

Unaudited pro forma condensed consolidated financial information as of and for the year ended 31 December 2018

The following unaudited pro forma condensed consolidated financial information of EP Infrastructure, a.s. (“the Company” or “EPIF”) and its subsidiaries (“the Group” or “EPIF Group”) as of and for the year ended 31 December 2018 has been prepared to illustrate the effect of the acquisition of Plzeňská teplárenská, a.s. (Czech Republic), which the Group acquired on 31 October 2018, and NAFTA Germany GmbH and its subsidiaries NAFTA Bavaria GmbH, NAFTA Speicher Management GmbH, NAFTA Speicher GmbH & Co. KG and NAFTA Speicher Inzenham GmbH (“NAFTA Germany subgroup”) (Germany), which the Group acquired on 31 December 2018, on the Group’s consolidated statement of financial position, consolidated statement of comprehensive income and selected consolidated other financial information as of and for the year ended 31 December 2018 as if the acquisition of Plzeňská teplárenská, a.s. and NAFTA Germany subgroup (together referred to as “the Transaction”) took place on 1 January 2018.

This unaudited pro forma condensed consolidated financial information has been derived from the historical audited IFRS consolidated financial statements of EP Infrastructure, a.s. and its subsidiaries as of and for the year ended 31 December 2018. Certain pro forma related adjustments, as described further in the text, have been added to the data derived from the historical audited IFRS consolidated financial statements to compile this unaudited pro forma condensed consolidated financial information.

The unaudited pro forma consolidated statement of comprehensive income and unaudited pro forma consolidated statement of financial position have been adjusted to give effect to the Transaction as if these events occurred on 1 January 2018. The pro forma adjustments are based on the available information and certain assumptions that management believes are reasonable under the circumstances. The assumptions underlying the pro forma adjustments are described in the accompanying notes, which should be read in conjunction with these unaudited pro forma condensed consolidated financial statements. Pro forma adjustments, as described further in the notes, have been added to the data derived from the historical audited IFRS consolidated financial statements of the EPIF Group to compile this unaudited pro forma financial information. The unaudited pro forma financial information is presented for illustrative and informative purposes only. Because of its nature, the unaudited pro forma financial information addresses a hypothetical situation and, therefore, does not represent the Company’s actual financial position or results and is not intended to represent what the results of operations or financial position of EPIF Group would have been had the Transaction actually occurred on the date indicated. There can be no assurance that the assumptions used in the preparation of the unaudited pro forma condensed consolidated financial information will prove to be correct.

The actual results may differ significantly from those reflected in the unaudited pro forma condensed consolidated financial information for a number of reasons, including, but not limited to, differences between the assumptions used to prepare this unaudited pro forma condensed consolidated financial information and actual results. The unaudited pro forma financial information also should not be considered representative of the future results of operations or financial position of the EPIF Group.

The unaudited pro forma financial information has been prepared on a voluntary basis and not in connection with any bonds issue by the Company or other securities transaction. The Company may in the future publish unaudited pro forma financial information for different purposes and illustrating different events than this unaudited pro forma financial information, which therefore may not be comparable to this unaudited pro forma financial information.

The unaudited pro forma financial information may not have been prepared fully in compliance with the Commission Regulation (EC) No 809/2004. The unaudited pro forma condensed consolidated financial information has not been prepared in accordance with the rules or regulations of the United States

Securities and Exchange Commission, and is not compliant therewith or any other comprehensive basis of preparation. Any reliance you place on this information should take this fully into consideration.

The unaudited pro forma financial information contains certain measures that are not measures defined by International Financial Reporting Standards, namely, EBITDA, Adjusted EBITDA, Pro Forma Adjusted EBITDA, Gross debt, Net debt, Net Leverage Ratio and Pro Forma Net Leverage Ratio (either on fully consolidated or proportionate basis). These measures do not represent the measures of the same or similar names as may be defined by any documentation for any financial liabilities of the Group and may not be comparable to the similarly titled measures used by other companies.

The unaudited pro forma financial information has been prepared in a manner consistent with the accounting policies as applied by the EPIF Group, which are based on IFRS as adopted by EU. The unaudited pro forma financial information should be read in conjunction with the EPIF Group's consolidated financial statements for the year ended 2018 including the notes thereto, that have been prepared in accordance with IFRS EU and where the accounting policies of the EPIF Group are described.

The historical financial information of the NAFTA Germany subgroup used for the period from 1 January 2018 until 31 December 2018 was not audited by KPMG Česká republika Audit, s.r.o., the current auditor of the Group.

Unless mentioned otherwise, amounts included elsewhere in this Schedule are in millions of EURs.

EP Infrastructure, a.s.

Unaudited pro forma condensed consolidated statement of financial position

As of 31 December 2018

<i>In millions of EUR (“MEUR”)</i>	Consolidated figures ⁽¹⁾	Pro forma adjustments	EP Infrastructure, a.s. pro forma
Assets			
Property, plant and equipment	6,748	-	6,748
Intangible assets	120	-	120
Goodwill	101	21	122
Equity accounted investees	1	-	1
Restricted cash	1	-	1
Financial instruments and other financial assets	18	-	18
Trade receivables and other assets	47	-	47
Prepayments and other deferrals	1	-	1
Deferred tax assets	5	-	5
Total non-current assets	7,042	21	7,063
Inventories	200	-	200
Trade receivables and other assets	367	-	367
Financial instruments and other financial assets	39	-	39
Contract assets	37	-	37
Prepayments and other deferrals	11	-	11
Tax receivables	28	-	28
Cash and cash equivalents	416	-	416
Restricted cash	4	-	4
Total current assets	1,102	-	1,102
Total assets	8,144	21	8,165
Equity			
Share capital	2,988	-	2,988
Share premium	8	-	8
Reserves	(3,932)	-	(3,932)
Retained earnings	675	18	693
Total equity attributable to equity holders	(261)	18	(243)
Non-controlling interest	1,495	3	1,498
Total equity	1,234	21	1,255
Liabilities			
Loans and borrowings	4,022	-	4,022
Financial instruments and financial liabilities	80	-	80
Provisions	240	-	240
Deferred income	112	-	112
Contract liabilities	94	-	94
Deferred tax liabilities	972	-	972
Trade payables and other liabilities	12	-	12
Total non-current liabilities	5,532	-	5,532
Trade payables and other liabilities	363	-	363
Contract liabilities	74	-	74
Loans and borrowings	797	-	797
Financial instruments and financial liabilities	53	-	53
Provisions	65	-	65
Deferred income	10	-	10
Current income tax liability	16	-	16
Total current liabilities	1,378	-	1,378
Total liabilities	6,910	-	6,910
Total equity and liabilities	8,144	21	8,165

Notes:

(1) Historical IFRS consolidated statement of financial position of EP Infrastructure, a.s. as of 31 December 2018.

EP Infrastructure, a.s.

Unaudited pro forma condensed consolidated statement of financial position, showing pro forma adjustments

As of 31 December 2018

In millions of EUR ("MEUR")

<i>In millions of EUR ("MEUR")</i>	Consolidated figures ⁽¹⁾	Plzeňská teplárenská, a.s. related adjustments	NAFTA Germany subgroup related adjustments	EP Infrastructure, a.s. pro forma
Notes		Note 4.2.1	Note 4.2.2	
Assets				
Property, plant and equipment	6,748	-	-	6,748
Intangible assets	120	-	-	120
Goodwill	101	10	11	122
Equity accounted investees	1	-	-	1
Restricted cash	1	-	-	1
Financial instruments and other financial assets	18	-	-	18
Trade receivables and other assets	47	-	-	47
Prepayments and other deferrals	1	-	-	1
Deferred tax assets	5	-	-	5
Total non-current assets	7,042	10	11	7,063
Inventories	200	-	-	200
Trade receivables and other assets	367	-	-	367
Financial instruments and other financial assets	39	-	-	39
Contract assets	37	-	-	37
Prepayments and other deferrals	11	-	-	11
Tax receivables	28	-	-	28
Cash and cash equivalents	416	-	-	416
Restricted cash	4	-	-	4
Total current assets	1,102	-	-	1,102
Total assets	8,144	10	11	8,165

Notes:

(1) Historical IFRS consolidated statement of financial position of EP Infrastructure, a.s. as at 31 December 2018.

In millions of EUR (“MEUR”)

	Consolidated figures ⁽¹⁾	Plzeňská teplárenská, a.s. related adjustments Note 4.2.1	NAFTA Germany subgroup related adjustments Note 4.2.2	EP Infrastructure, a.s. pro forma
Notes				
Equity				
Share capital	2,988	-	-	2,988
Share premium	8	-	-	8
Reserves	(3,932)	-	-	(3,932)
Retained earnings	675	10	8	693
Total equity attributable to equity holders	(261)	10	8	(243)
Non-controlling interest	1,495	-	3	1,498
Total equity	1,234	10	11	1,255
Liabilities				
Loans and borrowings	4,022	-	-	4,022
Financial instruments and financial liabilities	80	-	-	80
Provisions	240	-	-	240
Deferred income	112	-	-	112
Contract liabilities	94	-	-	94
Deferred tax liabilities	972	-	-	972
Trade payables and other liabilities	12	-	-	12
Total non-current liabilities	5,532	-	-	5,532
Trade payables and other liabilities	363	-	-	363
Contract liabilities	74	-	-	74
Loans and borrowings	797	-	-	797
Financial instruments and financial liabilities	53	-	-	53
Provisions	65	-	-	65
Deferred income	10	-	-	10
Current income tax liability	16	-	-	16
Total current liabilities	1,378	-	-	1,378
Total liabilities	6,910	-	-	6,910
Total equity and liabilities	8,144	10	11	8,165

Notes:

(1) Historical IFRS consolidated statement of financial position of EP Infrastructure, a.s. as at 31 December 2018.

EP Infrastructure, a.s.

Unaudited pro forma condensed consolidated statement of comprehensive income

For the year ended 31 December 2018

In millions of EUR ("MEUR")

	Consolidated figures ⁽¹⁾	Pro forma adjustments	EP Infrastructure, a.s. pro forma
Continuing operations			
Sales: Energy	3,101	91	3,192
<i>of which: Gas</i>	<i>1,454</i>	<i>44</i>	<i>1,498</i>
<i>Electricity</i>	<i>1,277</i>	<i>20</i>	<i>1,297</i>
<i>Heat</i>	<i>350</i>	<i>27</i>	<i>377</i>
<i>Coal</i>	<i>20</i>	<i>-</i>	<i>20</i>
Sales: Other	28	2	30
Gain (loss) from commodity derivatives for trading with electricity and gas, net	(23)	-	(23)
Total sales	3,106	93	3,199
Cost of sales: Energy	(1,363)	(24)	(1,387)
Cost of sales: Other	(28)	(3)	(31)
Total cost of sales	(1,391)	(27)	(1,418)
Subtotal	1,715	66	1,781
Personnel expenses	(214)	(14)	(228)
Depreciation and amortisation	(331)	(16)	(347)
Repairs and maintenance	(10)	(9)	(19)
Emission rights, net	(22)	(1)	(23)
Negative goodwill	5	(5)	-
Taxes and charges	(8)	(1)	(9)
Other operating income	54	20	74
Other operating expenses	(90)	(11)	(101)
Profit (loss) from operations	1,099	29	1,128
Finance income	6	-	6
Finance expense	(170)	(3)	(173)
Profit (loss) from financial instruments	(7)	(2)	(9)
Net finance income (expense)	(171)	(5)	(176)
Share of profit (loss) of equity accounted investees, net of tax	-	-	-
Gain (loss) on disposal of subsidiaries, joint-ventures and associates	-	-	-
Profit (loss) before income tax	928	24	952
Income tax expenses	(254)	1	(253)
Profit (loss) for the year from continuing operations	674	25	699
Profit (loss) attributable to:			
Owners of the Company	329	18 ⁽²⁾	347
Non-controlling interest	345	7 ⁽²⁾	352
Profit (loss) for the year	674	25	699
Other financial information:			
EBITDA ⁽³⁾	1,425	50	1,475
Adjusted EBITDA ⁽⁴⁾	1,466	50	1,516

Notes:

(1) Historical IFRS consolidated statement of comprehensive income of EP Infrastructure, a.s. for the year ended 31 December 2018.

(2) Includes reallocation of Plzeňská energetika a.s.'s profit generated in the period from 1 January 2018 to 31 October 2018 between profit attributable to Owners of the Company and Non-controlling interest (EUR 5 million).

- (3) EBITDA represents profit from operations plus depreciation of property, plant and equipment and amortisation of intangible assets (negative goodwill not included, if applicable).
- (4) Adjusted EBITDA represents operating profit plus depreciation of property, plant and equipment and amortisation of intangible assets less negative goodwill (if applicable), adjusted by (a) excluding non-cash non-recurring impairment charges relating to property, plant and equipment and intangible assets (2018: EUR -20 million; 2017: EUR 0 million), when a majority related to impairment charged at Plzeňská energetika a.s. ("PE") as a result of commercial negotiations between the Group and the City of Pilsen in relation to a merger of PE and Plzeňská teplárenská, a.s. ("PLTEP") (effect of EUR -10 million) and (b) excluding one-off gain from sale of unused non-operational land and assets (2018: EUR 20 million; 2017: EUR 7 million) and (c) adding back (if negative) or deducting (if positive) the difference between (i) compensation for the expenses for mandatory purchase and off-take of energy from renewable sources pursuant to the Slovak RES Promotion Act and the Decree recognised in revenues in the relevant period and (ii) net expenses accounted for the mandatory purchase of energy from renewable resources in accordance with the Slovak RES Promotion Act, in each case inclusive of accruals (2018: EUR -41 million; 2017: EUR 41 million).

Slovak RES Promotion Act means Slovak Act No. 309/2009 Coll., on promotion of renewable energy sources and high-efficiency cogeneration and on amendments to certain acts (zákon o podpore obnoviteľných zdrojov energie a vysoko účinnej kombinovanej výroby a o zmene a doplnení niektorých zákonov).

Decree means the Slovak Decree of the Regulator No. 18/2017 Coll. (or any other applicable decree or law replacing it).

Although Adjusted EBITDA should not be considered a substitute measure for profit and net cash flow from operating activities, we believe that it provides useful information regarding our ability to meet future debt service requirements. Adjusted EBITDA may not be comparable to the similarly titled measure used by other companies.

EBITDA reconciliation to closest IFRS measure

	Consolidated figures ⁽¹⁾	Pro forma adjustments	EP Infrastructure, a.s. pro forma
<i>In millions of EUR ("MEUR")</i>			
Profit (loss) from operations	1,099	29	1,128
Add Depreciation and amortisation	331	16	347
Less Negative goodwill	(5)	5	-
EBITDA	1,425	50	1,475

Notes:

(1) Historical IFRS consolidated statement of comprehensive income of EP Infrastructure, a.s. for the year ended 31 December 2018.

Adjusted EBITDA reconciliation to closest IFRS measure

	EP Infrastructure, a.s. pro forma	EP Infrastructure, a.s. pro forma proportionate*
<i>In millions of EUR ("MEUR")</i>		
Profit (loss) from operations	1,128	625
Depreciation and amortisation	(347)	(205)
Negative goodwill	-	-
EBITDA	1,475	830
System operating tariff (deficit/surplus)	41	20
Less: Gain from sale of unused non-production land and assets	(20)	(20)
Add back: Non-cash non-recurring impairments of assets	20	10
Adjusted EBITDA	1,516	840

Notes:

* Proportionate values are calculated as values reported by individual companies (incl. eliminations and consolidation adjustments) multiplied by effective shareholding of the Company in them.

Net debt	EP Infrastructure, a.s. pro forma	EP Infrastructure, a.s. pro forma proportionate*
<i>In millions of EUR ("MEUR")</i>		
Gross debt**	4,787	*3,700
Less: cash and cash equivalents	416	*253
Net debt	4,371	3,447

Notes:

* Proportionate values are calculated as values reported by individual companies (incl. eliminations and consolidation adjustments) multiplied by effective shareholding of the Company in them.

** Gross debt represents principles owed disregarding unamortized fees, discounts and premiums and accrued interests.

Pro-forma net leverage ratio	Consolidated figures⁽¹⁾	Pro forma adjustments	EP Infrastructure, a.s. pro forma
<i>In millions of EUR</i>			
Proportionate Net debt	3,447	-	3,447
Proportionate Adjusted EBITDA	818	22	840
Proportionate net leverage ratio	4.21		4.10

Notes:

(1) Historical IFRS consolidated statement of comprehensive income of EP Infrastructure, a.s. for the year ended 31 December 2018.

EP Infrastructure, a.s.
Unaudited pro forma condensed consolidated statement of comprehensive income, showing pro forma adjustments
For the year ended 31 December 2018

In millions of EUR ("MEUR")

Notes	Consolidated figures⁽¹⁾	Plzeňská teplárenská, a.s. related adjustments	NAFTA Germany subgroup related adjustments	EP Infrastructure, a.s. pro forma
		Note 4.2.1	Note 4.2.2	
<u>Continuing operations</u>				
Sales: Energy	3,101	47	44	3,192
<i>of which: Gas</i>	<i>1,454</i>	<i>-</i>	<i>44</i>	<i>1,498</i>
<i>Electricity</i>	<i>1,277</i>	<i>20</i>	<i>-</i>	<i>1,297</i>
<i>Heat</i>	<i>350</i>	<i>27</i>	<i>-</i>	<i>377</i>
<i>Coal</i>	<i>20</i>	<i>-</i>	<i>-</i>	<i>20</i>
Sales: Other	28	2	-	30
Gain (loss) from commodity derivatives for trading with electricity and gas, net	(23)	-	-	(23)
Total sales	3,106	49	44	3,199
Cost of sales: Energy	(1,363)	(23)	(1)	(1,387)
Cost of sales: Other	(28)	(2)	(1)	(31)
Total cost of sales	(1,391)	(25)	(2)	(1,418)
Subtotal	1,715	24	42	1,781
Personnel expenses	(214)	(7)	(7)	(228)
Depreciation and amortisation	(331)	(8)	(8)	(347)
Repairs and maintenance	(10)	(6)	(3)	(19)
Emission rights, net	(22)	(1)	-	(23)
Negative goodwill	5	-	(5)	-
Taxes and charges	(8)	(1)	-	(9)
Other operating income	54	18	2	74
Other operating expenses	(90)	(3)	(8)	(101)
Profit (loss) from operations	1,099	16	13	1,128

Notes:

(1) Historical IFRS consolidated statement of comprehensive income of EP Infrastructure, a.s. for the year ended 31 December 2018.

In millions of EUR (“MEUR”)

	Consolidated figures ⁽¹⁾	Plzeňská teplárenská, a.s. related adjustments	NAFTA Germany subgroup related adjustments	EP Infrastructure, a.s. pro forma
Notes		Note 4.2.1	Note 4.2.2	
Finance income	6	-	-	6
Finance expense	(170)	(1)	(2)	(173)
Profit (loss) from financial instruments	(7)	(2)	-	(9)
Net finance income (expense)	(171)	(3)	(2)	(176)
Share of profit (loss) of equity accounted investees, net of tax	-	-	-	-
Gain (loss) on disposal of subsidiaries, joint-ventures and associates	-	-	-	-
Profit (loss) before income tax	928	13	11	952
Income tax expenses	(254)	1	-	(253)
Profit (loss) for the year from continuing operations	674	14	11	699
Profit (loss) attributable to:				
Owners of the Company	329	10 ⁽²⁾	8	347
Non-controlling interest	345	4 ⁽²⁾	3	352
Profit (loss) for the year	674	14	11	699

Notes:

(1) Historical IFRS consolidated statement of comprehensive income of EP Infrastructure, a.s. for the year ended 31 December 2018.

(2) Includes reallocation of Plzeňská energetika a.s.'s profit generated in the period from 1 January 2018 to 31 October 2018 between profit attributable to Owners of the Company and Non-controlling interest (EUR 5 million).

EP Infrastructure, a.s.

Notes to the unaudited pro forma condensed consolidated financial information

1. Description of the entity

EP Infrastructure, a.s. is a joint-stock company, with its registered office at Pařížská 130/26, 110 00 Praha 1, Czech Republic. The Company was founded by Energetický a průmyslový holding, a.s. (“EPH”) on 6 December 2013 as at that time a subsidiary that will hold/consolidate investments in entities belonging to the energy segment of Energetický a průmyslový holding, a.s. and its subsidiaries (the “EPH Group”).

Members of Board of Directors as of 31 December 2018:

Chairman:	Daniel Křetínský, Czech Republic
Vice-chairman:	Jiří Zrůst, Czech Republic
Vice-chairman:	Gary Mazzotti, Czech Republic
Member:	Marek Spurný, Czech Republic
Member:	Pavel Horský, Czech Republic
Member:	Milan Jalový, Czech Republic
Member:	Stéphane Louis Brimont, France

Members of Supervisory Board as of 31 December 2018:

Chairman:	Jan Špringl, Czech Republic
Vice-chairman:	William David George Price, United Kingdom
Member:	Jiří Feist, Czech Republic
Member:	Jan Strítecký, Czech Republic
Member:	Petr Sekanina, Czech Republic
Member:	Rosa Maria Villalobos Rodriguez, Luxembourg

2. Description of the Group

This infrastructure subholding was established to separate the strategic infrastructure energy assets from other business activities of the EPH Group.

The main activities of the EPIF Group are natural gas transmission, gas and power distribution and supply, gas storage and heat production and distribution.

3. Background information and scope of the unaudited pro forma condensed consolidated financial information

The unaudited pro forma condensed consolidated financial information (further also “pro forma financial information”) are derived from the historical IFRS consolidated financial statements of the EPIF Group as of and for the year ended 31 December 2018.

The historical IFRS consolidated statement of financial position and historical IFRS consolidated statement of comprehensive income information of the EPIF Group as of and for the year ended 31 December 2018 is included in the column “Consolidated figures” in the pro forma financial information as of and for the year ended 31 December 2018.

The historical IFRS consolidated financial statements of the EPIF Group as of and for the year ended 31 December 2018 are used as the main building blocks in the compilation of the pro forma financial information. Pro forma adjustments, as included in column “Pro forma adjustments”, were applied to the historical IFRS consolidated financial information to derive the pro forma financial information (column “EP Infrastructure, a.s. pro forma”).

The pro forma adjustments were based on assumptions from the individual financial information of the sub-group’s entities for the period from 1 January 2018 to 31 December 2018. This individual financial information was prepared following the EPIF Group’s accounting instructions, which are based on IFRS as adopted by the EU.

The pro forma financial information of EPIF Group as of and for the year ended 31 December 2018 includes the following entities:

Entity	Percentage of ownership	Method of consolidation	Actual date of acquisition/ establishment	Date of acquisition/ establishment for pro forma	Method of acquisition
EP Infrastructure, a.s. (parent company)	100	Full	XII.13	XII.13	EST
EP Energy, a.s.	100	Full	XII.10	XII.10	EST
AISE, s.r.o.	80	Full	X.09	X.09	AA
Pražská teplárenská a.s.	100	Full	IX.10/XII.10	IX.10/XII.10	AA
PT Koncept, a.s.	100	Full	VIII.14	VIII.14	EST/AA
TERMONTA PRAHA a.s.	100	Full	XII.10	XII.10	AA
PT Transit, a.s.	100	Full	IV.12	IV.12	EST/AA
Teplo Neratovice, spol. s r.o.	100	Full	XII.10	XII.10	AA
PT měření, a.s.	100	Full	V.15	V.15	EST/AA
PT Holding Investment B.V.	100	Full	IX.10	IX.10	AA
Pražská teplárenská Holding a.s.	100	Full	IX.10	IX.10	AA
NPTH, a.s.	100	Full	XII.10	XII.10	AA
United Energy, a.s.	100	Full	X.09	X.09	CC
EVO – Komořany, a.s.	100	Full	XI.10	XI.10	EST
Severočeská teplárenská, a.s.	100	Full	X.10	X.10	EST
United Energy Moldova, s.r.o.	100	Full	X.09	X.09	CC
United Energy Invest, a.s.	100	Full	X.09	X.09	CC
GABIT spol. s r.o.	100	At cost	XI.17	XI.17	AA
EP Sourcing, a.s. (former EP Coal Trading, a.s.)	100	Full	X.09	X.09	CC
EP ENERGY TRADING, a.s.	100	Full	X.09	X.09	CC
VTE Moldava II, a.s.	100	Full	IX.10	IX.10	AA
MR TRUST s.r.o.	100	Full	IX.10	IX.10	AA
Arisun, s.r.o.	100	Full	XII.10	XII.10	AA
Greeninvest Energy, a.s.	41.70	IFRS 5	XI.10	XI.10	AA
POWERSUN a.s.	100	Full	IX.10	IX.10	AA
Triskata, s.r.o.	100	Full	IX.10	IX.10	AA
VTE Pchery, s.r.o.	64	Full	IX.10	IX.10	AA
CHIFFON ENTERPRISES LIMITED	100	Full	IX.10	IX.10	AA
Claymore Equity, s.r.o.	100	Full	IX.10	IX.10	AA
Alternative Energy, s.r.o.	90	Full	IX.10	IX.10	AA
Elektrárny Opatovice, a.s.	100	Full	XII.10	XII.10	AA
V A H O s.r.o.	100	Full	XII.10	XII.10	AA
NPTH, a.s.	100	Full	XII.10	XII.10	AA
Stredoslovenská energetika Holding, a.s.	49	Full	XI.13	XI.13	AA
Stredoslovenská distribučná, a.s.	100	Full	XI.13	XI.13	AA
Elektroenergetické montáže, a.s.	100	Full	XI.13	XI.13	AA
SSE – Metrológia s.r.o.	100	Full	XI.13	XI.13	AA
Stredoslovenská energetika – Projekt Development, s.r.o.	100	Full	XI.13	XI.13	AA
SSE–Solar, s.r.o.	100	Full	XI.13	XI.13	AA
SPX, s.r.o.	33.33	Equity	XI.13	XI.13	AA
Energotel, a.s.	20	Equity	XI.13	XI.13	AA
SSE CZ, s.r.o.	100	Full	XI.13	XI.13	AA
SPV100 s.r.o.	100	At cost	IV.17	IV.17	AA
SSE – MVE, s.r.o.	100	Full	VIII.18	VIII.18	EST/AA
Stredoslovenská energetika, a.s.	100	Full	VIII.18	VIII.18	EST/AA
EP ENERGY HR d.o.o.	100	Full	IX.13	IX.13	EST
EP Cargo a.s.	100	Full	VII.14, IX.15	VII.14, IX.15	AA
Budapesti Erömü Zrt.	95.62	Full	XII.15	XII.15	AA
KÖBÁNYAHÖ Kft.	25	At cost	XII.15	XII.15	AA
ENERGZET SERVIS a.s.	100	Full	VII.15	VII.15	AA
Plzeňská teplárenská, a.s.	35	Full	X.18	I.18	AA*

Plzeňská teplárenská, AUTODOPRAVA s.r.o.	100	Full	X.18	I.18	AA*
Plzeňská teplárenská SERVIS IN a.s.	100	Full	X.18	I.18	AA*
Czech Gas Holding Investment B.V.	100	Full	III.16	III.16	CC
NAFTA a.s.	40.45	Full	XII.13	XII.13	AA
Nafta Exploration s.r.o.	100	Full	XII.13	XII.13	AA
Karotáž a cementace, s.r.o.	51	At cost	XII.13	XII.13	AA
POZAGAS a.s.	65	Full	XII.13/XII.17	XII.13/XII.17	AA
NAFTA Services, s.r.o.	100	Full	III.15	III.15	EST
NAFTA International B.V.	100	Full	XII.15	XII.15	EST
NAFTA Germany GmbH	100	Full	XII.18	I.18	AA**
NAFTA Bavaria GmbH	100	Full	XII.18	I.18	AA**
NAFTA Speicher Management GmbH	100	Full	XII.18	I.18	AA**
NAFTA Speicher GmbH & Co. KG	100	Full	XII.18	I.18	AA**
NAFTA Speicher Inzenham GmbH	100	Full	XII.18	I.18	AA**
NAFTA RV	100	Full	IX.16	IX.16	EST/AA
CNG Holdings Netherlands B.V.	50	Equity	VII.16	VII.16	EST/AA
CNG LLC	100	Equity	VII.16	VII.16	EST/AA
EPH Gas Holding B.V.	100	Full	XI.12	XI.12	EST
Seattle Holding B.V.	100	Full	I.13	I.13	AA
Slovak Gas Holding B.V.	100	Full	I.13	I.13	AA
SPP Infrastructure, a.s.	49	Full	VII.13	VII.13	EST
eustream, a.s.	100	Full	I.13	I.13	AA
Central European Gas HUB AG	15	At cost	I.13	I.13	AA
Eastring B.V.	100	Full	IV.15	IV.15	EST
Plynárenská metrológia, s.r.o.	100	Full	X.13	X.13	EST
SPP – distribúcia, a.s.	100	Full	I.13	I.13	AA
SPP – distribúcia Servis, s.r.o.	100	Full	I.13	I.13	AA
NAFTA a.s.	56.15	Full	XII.13	XII.13	AA
Nafta Exploration s.r.o.	100	Full	XII.13	XII.13	AA
Karotáž a cementace, s.r.o.	51	At cost	XII.13	XII.13	AA
POZAGAS a.s.	65	Full	XII.13/XII.17	XII.13/XII.17	AA
NAFTA Services, s.r.o.	100	Full	III.15	III.15	EST
NAFTA International B.V.	100	Full	XII.15	XII.15	EST
NAFTA Germany GmbH	100	Full	XII.18	I.18	AA**
NAFTA Bavaria GmbH	100	Full	XII.18	I.18	AA**
NAFTA Speicher Management GmbH	100	Full	XII.18	I.18	AA**
NAFTA Speicher GmbH & Co. KG	100	Full	XII.18	I.18	AA**
NAFTA Speicher Inzenham GmbH	100	Full	XII.18	I.18	AA**
NAFTA RV	100	Full	IX.16	IX.16	EST/AA
CNG Holdings Netherlands B.V.	50	Equity	VII.16	VII.16	EST/AA
CNG LLC	100	Equity	VII.16	VII.16	EST/AA
GEOTERM KOŠICE, a.s.	95.82	Full	I.13	I.13	AA
SPP Storage, s.r.o.	100	Full	I.13	I.13	AA
POZAGAS a.s.	35	Full	I.13	I.13	AA
SLOVGEOTERM a.s.	50	Equity	I.13	I.13	AA
GEOTERM KOŠICE, a.s.	0.08	Full	I.13	I.13	AA
GALANTATERM spol. s r.o.	0.50	At cost	I.13	I.13	AA
GALANTATERM spol. s r.o.	17.50	At cost	I.13	I.13	AA
SPP Infrastructure Financing B.V.	100	Full	V.13	V.13	EST

Abbreviations used:

AA Acquisition accounting incl. purchase price allocation

AA* Plzeňská teplárenská a.s. was acquired on 31 October 2018.

On 31 October 2018 the EPIF Group completed merger of Plzeňská energetika, a.s. and Plzeňská teplárenská, a.s., the sole owner of which was the City of Pilsen, resulting in Plzeňská teplárenská, a.s. as successor company in which the EPIF Group has a 35% interest and management control. The EPIF Group has contributed 100% of shares in Plzeňská energetika, a.s. and cash contribution of EUR 23 million and the City of Pilsen contributed 100% of shares in Plzeňská teplárenská, a.s. to Plzeňská teplárenská, a.s. as the successor company.

In this pro forma financial information, Plzeňská teplárenská, a.s. is reported as if already controlled by the EPIF Group effectively from 1 January 2018.

For this reason, the pro forma financial information contains specific pro forma adjustments as described in Note 4.1.1.

AA+ NAFTA Germany subgroup was acquired on 31 December 2018.

The EPIF Group through NAFTA Germany GmbH, a subsidiary of NAFTA a.s. has completed acquisition of underground gas storage facilities Inzenham – West, Wolfersberg and Breitbrunn/Eggstätt in the German state of Bavaria from DEA Deutsche Erdoel AG and Storengy Deutschland GmbH. As part of the transaction NAFTA has also acquired ownership of 19.7% participation interest in Breitbrunn/Eggstätt from Storengy Deutschland GmbH and became 100% owner of Inzenham – West, Wolfersberg and Breitbrunn/Eggstätt underground storage facilities, with a storage capacity of 1.8 billion cubic meters.

In this pro forma financial information, NAFTA Germany subgroup is reported as if already controlled by the EPIF Group effectively from 1 January 2018.

For this reason, the pro forma financial information contains specific pro forma adjustments as described in Note 4.1.2.

CC Common control acquisition – no new goodwill or negative goodwill recognised in the IFRS consolidated financial statements. The difference between the Net assets acquired (at Net Book Value) and the Purchase price was recorded against equity in the IFRS consolidated financial statements.

CO Entity included at cost (due to immateriality).

EST Entity established by the parent company.

4. Assumptions used for the compilation of the pro forma financial information

4.1. General pro forma financial information assumptions

The historical IFRS consolidated financial information as of and for the year ended 31 December 2018 has been adjusted to reflect:

1. Consolidation of 35% share in Plzeňská teplárenská, a.s. (acquired on 31 October 2018) using the full method of consolidation effectively from 1 January 2018 (adjustment column “Plzeňská teplárenská, a.s. related adjustments”);
2. Consolidation of 68.99% share in NAFTA Germany GmbH and its subsidiaries NAFTA Bavaria GmbH, NAFTA Speicher Management GmbH, NAFTA Speicher GmbH & Co. KG and NAFTA Speicher Inzenham GmbH (acquired on 31 December 2018) using the full method of consolidation effectively from 1 January 2018 (adjustment column “NAFTA Germany subgroup related adjustments”);

4.2. Description of adjustments recorded to the pro forma financial information of EP Infrastructure, a.s. as of and for the year ended 31 December 2018

4.2.1 Plzeňská teplárenská, a.s. related adjustments

Based on the shareholders’ agreement signed on 5 October 2018, and subsequently completed merger on 31 October 2018 the EPIF Group gained control of Plzeňská teplárenská a.s. even it holds 35% share in this entity.

As a result of this shareholders’ agreement and completed merger, Plzeňská teplárenská, a.s. was from 1 November 2018 included in the EPIF historical IFRS consolidated statement of comprehensive income for the year ended 31 December 2018 using the full method of consolidation reflecting the relevant non-controlling interest of 65%. In the pro forma condensed consolidated financial information, Plzeňská teplárenská, a.s. is consolidated using the full method of consolidation with the relevant non-controlling interest effectively from 1 January 2018.

As such, the profit and loss accounts of Plzeňská teplárenská, a.s. for the period from 1 January 2018 to 31 October 2018 were added to include the missing 10 months of operations (i.e. to reflect the whole year full consolidation method) with a reported 65% related to non-controlling interest. Also, relevant adjustments to intercompany transactions between Plzeňská teplárenská, a.s. and the EPIF Group were reflected in the pro forma financial information to reflect the different period of consolidation.

The purchase price allocation prepared in accordance with IFRS 3 was performed for the purposes of reflecting the acquisition of Plzeňská teplárenská, a.s. on 31 October 2018. The pro forma financial information includes the effects of these purchase price allocation adjustments as if the EPIF Group had acquired Plzeňská teplárenská a.s. on 1 January 2018. These effects are primarily represented by simulated depreciation and amortisation charges related to the tangible and intangible assets and interest charges to provision for restoration and decommissioning revalued during the purchase price allocation process. The pro forma adjustments were based on a simple linear approximation of charges of related assets and liabilities and may not, therefore, be accurate in terms of following the actual patterns.

After recognition of the above mentioned pro forma adjustments the difference between value of the Net assets value as of 1 January 2018 and the Purchase price was recognized as residual goodwill in this pro forma condensed consolidated financial information.

4.2.2 NAFTA Germany subgroup related adjustments

On 31 December 2018 the EPIF Group completed acquisition of NAFTA Germany subgroup.

As at 31 December 2018 NAFTA Germany subgroup was included in the EPIF historical IFRS statement of financial position using the full method of consolidation. As the acquisition process was completed on the last day of the year, no profit and loss operations were included in the EPIF historical IFRS statement of comprehensive income.

As such, the profit and loss accounts of NAFTA Germany subgroup for the period from 1 January 2018 to 31 December 2018 were added to include the 12 months of operations (i.e. to reflect the whole year full consolidation method). Also, relevant adjustments to intercompany transactions between NAFTA Germany subgroup with a reported 31% non-controlling interest and the EPIF Group were reflected in the pro forma condensed consolidated financial information to reflect the appropriate period of consolidation.

The purchase price allocation prepared in accordance with IFRS 3 was performed for the purposes of reflecting the acquisition of NAFTA Germany subgroup on 31 December 2018. The pro forma condensed consolidated financial information includes the effects of these purchase price allocation adjustments as if the EPIF Group had acquired NAFTA Germany subgroup on 1 January 2018. These effects are primarily represented by simulated depreciation and amortisation charges related to the tangible and intangible assets and interest charges to provision for restoration and decommissioning revalued during the purchase price allocation process. The pro forma adjustments were based on a simple linear approximation of charges of related assets and liabilities and may not, therefore, be accurate in terms of following the actual patterns.

In the EPIF historical IFRS consolidated financial statements the acquisition of NAFTA Germany subgroup resulted in recognition of negative goodwill. After recognition of the above mentioned pro forma adjustments this negative goodwill was reversed and the difference between the Net assets value as of 1 January 2018 and the Purchase price was recognized as residual goodwill in this pro forma condensed consolidated financial information.

We, the Board of Directors of the EPIF Group, acknowledge overall responsibility for the compiled pro forma condensed consolidated financial information and confirm that the underlying accounting data and assumptions used for compilation of the pro forma condensed consolidated financial information are accurate and complete.

11 April 2019

Board of Directors:



Daniel Křetínský

*Chairman of the Board of Directors
of EP Infrastructure, a.s.*



Pavel Horský

*Member of the Board of Directors
of EP Infrastructure, a.s.*

Appendix 1:

Breakdown of the unaudited pro forma condensed consolidated statement of comprehensive income of EP Infrastructure, a.s. as of and for the year ended 31 December 2018 into operating segments

<i>In millions of EUR</i>	Gas transmission	Gas and power distribution	Gas storage	Heat Infra	Total segments	Other	Holding	Inter-segment eliminations	Pro forma consolidated financial information
Sales: Energy	752	1,808	236	629	3,425	6	-	(239)	3,192
<i>external revenues</i>	658	1,790	204	534	3,186	6	-	-	3,192
<i>of which: Gas</i>	658	636	204	-	1,498	-	-	-	1,498
<i>Electricity</i>	-	1,154	-	137	1,291	6	-	-	1,297
<i>Heat</i>	-	-	-	377	377	-	-	-	377
<i>Coal</i>	-	-	-	20	20	-	-	-	20
<i>inter-segment revenues</i>	94	18	32	95	239	-	-	(239)	-
Sales: Other	-	8	-	17	25	5	-	-	30
<i>external revenues</i>	-	8	-	17	25	5	-	-	30
<i>inter-segment revenues</i>	-	-	-	-	-	-	-	-	-
Gain (loss) from commodity derivatives for trading with electricity and gas, net	-	(23)	-	-	(23)	-	-	-	(23)
Total sales	752	1,793	236	646	3,427	11	-	(239)	3,199
Cost of sales: Energy	(44)	(1,208)	(14)	(360)	(1,626)	-	-	239	(1,387)
<i>external cost of sales</i>	(41)	(991)	(12)	(343)	(1,387)	-	-	-	(1,387)
<i>inter-segment cost of sales</i>	(3)	(217)	(2)	(17)	(239)	-	-	239	-
Cost of sales: Other	-	(1)	(1)	(25)	(27)	(4)	-	-	(31)
<i>external cost of sales</i>	-	(1)	(1)	(25)	(27)	(4)	-	-	(31)
<i>inter-segment cost of sales</i>	-	-	-	-	-	-	-	-	-
Personnel expenses	(30)	(97)	(28)	(68)	(223)	(1)	(4)	-	(228)
Depreciation and amortisation	(84)	(153)	(29)	(78)	(344)	(3)	-	-	(347)
Repairs and maintenance	(1)	(4)	(3)	(11)	(19)	-	-	-	(19)
Emission rights, net	-	-	-	(23)	(23)	-	-	-	(23)
Negative goodwill	-	-	-	-	-	-	-	-	-
Taxes and charges	(1)	(1)	(3)	(4)	(9)	-	-	-	(9)
Other operating income	1	15	2	40	58	⁽²⁾ 16	1	(1)	74
Other operating expenses	(14)	(36)	(24)	(23)	(97)	(2)	(3)	1	(101)
Operating profit	579	308	136	94	1,117	17	(6)	-	1,128

<i>In millions of EUR</i>	Gas trans- mission	Gas and power distribution	Gas storage	Heat Infra	Total segments	Other	Holding	Inter-segment eliminations	Proforma consolidated financial information
Finance income	1	2	5	2	10	-	*1,235	*(1,239)	6
<i>external finance revenues</i>	1	2	1	-	4	-	2	-	6
<i>inter-segment finance revenues</i>	-	-	4	2	6	-	*1,233	*(1,239)	-
Finance expense	(45)	(17)	(9)	(20)	(91)	(1)	(150)	69	(173)
Profit (loss) from derivative financial instruments	(1)	(2)	(1)	(3)	(7)	-	(2)	-	(9)
Share of profit (loss) of equity accounted investees, net of tax	-	-	-	-	-	-	-	-	-
Gain (loss) on disposal of subsidiaries, special purpose entities, joint ventures and associates	-	-	-	-	-	-	-	-	-
Profit (loss) before income tax	534	291	131	73	1,029	16	*1,077	*(1,170)	952
Income tax expenses	(142)	(75)	(30)	(9)	(256)	-	3	-	(253)
Profit (loss) for the year	392	216	101	64	773	16	*1,080	*(1,170)	699

* EUR 1,170 million is attributable to intra-group dividends primarily recognised by Slovak Gas Holding B.V., Czech Gas Holding Investment B.V., SPP Infrastructure, a.s. and EP Energy, a.s.

Other financial information:

EBITDA ⁽¹⁾	663	461	165	172	1,461	20	(6)	-	1,475
Adjusted EBITDA ⁽³⁾	665	502	173	177	1,517	5	(6)	-	1,516

Notes:

General: the allocation of the individual EPIF Group entities into the operating segments corresponds to the allocation made for the purposes of the historical IFRS consolidated financial statements of EPIF Group. Plzeňská teplárenská a.s. was allocated to Heat Infra segment, NAFTA Germany subgroup was allocated to Gas storage segment.

- (1) *EBITDA represents profit from operations plus depreciation of property, plant and equipment and amortisation of intangible assets (negative goodwill not included, if applicable). Although EBITDA should not be considered a substitute measure for profit and net cash flow from operating activities, we believe that it provides useful information regarding our ability to meet future debt service requirements. EBITDA may not be comparable to the similarly titled measure used by other companies.*
- (2) *This position includes gain on disposal of unused non-operating fixed assets (mainly land plots) totalling EUR 15 million.*
- (3) *Adjusted EBITDA represents operating profit plus depreciation of property, plant and equipment and amortisation of intangible assets less negative goodwill (if applicable), adjusted by (a) excluding non-cash non-recurring impairment charges relating to property, plant and equipment and intangible assets (2018: EUR -20 million; 2017: EUR 0 million), when a majority related to impairment charged at Plzeňská energetika a.s. ("PE") as a result of commercial negotiations between the Group and the City of Pilsen in relation to a merger of PE and Plzeňská teplárenská, a.s. ("PLTEP") (effect of EUR -10 million) and (b) excluding one-off gain from sale of unused non-operational land and assets (2018: EUR 20 million; 2017: EUR 7 million) and (c) adding back (if negative) or deducting (if positive) the difference between (i) compensation for the expenses for mandatory purchase and off-take of energy from renewable sources pursuant to the Slovak RES Promotion Act and the Decree recognised in revenues in the relevant period and (ii) net expenses accounted for the mandatory purchase of energy from renewable resources in accordance with the Slovak RES Promotion Act, in each case inclusive of accruals (2018: EUR -41 million; 2017: EUR 41 million).*

Slovak RES Promotion Act means Slovak Act No. 309/2009 Coll., on promotion of renewable energy sources and high-efficiency cogeneration and on amendments to certain acts (zákon o podpore obnoviteľných zdrojov energie a vysoko účinnej kombinovanej výroby a o zmene a doplnení niektorých zákonov).

Decree means the Slovak Decree of the Regulator No. 18/2017 Coll. (or any other applicable decree or law replacing it).

Although Adjusted EBITDA should not be considered a substitute measure for profit and net cash flow from operating activities, we believe that it provides useful information regarding our ability to meet future debt service requirements. Adjusted EBITDA may not be comparable to the similarly titled measure used by other companies.

EBITDA and Adjusted EBITDA reconciliation to the closest IFRS measure

It must be noted that EBITDA and Adjusted EBITDA are not indicators that are defined under IFRS. These indicators are construed as determined by the Board of Directors and are presented to disclose additional information to measure the economic performance of the Group's business activities. These terms should not be used as a substitute to net income, revenues or operating cash flows or any other indicator as derived in accordance with IFRS. These non-IFRS indicators should not be used in isolation. These indicators may not be comparable to similarly titled indicators used by other companies.

For the year ended 31 December 2018

In millions of EUR

	Gas trans- mission	Gas and power distribution	Gas storage	Heat Infra	Total segments	Other	Holding	Inter-segment eliminations	Pro forma consolidated financial information
Profit from operations	579	308	136	94	1,117	17	(6)	-	1,128
Depreciation and amortisation	84	153	29	78	344	3	-	-	347
Negative goodwill	-	-	-	-	-	-	-	-	-
EBITDA	663	461	165	172	1,461	20	(6)	-	1,475
Impairment to the line items property, plant and equipment and intangible assets	2	-	8	10	20	-	-	-	20
One-off gain from sale of unused non-operational land and assets	-	-	-	(5)	(5)	(15)	-	-	(20)
System Operation Tariff (surplus) / deficit	-	41	-	-	41	-	-	-	41
Adjusted EBITDA	665	502	173	177	1,517	5	(6)	-	1,516

Non-current pro forma assets and liabilities

For the year ended 31 December 2018

In millions of EUR

	Gas trans- mission	Gas and power distribution	Gas storage	Heat Infra	Total segments	Other	Holding	Inter- segment eliminations	Pro forma consolidated financial information
Reportable segment assets	2,418	3,963	990	1,273	8,644	37	1,824	(2,340)	8,165
Reportable segment liabilities	(1,915)	(1,492)	(625)	(548)	(4,580)	(39)	(4,631)	2,340	(6,910)
Additions to tangible and intangible assets ⁽¹⁾	53	81	17	108	259	1	-	-	260
Additions to tangible and intangible assets (excl. emission rights and goodwill)	51	81	6	59	197	-	-	-	197
Equity accounted investees	-	1	-	-	1	-	-	-	1

Notes:

(1) This balance includes additions to emission rights and goodwill