


TAMEH Czech s.r.o.

Annual Report 2015

Statutory Body	Signature
Mrs Kristina Červenková – Company Executive Mr Manfred Wawrzynosek – Company Executive	

Introductory Word by the Chief Executive Officer

Ladies and Gentlemen, Dear Representatives of the Company's Owner.

On behalf of the management of TAMEH Czech s.r.o., let me briefly assess the year 2015 which was the first year in the holding TAMEH. Shareholders structure is represented by TAURON group in 50 % and by ArcelorMittal group in 50 %. TAMEH holding represents synergy effect of these two strong energy groups, which allows further development, improvement and exchange of experience, as for example commissioning of the K14 project in 2015.

TAMEH Czech s.r.o. continues in fulfilling of its main strategic goals, however in new cooperation with its sister company TAMEH Polska s.p. z o.o. in the form of mutual cooperation.

The most important area to which the Company continuously and fully pays attention is safety for sure - both of the Company's Employees and of its external Suppliers. Using effective prevention instruments together with LMRA Safety Programs – Last-Minute Risk Analysis – type projects performed by the Employees before commencing their respective works, we achieved significant success – as of 31 December 2015, the Company recorded 2,863 days without any work-related injury followed by absence. We will continue in such trend.

In October 2015, the Company passed the re-certification audit under EN ISO 9001:2008, EN ISO 14001: 2004 and BS OHSAS 18001: 2007. In addition, the Company passed the FPA security audit under which the scoring level of 5 was achieved in all 11 inspected areas. The review performed by the State Work Safety Inspection Authority was initiated in all departments with the purpose of obtaining the "Safe Business" award granted by the Ministry of Labour and Social Affairs. Also, the Company is getting ready for the energy management audit under ČSN EN ISO 50001.

In the area of power generation, the Company exceeded the planned volume of generated electric power and achieved the fulfilment level at 89.1 %; however, we have to emphasize the fact that energy generation was controlled in cooperation with ArcelorMittal Ostrava a.s. according to goals of business plan. Furthermore, we would like to mention that we fully covered the demand of the Customer with all other generated power products.

In terms of investments, the Company has taken maximum efforts to successfully complete the DENOx project aimed at decreasing the volume of nitrogen oxide emissions. However, the Company's suppliers have faced a number of technical and organisational issues which continuously prevent the project's successful completion. The construction of the K14 fluidised-bed boiler has continued successfully in all major units. However, the most important moment, ie putting the boiler in use, is still ahead of us. Under the DESOx project aimed at low-temperature desulphurisation, the boilers K8, K9 and K10 still need to be put in use, so that this new technology can be tested for its maximum output in line with the relevant contract.

Let me thank to the representatives of the Company owner for their trust and support and to the Company Staff for their hard work. In 2016, we will face rather difficult tasks. In particular, this will include compliance with the limits set out in the business plan, securing efficient power supplies to our customer, and completing investment projects in progress.

Petr Baranek
Chief Executive Officer
TAMEH Czech s.r.o.

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I. Basic Information on the Company

Company Profile

Business Name of the Company: TAMEH Czech s.r.o.

Registered Office of the Company: Ostrava-Kunčice, Vratimovská Street # 689/117,
Zip Code 719 00

Legal Form of the Company: Limited Liability Company

Company ID #: 28615425

Company TAX-ID #: CZ28615425

Core Business Activities of the Company:

- Production, sales and services not specified in ANNEXES 1 through 3 of the Trades Licensing Act
- Power generation and power distribution
- Heat energy generation

Company incorporation in the Company Register: by the Regional Court of Ostrava, File #: C.34833

Date of Company Establishment: 15 February 2010

The Sole Owner of the Company: TAMEH HOLDING Sp. Z o. o.
Al. Marszałka Józefa Piłsudskiego 92/102A
41-308 Dąbrowa Górnicza
Republic of Poland
Reg. No.: 0000517887

The Company has no organisational branch abroad.

TAMEH Czech s.r.o. (former ArcelorMittal Energy Ostrava s.r.o.) was established after its incorporation in the Company Register of the Regional Court of Ostrava on 15 February 2010 after the payment of the registered capital amounting to CZK 200,000.00.

On 29 March 2010, (under a resolution adopted by the sole Company Member in AMEO and under consent granting by the General Meeting of the Company dated 18 March 2010), the "Contract of the Transfer of one Part of the Company for the Purpose of Monetary Contribution to Registered Capital" came into force and effect, i.e. the Contract made under provisions of S. 59 (5) and under S. 60 (2) in relation to provision of S. 476 et. Seq. of Act No. 513/1991 Coll., the Czech Commercial Code, as amended between ArcelorMittal Ostrava a. s. (the Contributor) and ArcelorMittal Energy Ostrava s.r.o. (the Company). The amount of one part of the Company as a non-monetary contribution to the Company was offset for the increase in the Contributor's contribution to the register capital of the Company in the amount of CZK 3,572,000.00.

Under a resolution adopted by the Board of Directors of the sole Company Member within the scope of powers of the General Meeting of the Company (ArcelorMittal Energy Ostrava s.r.o.) as of 18 July 2014, the registered capital of the Company was decreased with effect from 24 November 2014. Thus, the registered capital of the Company currently amounts to CZK 2,572,200 thousand.

On 7 August 2014, the Board of Directors of the Parent Company approved the draft of the Agreement of the Company Members on the Establishment of a joint-venture including accession of the Board of Directors of the Parent Company to a joint-venture along with the strategic partner of the companies Tauron Energia Polska S.A. including 100 % monetary contribution in ArcelorMittal Energy Ostrava s.r.o. to a joint-venture – Polish holding company.

Subsequently, on 28 November 2014, the Board of Directors of the Parent Company as the sole Company Member in ArcelorMittal Energy Ostrava s.r.o. exercising the powers of the General Meeting approved the Amendments to the Founder's Deed under which - among other - the business name of the Company was changed to TAMEH Czech s.r.o.

With effect from 11 December 2014, TAMEH Holding Sp.z o.o has been the sole member of the Company.

Membership of the Statutory Body as of 31 December 2015:

“A” Company Executives

Mrs. Kristina Červenková
Mr. Rafal Zawada

“B” Company Executives

Mr. Manfred Wawrzynosek
Mr. Andrzej Curyło

Brief Characteristics the Company

TAMEH Czech s.r.o. represents a complex and extensive power generation entity of the industrial power industry being specifically focused on the needs of the steel company. With its performance, in heat energy branch and the local H.V. distribution system operation, it is fully comparable to single-purpose power generation entities operating on the power market in the Czech Republic.

Power media are supplied from TAMEH Czech s.r.o. to ArcelorMittal Ostrava a. s. Power media are supplied in an extensive range of supplied quantity, particularly we are speaking about air blast and compressed air, electric power, heat, technology steam and chemically-treated water.

Plant 46 – Generation Plant generates high-pressure steam of 9.6 MPa and temperature of 520°C being transformed to electric power, heat, compressed air, air blast and technology steam. The Plant also includes electric power distribution, electro-technical equipment repairs and checks and maintaining and servicing of electric protection for H.V. system.

Plant 49 – Maintaining/Service performs usual and medium-scope repairs of power equipment being of an engineering character, and it participates in major overhauls of basic technology units of the Company. It organizes maintaining and servicing L.V. power distribution, checks of electro-technical equipment and I&C equipment.

Core Products

TAMEH Czech s.r.o. generates high-pressure steam of 9.6 MPa and temperature of 520°C in 11 boilers (3 gas boilers and 8 granulated fuel boilers) being transformed to electric power, heat, compressed air, air blast and technology steam. Total generating steam capacity of Boiler Plant is 1,435 t/hr.; generating capacity of Power Plant is 254 MW. Further, the Company organizes heat generation for the needs of the premises of ArcelorMittal Ostrava a. s. and out of them. Input raw material for heating plant boilers is bituminous coal and blast-furnace gas produced by coke and hot metal production. Other input raw material is de-gazation gas supplied by an outside Supplier. Gaseous fuels (coke gas and blast-furnace gas) are taken-off into the distribution network of the Company directly from sources, i.e. from Plant 10 – Coke-oven Plant and Plant 12 - Blast Furnaces of ArcelorMittal Ostrava a. s.

II. Report of the Statutory Body on the Business Activities and Assets of TAMEH Czech s.r.o.

Activities of the Statutory Body

In 2015, the meetings of the Statutory Body of the Company were held sixteen times. The Statutory Body voted five times *per-rollam*.

On 6 May 2015, a change in the Company's Memorandum of Association was adopted, based on which the term of office for the Company's executives was altered and additional formal additions to the Memorandum of Association were made.

In the course of 2015, no changes were made in the composition of the Statutory Body.

At all meetings, minutes were taken; they are kept and filed at the CEO's Secretariat.

Results of Operations

In the year 31 December 2015, the Company generated profit before tax in the amount of CZK 202,964 thousand. Total results of operations of the Company for the reporting period included profit in the amount of CZK 129,896 thousand.

In the reporting period, the Company generated operating profit amounting to CZK 209,894 thousand and incurred a financial loss amounting to CZK 6,930 thousand.

Total revenues of the Company for the sale of own products and services amounted to CZK 2,178,597 thousand; added value amounted to CZK 682,911 thousand.

As of 31 December 2015, the Company reported total assets amounting to CZK 5,483,037 thousand. Fixed assets amount to CZK 4,785,934 thousand, of which long-term tangible fixed assets amount to CZK 4,695,347 thousand.

Liabilities amounted to CZK 5,483,037 thousand. Equity amounted to CZK 2,863,554 thousand.

As of 31 December 2015, the Company recorded a bank loan with Raiffeisenbank a. s.

Production and Sales

In 2015, the Company generated 926,758 MWh of electric power and 13,612,151 GJ of steam, 2,283,534,000 cubic meters of blast air and 455,639,000 cubic meters of compressed air.

Most of the generated power is supplied to ArcelorMittal Ostrava a. s.

Environmental Protection

On 25 June 2015, the Czech Environmental Inspection Authority, specifically the Regional Inspectorate in Ostrava, performed a review of the state of operations of stationary combustion sources of air pollution with heating power input of 50 MW and more, which are located in Plant 4 –Energy of the Company; additionally, the review was focused on compliance with the effective integrated permit in terms of air protection, the operation rules, evidencing the emission limits compliance, compliance with emission caps and keeping records on operations.

Conclusions Drawn from the Findings

Findings identified in respect of air pollution sources in line with the review scope covering the devices in question:

1. The Czech Environmental Inspection Authority did not identify any violation of Act No. 76/2002 Coll., on Integrated Pollution Prevention, as amended; and
2. No violation of Act No. 201/2012 Coll., on Air Protection, as amended, was identified.

Capital Investments & Repairs

In the year ended 31 December 2015, the Company's investment activities included solely the project aimed at the construction of the K14 fluidized-bed boiler. All contractually-agreed milestones were completed and the project is anticipated to be fully implemented in September 2016.

The second most cost-intensive project focusing on the elimination of nitrogen oxide emissions received poor management from the parties delivering the project. Therefore, the completion deadline for the renovation of boilers K8, K9 and K10 was postponed for 2016.

The "DeSOx – Low Temperature Desulphurisation" project underwent a long-term operation testing in 2015. To complete the project's implementation, maximum output testing needs to be performed, which will be possible no sooner than after all renovated boilers under the DENOx project have been put in use. As such, the anticipated completion deadline for the project is 30 June 2016.

With regard to the maintenance and repair activities, a medium-sized repair of TG9 turbo-generator was completed and the repair of TG5 turbo-generator was initiated. This activity is anticipated to be completed in March 2016. The generators named above are essential in meeting the requirements on electric power generation. Moreover, TD5 turbo-blower was repaired. It is the most essential blowing device serving to produce blown air for blast furnaces of ArcelorMittal Ostrava a.s.

In addition, a medium-sized repair of the tipple was performed. This activity included exchanging the track including the beams and the renovation of walls in the premises where the conveyor belts U17 and U18 are located. The tipple is the essential technology device serving to unload coal from railway wagons. Proper functioning of this technology is critical for the Company and its performance of activities related to power generation.

Additional implemented repair activities included a repair of the steel structure of the heaping device that serves for coal transportation to the Southern part of the heap site.

Furthermore, the DEMI II technology was repaired that serves for the treatment of water used in generating all energy types. Specifically, this activity included exchanging the cartridges in sand filters including the jets used for water clarification. Other work included cleaning of the flocculation chamber and a repair of the water softening tank.

R&D

The Company spends no costs on R&D.

Quality Control

The Company re-obtained the MS Certificates under EN ISO 9001: 2008, EN ISO 14001: 2004 and BS OHSAS 18001: 2007. In October 2015, the second review audit of the aforesaid MS was held.

The Company obtained a certificate for the product entitled "fly-ash binder for the reclamation mixture".

HR Policy

With effect from 1 March 2015, Amendment 1/2015 to the Collective Agreement for the years 2013 - 2015 was concluded based on collective bargaining.

As of 31 December 2015, the headcount of TAMEH Czech s.r.o. was 349 of which 75 were white-collar Employees and 274 were blue-collar Employees. The average re-calculated (adjusted) headcount was 347 in 2015.

In 2015, average earnings amounted to CZK 34,314 (in 2014: CZK 33,398), which represents a year-on-year increase of 2.7 %.

As well as in the preceding year, in 2015 the educational programme was primarily focused on meeting and increasing the qualifications of Employees. The language courses continued in 2015 as well.

In terms of health and work safety protection, the Company also achieved success – as of 31 December 2015, 2,863 days of LTI were recorded.

Anticipated Development of the Company

The strategy and principal objective of TAMEH Czech s.r.o. is to efficiently generate safe and environmentally-friendly power using advanced technologies, to secure energy supplies to the Company's customer and to implement the investment projects in progress.

III. Report on Relations between the Controlling and the Controlled Entity and on Relations between the Controlled Entity and Other Entities Controlled by the Same Controlling Entity under Section 82 of the Business Corporations Act No. 90/2012 Sb. for the Year Ended 31 December 2015

Under the provisions of Section 82 of the Business Corporations Act No. 90/2012 Coll., the Company prepared the Report on Relations between **ARCELORMITTAL SA**, having the Registered Office at 19, Avenue de la Liberté, L-2930 Luxembourg, the Grand Duchy of Luxembourg (hereinafter referred to as the "Controlling Entity") as the Controlling Entity, and **TAURON Polska Energia S.A.**, having the Registered Office at Ks. Piotra Sciegienego 3, Katowice, 40 114, Poland, as the Controlling Entity from 11 December 2014, and TAMEH Czech s.r.o., having the Registered Office in Ostrava - Kunčice, Vratimovská Street # 689/117, Zip Code 719 00 (hereinafter referred to as the "Controlled Entity") as the Controlled Entity, and on Relations between the Controlled Entity and Other Entities Controlled by the Same Controlling Entity for the Year Ended 31 December 2015.

TAMEH Holding Sp. z o. o. has been the sole Company Member with effect from 11 December 2014.

In the aforesaid Report, the Company disclosed transactions effected with its related entities included in the ArcelorMittal Group and the TAURON Group in the year ended 31 December 2015.

No Controlling Agreements were made between the Controlling Entity and the Controlled Entity.

For the Company, no disadvantages or risks arise out of the relation with the Controlling Entity and out of the relations with the Entities controlled by the same Controlling Entity. The Agreements made with the Controlling Entity and Entities controlled by the same Controlling Entity respect the terms and conditions of usual business relations, while the Parties deem those Agreements to be bilaterally advantageous.

Under the efforts made, the Statutory Bodies of the Controlled Entities declare that the list of related Entities below which the Controlled Entity provided supplies and counter-supplies with in the year ended 31 December 2015, shows all entities being known to TAMEH Czech s.r.o. as of today's date.

I. Supplies and Counter-supplies Based on the Contracts and Agreements Concluded

The below-listed supplies and counter-supplies were made under Contracts between the Controlled Entity and the Controlling Entity and other Entities controlled by the same Controlling Entity, in the year from 1 January 2015 to 31 December 2015:

ArcelorMittal Ostrava a. s.

In the year from 1 January 2015 to 31 December 2015, TAMEH Czech s.r.o. (formerly ArcelorMittal Energy Ostrava s.r.o.) implemented the following purchases from ArcelorMittal Ostrava a.s. (hereinafter also referred to as "AMO"): inventory in the amount of CZK 50,719 thousand, services in the amount of CZK 303,744 thousand and fixed assets in the amount of CZK 2,714 thousand. Moreover, the sales to ArcelorMittal Ostrava a.s. amounted to CZK 2,141,391 thousand.

The aforesaid relationships were based on the following contracts and agreements:

1. General Cooperation Contract
2. Heat Energy Supplies Contract
3. Raw Materials Supplies and Take-off Contract (from AMO to TAMEH)
4. Raw Materials Supplies and Take-off Contract (from TAMEH to AMO)
5. Power Electricity Supplies Contract
6. Connection Contract
7. Service Agreement
8. Distribution Network Maintenance Contract

ArcelorMittal Engineering Products Ostrava s.r.o.

In 2015, the sales to ArcelorMittal Engineering Products Ostrava s.r.o. amounted to CZK 88 thousand. The purchases from this company included services in the amount of CZK 1,909 thousand in 2015.

ArcelorMittal Poland S.A.

In 2015, the sales to ArcelorMittal Poland S.A. were as follows: inventory in the amount of CZK 125,863 thousand and services in the amount of CZK 2,093 thousand.

ArcelorMittal Design and Engineering Centre, Ltd.

In 2015, the fixed assets purchased from this entity amounted to CZK 8,489 thousand.

ArcelorMittal Engineering and Consulting Ostrava s.r.o.

In 2015, the services purchased from this entity amounted to CZK 821 thousand.

ArcelorMittal Shared Service Center Europe Sp. z o.o. Sp k.

In 2015, the services purchased from this entity amounted to CZK 1,108 thousand.

MG Odra Gas, spol. s r.o.

In 2015, the sales to this entity amounted to CZK 35 thousand.

ArcelorMittal Flat Carbon Europe S.A.

In 2015, the services purchased from this entity amounted to CZK 44 thousand.

II. Other Legal Acts and Other Measures

The Company performed no other legal acts and adopted no other measures in the interest or at the initiative of the Controlling Entity, or in the interest or at the initiative of other entities controlled by the same Controlling Entity.

The Company suffered no detriment arising from the performance and counter-performance based on the concluded contracts and agreements.

In Ostrava

Statutory Body of
TAMEH Czech s.r.o.

Two handwritten signatures in blue ink, one on the left and one on the right, representing the Statutory Body of TAMEH Czech s.r.o.

The Report was discussed and approved at the meeting of the Statutory Body of TAMEH Czech s.r.o.

IV. The Final Financial Statements for 2015

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

Name of the Company: TAMEH Czech s.r.o.
Registered Office: Vratimovská 689/117, 719 00 Ostrava - Kunčice
Legal Status: Limited Liability Company
Corporate ID: 286 15 425

Components of the Financial Statements:

Balance Sheet

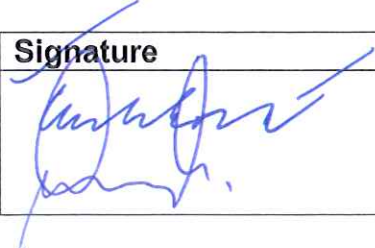
Profit and Loss Account

Statement of Changes in Equity

Cash Flow Statement

Notes to the Financial Statements

These financial statements were prepared on 24 February 2016.

Statutory body of the reporting entity:	Signature
	

BALANCE SHEET

full version

As of
31.12.2015
(in CZK thousand)

TAMEH Czech s.r.o.
Corporate ID 286 15 425

Vratimovská 689/117
719 00 Ostrava - Kunčice

		31.12.2015			31.12.2014
		Gross	Adjustment	Net	Net
	TOTAL ASSETS	9 701 122	4 220 864	5 480 258	4 217 342
B.	Fixed assets	8 994 392	4 211 237	4 783 155	3 471 055
B.I.	Intangible fixed assets	88 664	856	87 808	25 327
B.I.3.	Software	856	856		
B.I.6.	Other intangible fixed assets	87 808		87 808	25 327
B.II.	Tangible fixed assets	8 905 728	4 210 381	4 695 347	3 445 728
B.II.1.	Land	38 544		38 544	38 544
B.II.2.	Structures	551 422	463 772	87 650	92 632
B.II.3.	Individual tangible movable assets and sets of tangible movable assets	3 020 494	2 705 062	315 432	380 649
B.II.6.	Other tangible fixed assets	8		8	8
B.II.7.	Tangible fixed assets under construction	1 916 452	482	1 915 970	814 330
B.II.8.	Prepayments for tangible fixed assets	662 987		662 987	263 754
B.II.9.	Valuation difference on acquired assets	2 715 821	1 041 065	1 674 756	1 855 811
C.	Current assets	654 550	9 627	644 923	742 850
C.I.	Inventories	106 313	9 627	96 686	117 517
C.I.1.	Material	106 312	9 627	96 685	117 514
C.I.2.	Work in progress and semifinished goods	1		1	3
C.II.	Long-term receivables	683		683	726
C.II.7.	Other receivables	683		683	726
C.III.	Short-term receivables	541 034		541 034	415 647
C.III.1.	Trade receivables	217 654		217 654	158 016
C.III.6.	State - tax receivables	131 561		131 561	22 715
C.III.7.	Short-term prepayments made	8		8	
C.III.8.	Estimated receivables	191 485		191 485	234 461
C.III.9.	Other receivables	326		326	455
C.IV.	Current financial assets	6 520		6 520	208 960
C.IV.1.	Cash on hand	335		335	348
C.IV.2.	Cash at bank	6 185		6 185	208 612
D. I.	Other assets	52 180		52 180	3 437
D.I.1.	Deferred expenses	52 180		52 180	3 437

		31.12.2015	31.12.2014
	TOTAL LIABILITIES & EQUITY	5 480 258	4 217 342
A.	Equity	2 863 554	2 733 658
A.I.	Share capital	2 572 200	2 572 200
A.I.1.	Share capital	2 572 200	2 572 200
A.IV.	Retained earnings	161 458	19 790
A.IV.1.	Accumulated profits brought forward	161 458	19 790
A.V.1.	Profit or loss for the current period (+ -)	129 896	141 668
B.	Liabilities	2 616 704	1 483 684
B.I.	Reserves	18 933	15 149
B.I.4.	Other reserves	18 933	15 149
B.II.	Long-term liabilities	56 013	66 449
B.II.9.	Other payables	15	15
B.II.10.	Deferred tax liability	55 998	66 434
B.III.	Short-term liabilities	671 758	502 086
B.III.1.	Trade payables	456 612	345 046
B.III.5.	Payables to employees	8 408	8 404
B.III.6.	Social security and health insurance payables	5 532	5 427
B.III.7.	State - tax payables and subsidies	75 424	7 358
B.III.10.	Estimated payables	121 752	135 165
B.III.11.	Other payables	4 030	686
B.IV.	Bank loans and borrowings	1 870 000	900 000
B.IV.1.	Long-term bank loans	1 870 000	
B.IV.2.	Short-term bank loans		900 000

PROFIT AND LOSS ACCOUNT
structured by the nature of expense method

TAMEH Czech s.r.o.
Corporate ID 286 15 425

Year ended
31.12.2015
(in CZK thousand)

Vratimovská 689/117
719 00 Ostrava - Kunčice

		Year ended 31.12.2015	Year ended 31.12.2014
II.	Production	2 178 596	2 507 558
II.1.	Sales of own products and services	2 178 597	2 507 528
II.2.	Change in internally produced inventory	-1	-11
II.3.	Own work capitalised		41
B.	Purchased consumables and services	1 495 685	1 418 693
B.1.	Consumed material and energy	1 178 672	1 136 390
B.2.	Services	317 013	282 303
+	Added value	682 911	1 088 865
C.	Staff costs	200 305	197 315
C.1.	Payroll costs	143 045	140 297
C.2.	Remuneration to members of business corporation bodies		120
C.3.	Social security and health insurance costs	54 565	53 810
C.4.	Social costs	2 695	3 088
D.	Taxes and charges	6 944	8 027
E.	Depreciation of intangible and tangible fixed assets	252 686	263 848
III.	Sales of fixed assets and material	4 264	11 008
III.1.	Sales of fixed assets	24	385
III.2.	Sales of material	4 240	10 623
F.	Net book value of fixed assets and material sold	1 017	4 103
F.1.	Net book value of sold fixed assets		64
F.2.	Book value of sold material	1 017	4 039
G.	Change in reserves and provisions relating to operating activities and complex deferred expenses	4 350	138
IV.	Other operating income	508 694	44 029
H.	Other operating expenses	520 673	455 366
*	Operating profit or loss	209 894	215 105
L.	Costs of the revaluation of securities and derivatives	3 356	
X.	Interest income	14	5 421
N.	Interest expenses		2 042
XI.	Other financial income	8 671	3 373
O.	Other financial expenses	12 259	4 371
*	Financial profit or loss	-6 930	2 381
Q.	Income tax on ordinary activities	73 068	75 818
Q 1.	- due	83 504	85 211
Q 2.	- deferred	-10 436	-9 393
**	Profit or loss from ordinary activities	129 896	141 668
***	Profit or loss for the current period (+/-)	129 896	141 668
****	Profit or loss before tax	202 964	217 486

STATEMENT OF CHANGES IN EQUITY

Year ended
31.12.2015
(in CZK thousand)

TAMEH Czech s.r.o.
Corporate ID 286 15 425

Vratimovská 639/117
719 00 Ostrava - Kunčice

	Share capital	Capital funds	Funds from profit, reserve fund	Accumulated profits brought forward	Accumulated losses brought forward	Profit or loss for the current period	TOTAL EQUITY
Balance at 31 December 2013	3 572 200		19 790	275		78 793	3 671 058
Change in share capital	-1 000 000						-1 000 000
Profit shares paid				-275		-78 793	-79 068
Payments from capital funds			-19 790	19 790			
Profit or loss for the current period							
Balance at 31 December 2014	2 572 200			19 790		141 668	2 733 658
Distribution of profit or loss				141 668		-141 668	
Profit or loss for the current period						129 896	129 896
Balance at 31 December 2015	2 572 200			161 458		129 896	2 863 554

CASH FLOW STATEMENT

TAMEH Czech s.r.o.
Corporate ID 286 15 425

Year ended
31.12.2015
(in CZK thousand)

Vratimovská 689/117
719 00 Ostrava - Kunčice

		Year ended 31.12.2015	Year ended 31.12.2014
P.	Opening balance of cash and cash equivalents	209 118	556 657
	Cash flows from ordinary activities		
Z.	Profit or loss from ordinary activities before tax	202 964	217 486
A.1.	Adjustments for non-cash transactions	256 809	260 525
A.1.1.	Depreciation of fixed assets	252 686	263 848
A.1.2.	Change in provisions and reserves	4 350	138
A.1.3.	Profit/(loss) on the sale of fixed assets	-24	-321
A.1.5.	Interest expense and interest income	-14	-3 379
A.1.6.	Adjustments for other non-cash transactions	-189	239
A.*	Net operating cash flow before changes in working capital	459 773	478 011
A.2.	Change in working capital	-43 275	63 168
A.2.1.	Change in operating receivables and other assets	-174 258	255 760
A.2.2.	Change in operating payables and other liabilities	110 718	-111 772
A.2.3.	Change in inventories	20 265	-80 820
A.**	Net cash flow from operations before tax and extraordinary items	416 498	541 179
A.3.	Interest paid		-2 042
A.4.	Interest received	27	5 887
A.5.	Income tax paid from ordinary operations	-78 099	-60 061
A.***	Net operating cash flows	338 426	484 963
	Cash flows from investing activities		
B.1.	Fixed assets expenditures	-1 511 048	-653 819
B.2.	Proceeds from fixed assets sold	24	385
B.***	Net investment cash flows	-1 511 024	-653 434
	Cash flow from financial activities		
C.1.	Change in payables from financing	970 000	900 000
C.2.	Impact of changes in equity		-1 079 068
C.2.2.	Capital payments to partners		-1 000 000
C.2.6.	Profit shares paid		-79 068
C.***	Net financial cash flows	970 000	-179 068
F.	Net increase or decrease in cash and cash equivalents	-202 598	-347 539
R.	Closing balance of cash and cash equivalents	6 520	209 118