009	2008	2009	2008	2009
Revenues from goods and services sold	346 735	580 934	534 564	300 010	881 299	880 944

### 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

Amount expended by the holding companies for the audit in the accounting period: 230 thousand CZK.

### 3.8 Significant events after the date of the financial statements

0

Brno, 16. 9. 2010





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