



Energetický a průmyslový holding, a.s.

June 2018

EPH

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EPH overview



EPH is unique energy group active in energy infrastructure, conventional and regulated and contracted renewable power generation

EPH overview

- EPH is a vertically integrated energy group active in energy infrastructure, power generation and regulated and long term contracted renewable power generation. EPH is active in the Czech Republic, Slovakia, Germany, Italy, the UK, Poland, and Hungary with seat in Prague
- EPH is controlled by **Daniel Křetínský** with **94%** effective share, and the remaining **6%** indirect share belongs to the **management of EPH**
- Consolidated EBITDA¹ reached EUR 1.9bn in 2017** on a fully consolidated basis, with **cash conversion** of ca. **55-66%²**
- Vast majority of EBITDA is generated either from **regulated or long-term contracted businesses** concentrated within **EP Infrastructure (“EPIF”)**: EPIF Group consists from four segments: **Gas transmission** in Slovakia, **Gas and Power Distribution** in Slovakia, **Gas storage** in the Czech Republic and Slovakia and **Heat infrastructure** in the Czech Republic and Hungary
- The activities related to power generation are predominantly consolidated under **EP Power Europe (“EPPE”)**. These comprise of power generation and associated lignite mining (including related activities). EPPE Group is active mainly in Germany, the UK, Italy, and Slovakia. Long-term contracted or regulated renewable energy (biomass/biogas) are another EPPE's strategic area of development
- Companies operated by EPH employ over **25,000 employees**, of which more than **10,000 in Germany**
- Both EPIF and EPPE have a strong management team with a proven track-record
- Companies operated by EPH generate over **100 TWh of power**, which places it as the **6th largest power producer in Europe³**

1. Based on audited consolidated 2017 financials. Consolidated EBITDA represents Operating profit before Depreciation and amortization and Negative goodwill (if any) further adjusted for selected effects of impairment items, special items (e.g. profit/loss realized on goodwill and disposal of fixed assets), dividend income, changes in provisions, and pro-forma impact of acquisitions

2. Source: EPH 2017 Annual report. Cash conversion = (EBITDA – CAPEX – Tax)/EBITDA. Upper bound is based on calculation which excludes expenditures associated with the conversion project of Lynemouth power plant to biomass, whereas calculation of the lower bound includes all such expenditures.

3. Based on total European energy production (data for EPH presented on a 100% ownership basis, including equity consolidated companies such as LEAG and SE)

4. Heat supply is the aggregate of distributed heat and, in case of companies which do not provide heat distribution, heat production.

KPIs of the Group (2017)

Natural Gas

Gas transmission capacity	bcm	80.0
Gas transmission / distribution	bcm	64.2 / 4.9
Gas storage capacity	bcm	3.8

Heat and Power

Installed capacity (net)	GW _e	11.5
Power production (net)	TWh _e	23.5
Power distribution	TWh _e	6.2
Heat production	PJ (TWh _{th})	15.3 (4.3)
Heat supply ⁴	PJ (TWh _{th})	22.3 (6.2)



Largest gas transmission route in Europe



Gas distributor in Slovakia

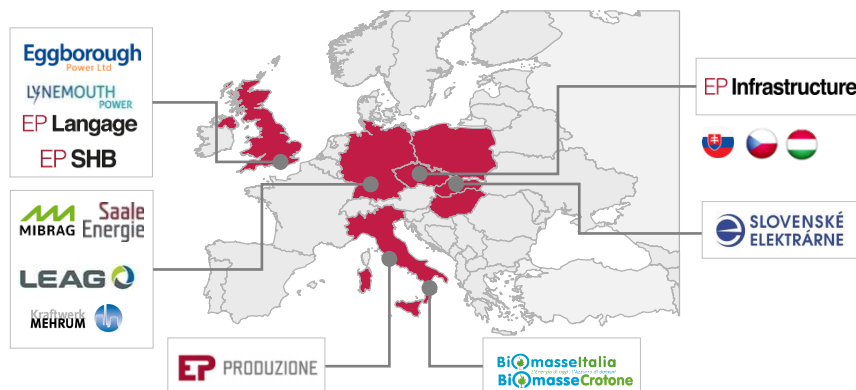


Czech district heating infrastructure

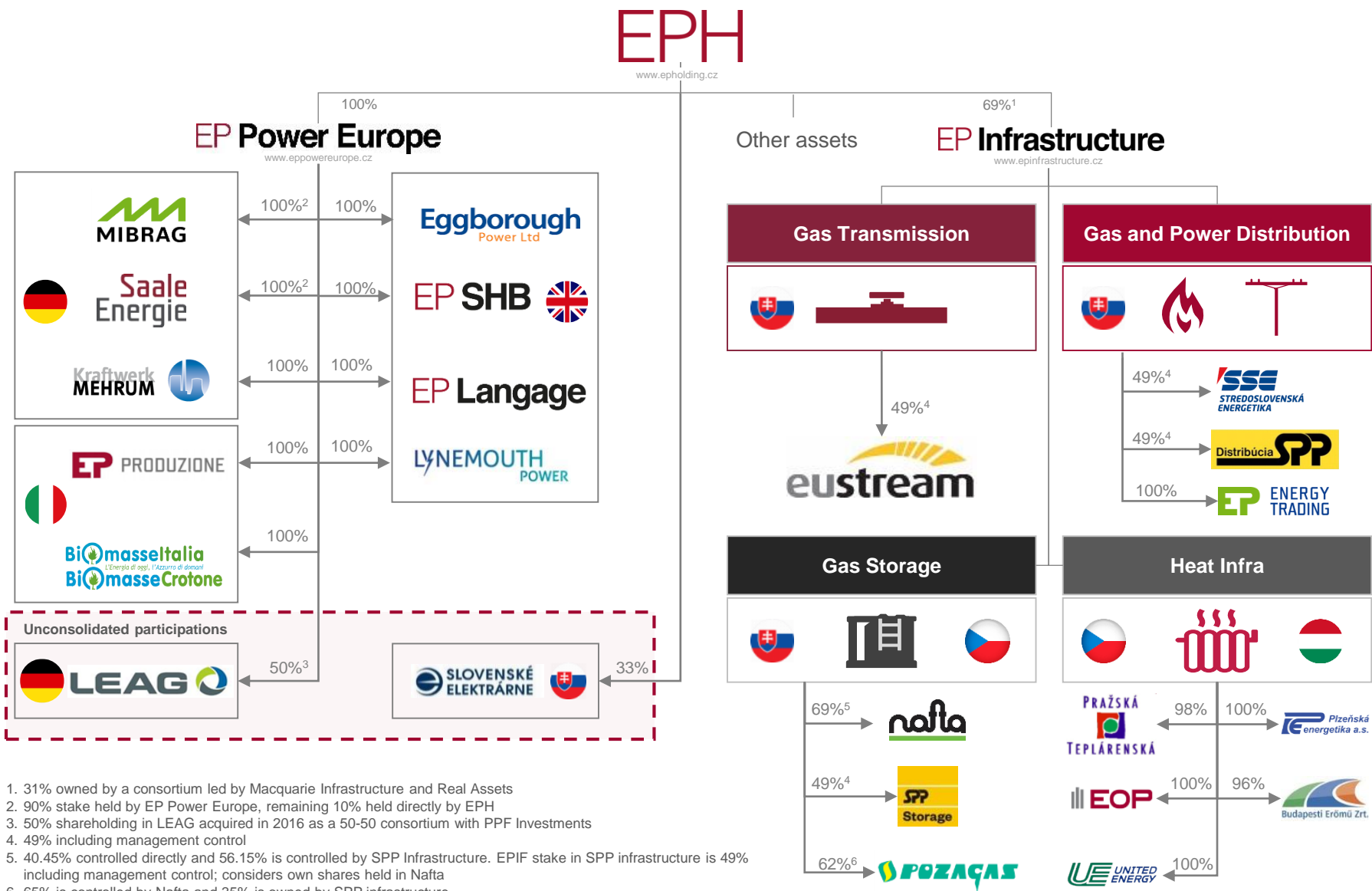


Gas storage player in region of Slovakia, the Czech Republic and Austria

Geographic presence of EPH



EPH group structure

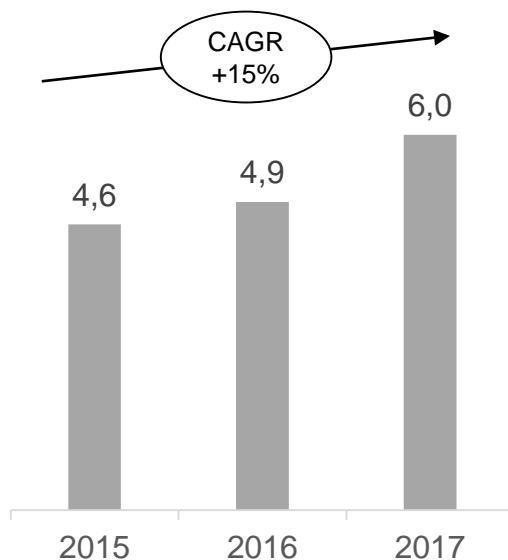


EPH reports stability and further growth in 2017

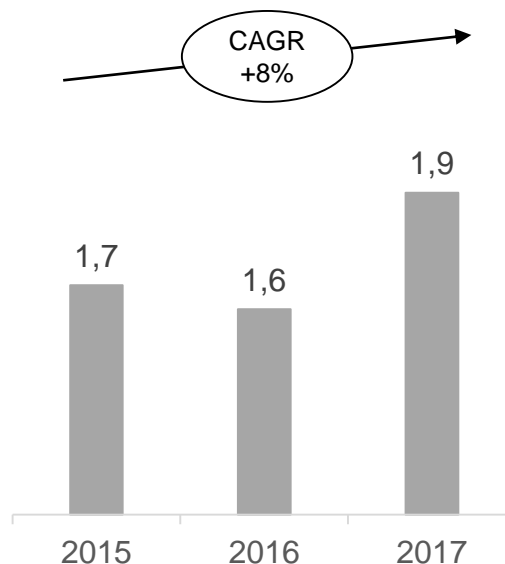
Consolidated results for 2017

- Consolidated assets reached EUR 12.8bn ¹
- Consolidated sales reached EUR 6.0bn ¹
- Consolidated EBITDA was EUR 1.9bn ²
- Consolidated net debt was EUR 5.4bn ¹
- Net consolidated leverage ratio stood at 2.8x

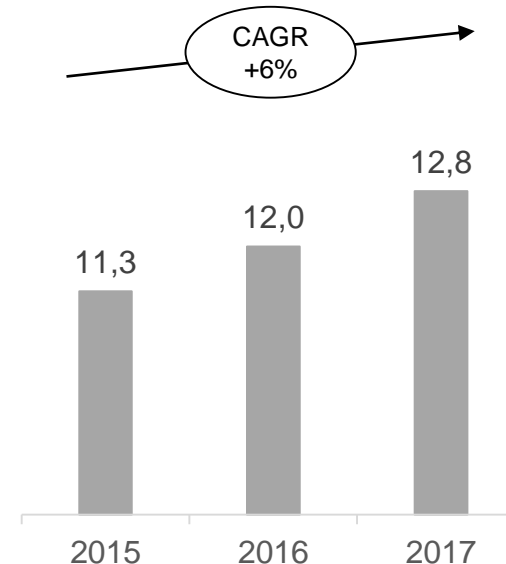
Consolidated Sales



Consolidated EBITDA²



Consolidated Assets



1. Based on audited consolidated 2017 financials

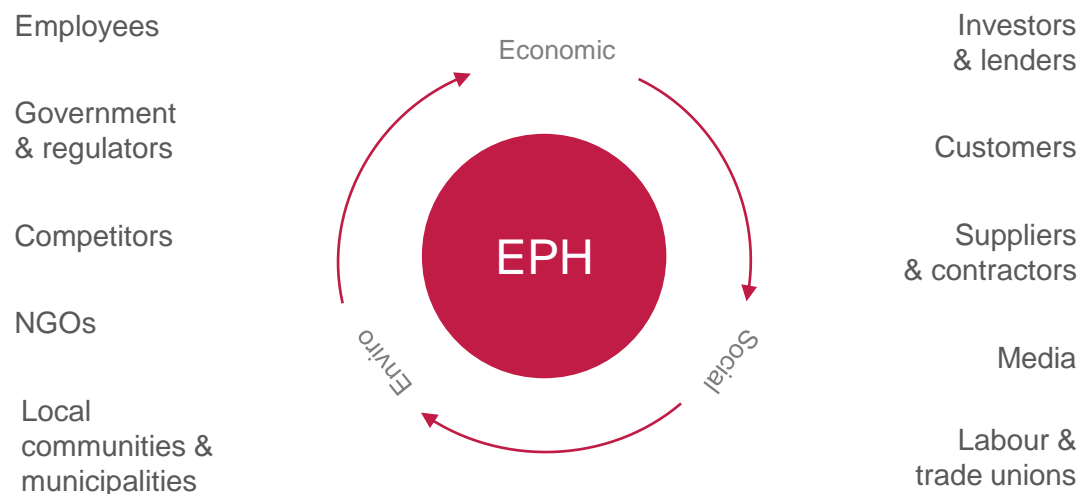
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EPH is committed to responsible operations of its entire portfolio

EPH approach to sustainability

- ❑ EPH is fully committed to responsible and economical operations of its entire portfolio, while reflecting interests of our key stakeholders. The areas for the group are as follows:
 - Reclamation of the mining sites, bolstering biodiversity and restoring both forest and agricultural land
 - Responsibility to our employees, emphasizing health and safety at work, as well as personal development
 - Adhering to all valid legal and environmental regulations
- ❑ Large portion of EPH EBITDA comes from energy infrastructure assets that are bundled under EP Infrastructure and **carry negligible CO₂ footprint**
- ❑ The core business of our second pillar, **EP Power Europe**, is power generation, whereas:
 - We are dedicated to responsible and sustainable operation of stable electricity generation
 - We are dedicated to meeting strict environmental targets in operating all our conventional capacities
 - We continuously invest in our plants and make use of innovative technologies gaining additional operational efficiencies while we stand ready to decommission technology that becomes obsolete
 - Our recent acquisitions focus on controllable renewables (e.g. biomass) with very low CO₂ footprint

Our key stakeholders



Sustainability in EPH – focus on carbon-free and low carbon generation, highly efficient cogeneration and growth in renewables

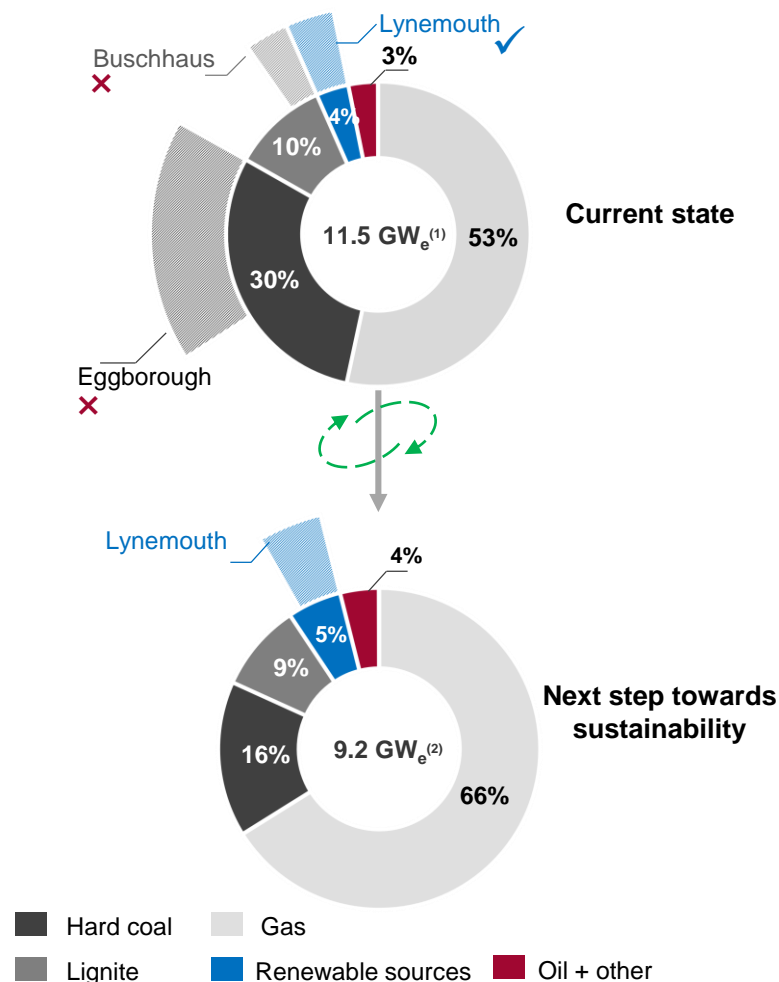
EPH power and heat generation portfolio

- EPH portfolio and its strategic targets fully reflect the pro-active approach of EPH to sustainability
- EPH Power generation is concentrated in EPPE, with EPIF operating CHPs adjacent to heating networks
- Our focus on carbon-free and low carbon generation is demonstrated by the composition of our power plant fleet
- Controllable renewable energy sources such as hydro and biomass play a central role in EPH sustainable generation strategy
- Lynemouth biomass conversion project in the UK (395 MW) and the recent acquisition of biomass plants in Italy (73 MW) follow this philosophy

Specific examples of realized initiatives:

- The biomass conversion project in Lynemouth will significantly reduce SO_x and NO_x emissions and save approximately 2.7 million tons of CO₂-eq emissions
- Our investment in refurbishment of equipment in Elektrárny Opatovice led to a 60% reduction of NO_x emissions
- Decision on decommissioning of the Eggborough hard coal power plant in 2018, which will lead to an annual saving of about 4.7 million tons of greenhouse gases (in comparison with level of operations in 2015)
- Decommissioning of our Mumsdorf power plant in Germany led to an annual saving of about 800 ths. tons of CO₂-eq emissions
- Following reassessment of operational efficiency of our Buschhaus power plant, a decision of placing these assets into security standby reserve has been taken. This led to a decrease of approx. 2.3 million tons of CO₂ in comparison with 2015

Consolidated generation capacity¹



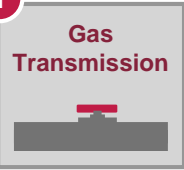



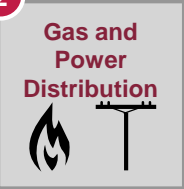






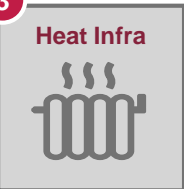













1. Operating data for year 2017 are presented consistent with IFRS consolidation scope, excluding equity consolidated companies such as LEAG and SE

2. Net installed capacity excluding capacity of Eggborough plant (decommissioning to be initiated already in 2018) and Buschhaus (capacity standby mode from 2016, with expected decommissioning by the end of 2020)

EP Infrastructure



EPIF includes predominantly regulated and/or contracted businesses with leading market positions

Segment	Group Companies	EPH EBITDA ¹ share	Asset highlights	Business profile
1  Gas Transmission		 EUR 664 mil.	 Part of the largest transmission route in Europe ²	<input type="checkbox"/> Regulated / contracted / ship-or-pay contract
2  Gas and Power Distribution	  	 EUR 551 mil.	 Gas distributor in Slovakia ³  Electricity distributor in Slovakia ³	<input type="checkbox"/> Predominantly regulated; natural monopoly in distribution in the respective region
3  Heat Infra	    	 EUR 157 mil.	 Czech district heating infrastructure ⁴	<input type="checkbox"/> Predominantly regulated
4  Gas Storage	  	 EUR 144 mil.	 Storage capacity in the region of Slovakia, Czech Republic and Austria ⁵	<input type="checkbox"/> Predominantly contracted

Source: Company information, internal research and analysis, Gas Storage Europe

1. EBITDA based on the segment analysis which is a part of the EPH 2017 Annual report.

2. Based on volume transmitted

3. Based on volume distributed

4. Based on PJ distributed to final consumers

5. Based on storage capacity

EPIF is a stable, diversified infrastructure with investment grade ratings, high cash-flow and strong shareholder structure

□ Highly stable, diversified, mostly regulated and long-term contracted businesses

- Critical energy infrastructure assets across low-risk and fast-growing countries: Slovakia (A+ / A2 / A+)¹ and the Czech Republic (AA- / A1 / A+)¹
- Mostly regulated and/or long term contracted businesses
- Highly diversified across different infrastructure asset types
- Dominant or leading businesses in their area of operation or in their region

□ Modern assets with low capex needs and high cash flow conversion

- Well-invested, modern asset base with long remaining asset lives
- Low maintenance capex needs in the medium to long term, resulting in a high cash conversion, highly above regulated peers⁴

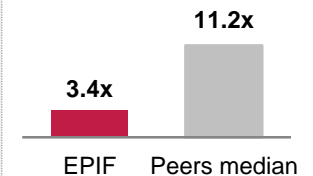
□ Investment grade ratings (BBB / Baa3 / BBB-)¹ and conservative capital structure

- Strong conversion to cash-flow resulting in low leverage compared to peers
- Conservative financial policy with dividend lock-up covenant $\leq 4.5x$ EBITDA
- Given the high cash flow conversion, EPIF has the capacity to reduce leverage quickly if desired

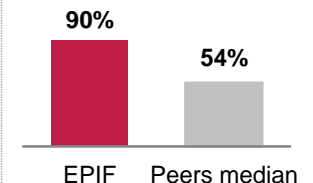
□ Strong management team supported by long-term, committed shareholders

- Consortium of global institutional investors led by Macquarie Infrastructure and Real Assets is an important minority shareholder of EPIF
- Experienced and well-structured stable management team ensuring efficient continuous operations of EPIF

Net debt/ cash-flow³



Cash conversion²



1. S&P / Moody's / Fitch

2. Cash conversion defined as (EBITDA - Capex) / EBITDA; Capex defined as "capital expenditures relating to tangible and intangible assets less emission rights", based on audited consolidated 2017 financials

3. Cash-flow defined as (EBITDA - Capex) (plně konsolidováno)

4. Peers: based on EPH internal analysis.

Gas Transmission: key highlights



1

Key strategic asset for Slovakia and the EU

- ❑ Sole gas transmission system operator in Slovakia and owner of all transmission infrastructure
- ❑ Almost half of the European import capacity from Russia. The largest and most used natural gas import route to Ukraine from Western Europe
- ❑ Key strategic assets for Slovak government (51% ownership, A+ / A2 / A+) ¹ and one of the largest contributors to the state budget
- ❑ Trend of increasing need for Russian gas in Europe because of decrease of domestic production and anticipated growing gas consumption
- ❑ Policy of maximization of dividends agreed in the shareholder agreement with Slovak government with dividend lock-up in case of leverage above 2.5x Net Debt / EBITDA

2

Stable and fully EU compliant regulatory environment

- ❑ Tariffs are set by the regulator for 5 year period (2017-2021) in accordance with methodology of comparison of the international transmission tariffs
- ❑ Transmission fees of the long-term contracts are fixed for the lifetime of every contract

3

100% ship-or-pay contracts and majority of capacity contracted for upcoming years

- ❑ 100% ship-or-pay contracts assure stable revenue streams over time due to fixed prices
- ❑ Approximately 50% of annual technical capacity booked until 2028 by a major Russian shipper
- ❑ Other long term contracts signed with counterparties with strong credit standing and excellent credit history

4

Highly cash generative business with limited maintenance capex needs and sound financial performance and outlook

- ❑ Optimally maintained, well developed pipelines and facilities enables high cash conversion
- ❑ Standalone credit rating: A- by Fitch / Baa2 by Moody's, outlook stable

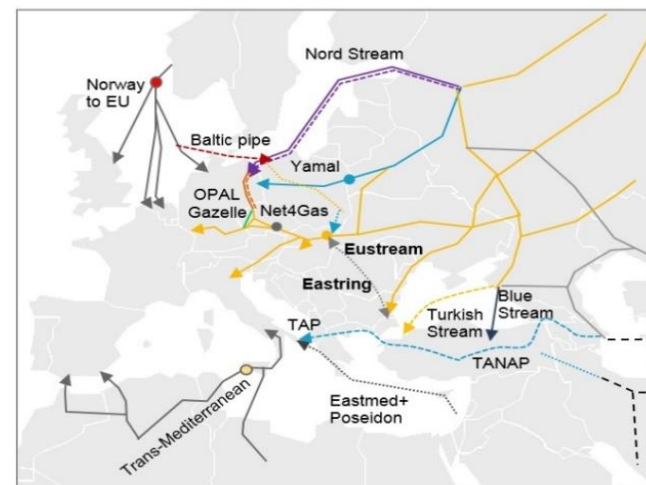
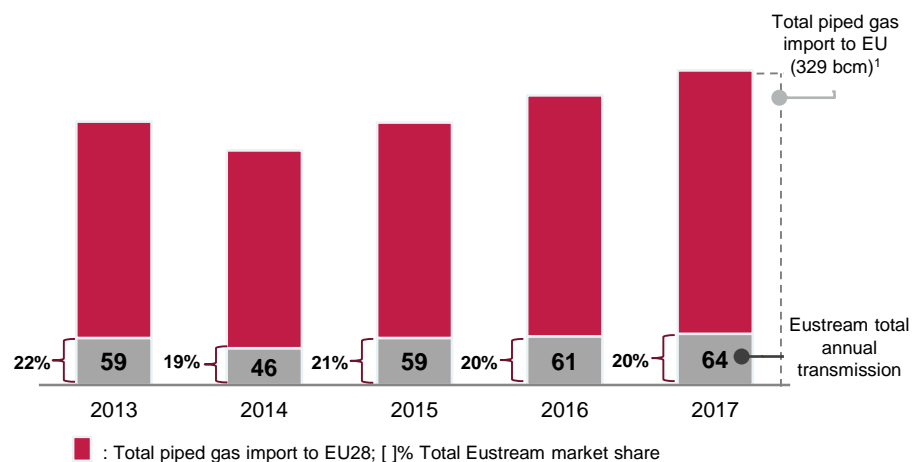
1. S&P / Moody's / Fitch

Eustream is the key player in transit of gas to Western and Southern Europe

Prominent role in European gas sourcing

- ❑ Critical infrastructure for the European Union (particularly for Italy, Austria, Central Europe) and for Ukraine
- ❑ No other existing transmission route with sufficient capacity to supply major part of the aforementioned region in the context of expected increase in imports of Russian gas to meet EU consumption
- ❑ Large majority of 64.2 bcm of gas in 2017 was transmitted under long-term ship-or-pay contracts to traditional markets of Eustream
- ❑ Eustream presently plays a pivotal role in North-to-South natural gas flows (mostly from Nord Stream I). Eustream shall also transmit gas from Nord Stream II, if implemented
- ❑ More than 70% of imported gas from EU to Ukraine is transmitted using Eustream network (point Budince) since the start of commercial operation of the SK-UA reverse flow mechanism¹

Market share of Eustream²



Pipeline Name	Yearly Capacity
Existing pipelines	
Eustream	77.4 bcm
Nord Stream	55 bcm
Yamal	33 bcm
Blue Stream	16 bcm
Net4Gas	66 bcm
OPAL	36.5 bcm
Gazelle	33 bcm
Trans-Mediterranean	30 bcm
Other Africa to EU	31.7 bcm
Norway to EU	152.7 bcm
Potential pipelines	
Turkish Stream	15.75-31.5 bcm
TANAP+TAP	16 bcm
Baltic pipe	10 bcm
Eastmed+Poseidon	10 bcm
Nord Stream II	55 bcm
Eugal	51 bcm
Eastring	10-40 bcm

1. Source: Data of the operators of the individual entry points to Ukraine, ie FGSZ Zrt. (Hungary), GazSystem S.A. (Poland) and Eustream a.s.

2. Total piped gas import to EU28 includes pipeline deliveries from Russia, Norway, Algeria and Libya (2017 data are preliminary). Total Eustream share is calculated as Eustream total annual transmission / Total piped gas import to EU. Based on EPH internal analysis.

Gas and Power Distribution: SPPD key highlights



1

Regulated monopoly in the gas distribution market in Slovakia

- ❑ Regulated natural monopoly of gas distribution in Slovakia with approx. 98% market share¹
- ❑ Key strategic asset with limited headroom for new entrants and second highest gas penetration in Europe (94%)
- ❑ Customers primarily top gas suppliers with lower credit risk than households
- ❑ Obligation for all new customers to connect to SPPD's existing distribution network

2

Stable and established regulatory regime

- ❑ Stable distribution tariff set by the regulator for the whole regulatory period 2017 – 2021 with only minor changes possible (includes higher fixed portion of revenue)
- ❑ The same EU compliant regulation principles have been in place since 2009

3

Strong gas market fundamentals and performance track record, high operational efficiency

- ❑ Stable distribution volumes between 4.5 and 5.0 bcm per year during the last 5 years (except for 2014 due to warm winter)
- ❑ While having revenues relatively stable, EBITDA and cash generation improved due to continuous focus on cost control and efficiencies. Year 2017 experienced increase in gas consumption due to cold weather conditions
- ❑ Consistently low levels of gas losses and excellent safety results in operations

4

Modern asset base with low investment requirements, high conversion of EBITDA to cash-flow and conservative capital structure

- ❑ Low investment requirements due to modern network facilities and recent implementation of Capex optimization initiatives. Majority of the network was built between 1990 and 2000
- ❑ Limited expansion Capex as network connection costs born by residential customers
- ❑ Policy of maximization of dividends agreed in the shareholder agreement with Slovak government with dividend lock-up in of case leverage above 2.5x Net Debt / EBITDA
- ❑ Standalone rating: Baa2 by Moody's / A- by Fitch, outlook stable

1. Based on gas distributed (source: 2017 Annual Report of SPPD)

Gas and Power Distribution: SSE key highlights



1 *#1 electricity distribution company in its region of operation (natural monopoly)*

- ❑ Monopoly distribution company in its region of operation¹
- ❑ Critical distribution asset in Slovakia with network length of ca 35 ths. km
- ❑ Diversified customer base of c. 750 ths. electricity off-take points

2 *Stable and established regulatory regime*

- ❑ Stable distribution tariffs approved by the regulator for the whole regulatory period 2017 – 2021 with only minor changes possible
- ❑ SSD receives stable and predictable returns from its regulated business

3 *Strong operational performance*

- ❑ Stable distribution volumes c. 6.0 TWh per year
- ❑ Strong process, cost and work efficiency improvements, regulated opex outperformance
- ❑ Consistently achieving low levels of distribution losses and meeting reliability indicators set by the regulator

4 *Proven track record of cash-flow generation with a potential of further improvement, strong capital structure*

- ❑ Stable EBITDA with moderate increase potential due to cost optimization and efficiency driven initiatives
- ❑ Stable investment requirements primarily to the backbone and high voltage infrastructure. Substantial part of reconstructions and development investments realized by own sources that allows for higher productivity and efficiency in general
- ❑ Potential for capital structure optimization
- ❑ Policy of maximization of dividends agreed in the shareholder agreement with Slovak government with dividend lock-up in case of leverage above 2.5x Net Debt / EBITDA

1. Source: Company information, RONI Annual report, Quality standards reports by Distribution companies

Heat Infra: key highlights



1 Leading market positions in the countries and regions of operation

- ❑ Largest Czech district heating infrastructure and heat supplier
- ❑ Through its Hungarian operations, largest heat generator in the city of Budapest

2 Robust district heating systems producing low cost heat mainly for households

- ❑ Ownership of approximately 1,100 km of district heating pipelines supplying heat to large number of municipal and residential customers
- ❑ The system of Pražská teplárenská (PT) is one of the largest in the EU in terms of length / customers
- ❑ The direct contracts with final consumers in cities
- ❑ Cost efficient assets (cogeneration units), ensuring competitive price positioning

3 Favorable and stable regulatory environment supporting cogeneration and district heating

- ❑ Significant support for cogeneration assets from both national and EU legislation
- ❑ Highly efficient cogeneration with strict emission limits helping to meet country's energy efficiency and environmental protection goals

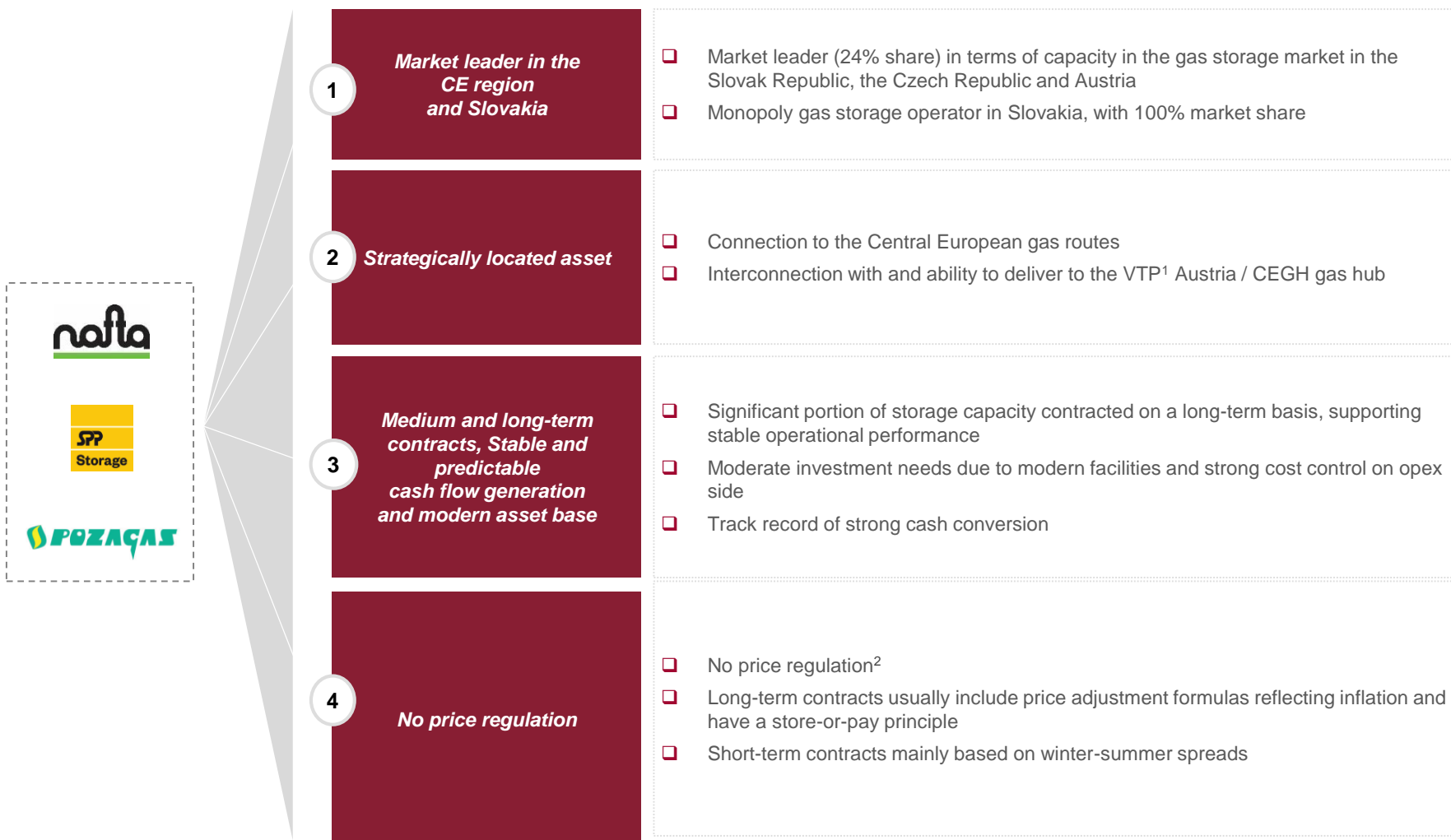
4 Stable returns and high entry barriers

- ❑ District heating is a regulated business with very high barriers to entry due to limited possibility to replicate the existing heating systems
- ❑ Business resilient to economic cycles

5 Electricity produced in cogeneration mode with strong contribution from ancillary services

- ❑ With the exception of PT, all plants are cogeneration plants, i.e. operate in a mode of combined heat and power production with high overall efficiency
- ❑ Significant share of power revenues from grid balancing services, contracted for the following three years

Gas Storage: key highlights



1. Virtual Trading Point

2. Price regulation can be introduced in certain circumstances

EP Power Europe



EP Power Europe highlights

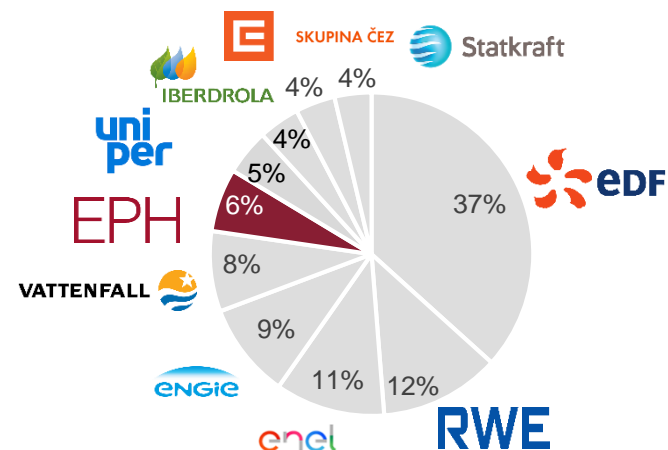
- ❑ **EPPE owns and operates a fleet of safe and controllable power generation and renewable assets, which is crucial for normal economy development**
 - EPPE operates across developed markets including the UK, Germany and Italy with focus on power generation and sophisticated renewable energy (biomass)
 - Through a fleet of controllable power plants, EPPE provides for security of supply given that solar and wind renewables with their limited load factor are able only to partially cover for power demand
 - Large portion of operating income comes from regulated and long-term contracted activities. Post completion of the conversion of Lynemouth to biomass power plant, the regulated/contracted businesses will account for more than 50% of operating income
 - In 2017, EPPE contributed approx. EUR 310 million to EPH consolidated EBITDA. However, the result of EPPE in that year was negatively influenced by acquisition closings occurring in the second half of the year (acquisitions are reflected in the result only partially), the result of Eggborough (in 2018, it has been decided on the plant's decommissioning), and continuing of the Lynemouth biomass conversion project
- ❑ **Balanced and diversified fuel mix and strategic market position**
 - EPPE's power generation portfolio provides a balanced and diversified mix, reducing dependency on a specific type of fuel
 - EPPE expects that markets will need to undergo fundamental changes (e.g. market consolidation, closure of loss-making excess capacities, introduction of capacity market schemes etc.) to re-establish stable and secure electricity supplies. EPPE already plays an active role in this transition
- ❑ **Prudent and disciplined acquisition strategy**
 - EPPE has been able to acquire critical generation assets in selected markets without material increase of leverage
 - Key focus is on selected and predefined markets (i) where the capacity market or similar tools were or are expected to be shortly implemented to support the controllable and stable power generators and (ii) sophisticated renewables (biomass and biogas) that benefit from production subsidies (green bonus or power price guaranty)
- ❑ **Responsible and sustainable operations**
 - EPPE is committed to operate its portfolio responsibly with the aim to gradually reduce environmental footprint, respect interests of all stakeholders and stand ready to meet its ecological and social liabilities in cooperation with stakeholders
- ❑ **Strong and experienced management team**
 - Successful combination of experienced managers from EPH and acquired companies with long-term track-record of managing power generation assets
 - Proven track record in spotting and extracting value and synergies

EPH is the 6th largest power generator in Europe

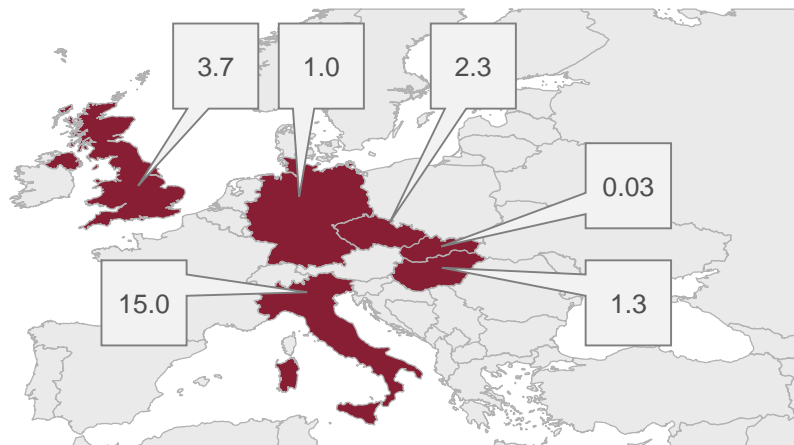
EPH position in European generation

- Nowadays, EPH on a consolidated basis operates 11.5 GW of installed capacity (24.3 GW including equity-consolidated participations), which places it among the largest power generators in Europe
- Power generation is primarily concentrated within EPPE
- Landmark transactions concluded in the past years include:
 - Acquisition of a CCGT fleet and 1 hard coal power plant from E.On in Italy
 - Acquisition of 33.3% stake in Slovenské elektrárne (co-owned with ENEL and Slovak government)
 - Acquisition of 50% stake in a mostly modern lignite fleet in Germany from Vattenfall in consortium with PPF Investment
 - Acquisition of two CCGT plants from Centrica in the UK
 - Acquisition of/conversion to biomass plants (Biomasse, Lynemouth)

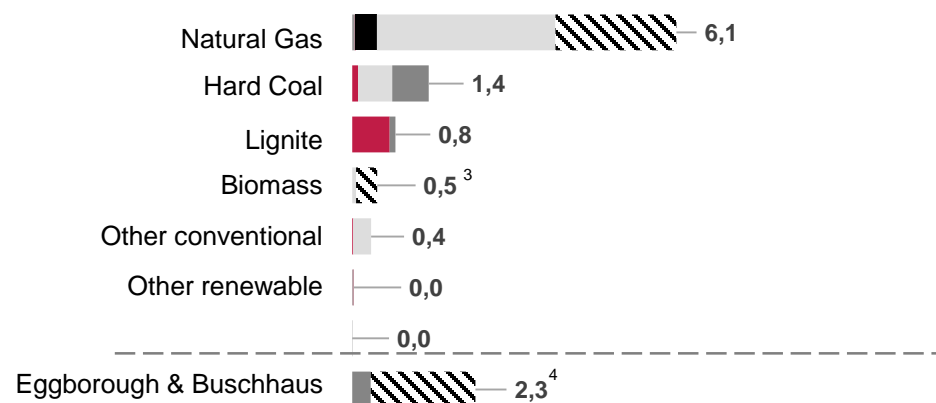
Top 10 electricity producers in Europe¹



EPH total net electricity generation 2017 (TWh)²



















EPH total installed capacity by fuel and country (GW)²



1. Based on the total power generation in Europe including equity consolidated assets. Source: annual reports for the year 2017, EPH estimates
2. Operating data for year 2017 are presented consistent with IFRS consolidation scope, excluding equity consolidated companies such as LEAG and SE
3. Including 395 MW of Lynemouth capacity, currently in the process of conversion to a biomass-fueled plant.
4. Eggborough plant will be decommissioned in 2018, Buschhaus plant is currently in the capacity standby reserve and its decommissioning should follow.



EPH¹ and EP Power Europe consist of diversified power generation assets across several European markets

Country	Net installed capacity / fuel	Group Companies	Asset highlights	Business profile
 Germany	17 – 19 mt annual lignite production 0.5 GW in lignite ² 0.7 GW in hardcoal	   	Two lignite mines and two CHP plants Lignite mine and Buschhaus power plant that entered strategic reserve in 2016 Share in Schkopau power plant Highly efficient hard coal power plant	<input type="checkbox"/> Contracted (2021/2039)/ security reserve <input type="checkbox"/> Merchant
 UK	0.4 GW biomass conversion 2 GW in hard coal 2.3 GW in gas	  EP SHB EP Langage	Ongoing biomass 400 mil. GBP conversion project with UK government backed contract for difference until 2027 Hard coal power plant placed in supplemental balancing reserve ('SBR') Highly efficient CCGTs with leading positions within the UK merit order	<input type="checkbox"/> Contract for difference / capacity payments until 2022 <input type="checkbox"/> Merchant
 Italy	4.1 GW in gas ³ 0.6 GW in hard coal 0.1 GW in biomass	  	Fleet of 5 modern gas-fired power plants in mainland Italy and Sicily and 1 coal-fired power plant in 2 biomass plants with total capacity of 73 MW	<input type="checkbox"/> Ancillary services <input type="checkbox"/> Merchant <input type="checkbox"/> Green bonus
Unconsolidated participations				
 Slovakia	3.8 GW in total	 4	Largest power generation company in Slovakia with 3.4 GW of carbon free capacity	<input type="checkbox"/> Merchant / ancillary services
 Germany	7.6 GW in lignite 0.2 GW in gas	 5	Four critical and dependable baseload power plants and associated lignite mines in Germany	<input type="checkbox"/> Merchant / ancillary services / heat co-generation

1. Capacities of EPIF are excluded.

2. Including 400MW capacity of Schkopau power plant that is equity consolidated

3. Including capacity of Scandale power plant that is equity consolidated

4. EPH owns a 33.33% share in Slovenské elektrárne (indirectly), included in this section due to the same business rationale

5. EPPE owns a 50% share in LEAG (indirectly)

Significant
unconsolidated
participations



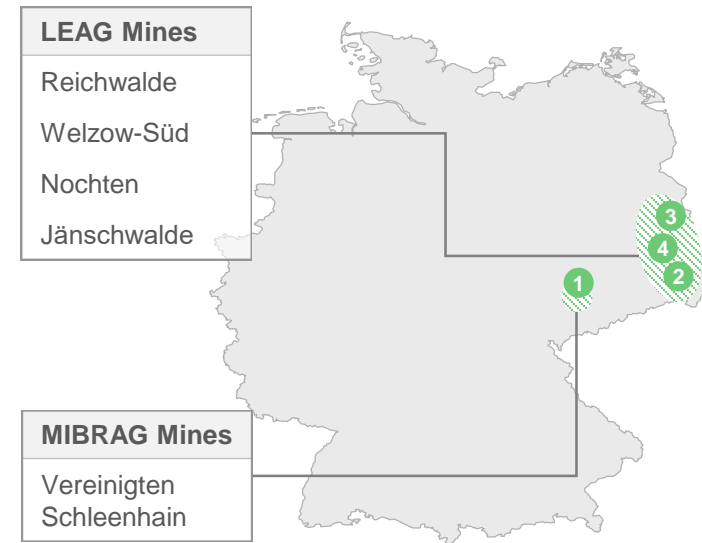
Company overview

- ❑ Four predominantly modern lignite power plants with net installed capacity of 7.8 Gwe
- ❑ Co-owned by EPH (50%) and PPF Investments (50%)
- ❑ LEAG assets represent a significant part of critical and reliable baseload capacity
- ❑ EPH is convinced that going forward these assets will play an important role as the bridging technology providing secure and non-intermittent energy supply for Germany
- ❑ EPH fully respects the targets set by the government under the “Energiewende” and is committed to operate the portfolio in a way to achieve these targets and gradually reduce environmental footprint
- ❑ An example of a proactive approach to the reduction of a negative environmental impact is the transfer of two blocks of the Jänschwalde power plant with the aggregate capacity of 1,000 MWe into a Security Stand-by as of 2018 and 2019, and their subsequent decommissioning



Schwarze Pumpe power plant

Lignite portfolio located in Lusatian region



	LEAG Power Plants	Commissioning
1	Lippendorf – R	2000
2	Boxberg	1979-2012
3	Jänschwalde ¹	1981-1989
4	Schwarze Pumpe	1997-1998
Total net capacity 7 782 MWe		

1. Blocks E and F of Jänschwalde power plant (500 MW each) are set to enter into Security Stand-by as of 2018 and 2019, respectively

Company overview

- ❑ Slovenské elektrárne (“SE”) is the dominant electricity producer in Slovakia with 3.8 GW of net installed capacity
 - It operates 31 hydro, 2 nuclear, 2 thermal and 2 photovoltaic (PV) power plants
- ❑ In 2017, SE generated 19.4 TWh of electricity and net electricity deliveries totaled at 17.5 TWh
 - As much as 90 % of the delivered electricity was generated without greenhouse gas emissions – combining nuclear, hydroelectric, PV and biomass
 - The company also produces and sells heat, re-sells electricity and provides ancillary services for the power grid operator
- ❑ It has committed to build 2 nuclear blocks (each 471 MW) in Mochovce with commissioning planned for 2018-19
- ❑ SE is currently owned by 3 shareholders: EPH (33%), ENEL (33%) and Slovak Republic (34%)
- ❑ SE is currently jointly controlled by EPH and ENEL, where EPH is responsible for the existing generation fleet of SE and ENEL manages construction works of the 2 new nuclear blocks
- ❑ Once the new nuclear blocks in Mochovce are built, EPH can through a call/put option scheme acquire additional 33% share from ENEL, and become a majority owner of SE



Mochovce nuclear power plant



Orava hydro power plant

Energetický a průmyslový holding, a.s.

Pařížská 26

110 00 Praha 1

Czech Republic

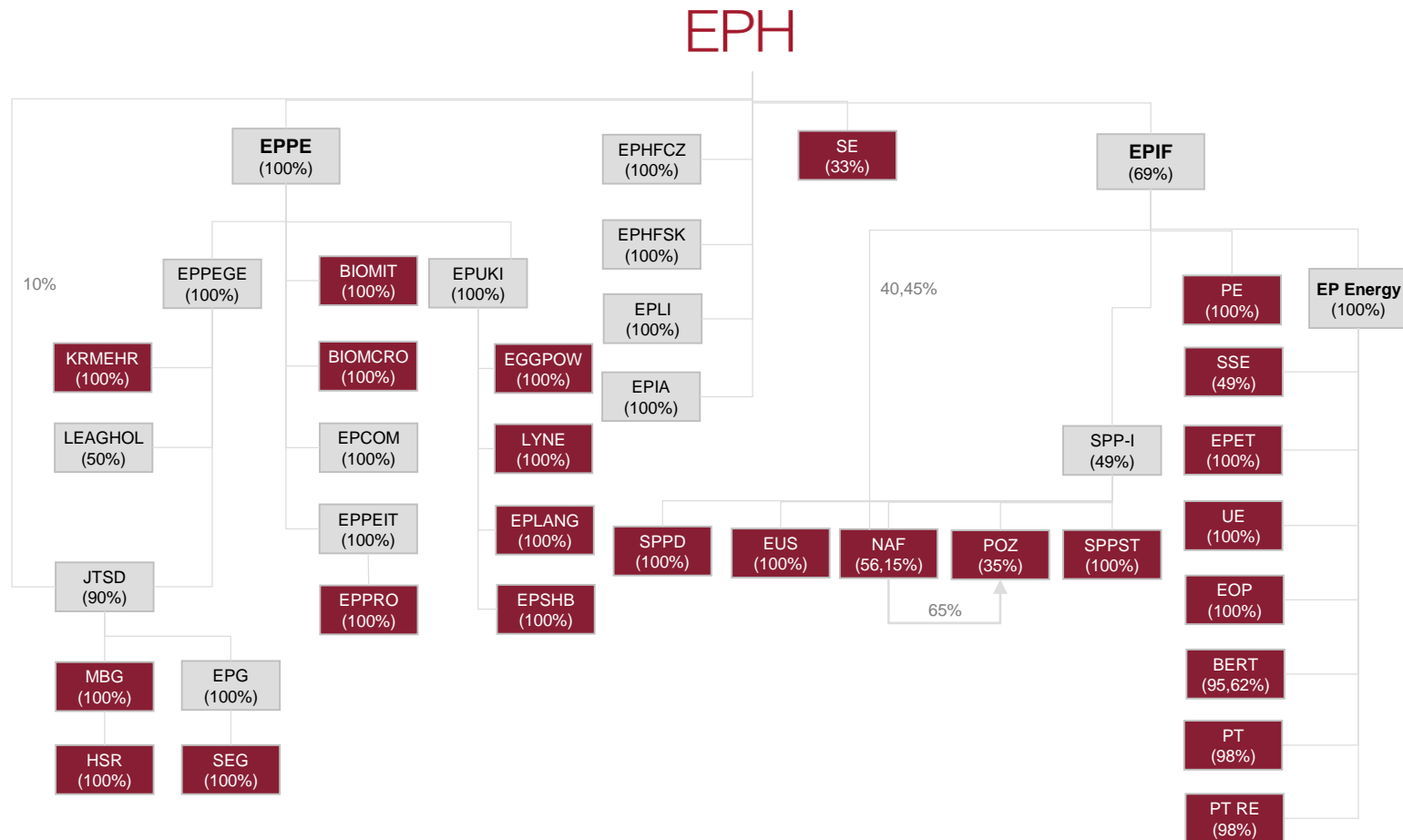
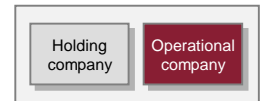
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Appendix no.1: Simplified structure chart of the EPH group



Appendix no.1: Legend

Legend:

BERT	Budapesti Erőmű Zártkörűen Működő Részvénytársaság	HU	EPLANG	EP Langage Limited	UK	MBG	Mitteldeutsche Braunkohlen GmbH	DE
BIOMCRO	Biomasse Crotone S.p.A.	IT	EPLI	EP Logistics International, a.s.	CZ	NAF	NAFTA a.s.	SK
BIOMIT	Biomasse Italia S.p.A.	IT	EPPE	EP Power Europe, a.s.	CZ	PE	Plzeňská energetika a.s.	CZ
EGGPOW	Eggborough Power Ltd	UK	EPPEGE	EPPE Germany, a.s.	CZ	POZ	POZAGAS a.s.	SK
EOP	Elektrárny Opatovice, a.s.	CZ	EPPEIT	EPPE Italy N.V.	NL	PT	Pražská teplárenská a.s.	CZ
EPCOM	EP Commodities, a.s.	CZ	EPPRO	EP PRODUZIONE S.P.A.	IT	PT RE	PT Real Estate, a.s.	CZ
EP Energy	EP Energy, a.s.	CZ	EPSHB	EP SHB Limited	UK	SEG	Saale Energie GmbH	DE
EPET	EP Energy Trading, a.s.	CZ	EPUKI	EP UK Investments Ltd	UK	SPPD	SPP – distribúcia, a.s.	SK
EPG	EP Germany GmbH	DE	EUS	eustream, a.s.	SK	SPP-I	SPP Infrastructure, a.s.	SK
EPHFCZ	EPH Financing CZ, a. s.	CZ	HSR	Helmstedter Revier GmbH	DE	SPPST	SPP Storage, s.r.o.	CZ
EPHFSK	EPH Financing SK, a. s.	SK	JTSD	JTSD Braunkohlebergbau GmbH	DE	SSE	Stredoslovenská energetika, a.s.	SK
EPIA	EP Investments Advisors, s.r.o.	CZ	KRMEHR	Kraftwerk Mehrum GmbH	DE	UE	United Energy a.s.	CZ
EPIF	EP Infrastructure, a.s.	CZ	LYNE	Lynemouth Power Limited	UK	LEAGHOL	LEAG Holding, a.s.	CZ
						SE	Slovenské elektrárne, a.s.	SK