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Director's Foreword

Dear Business Colleagues (Friends), Ladies and Gentlemen,

This year, we have entered the 25th year of TEDOM's existence. I am very happy that we have managed to stay stable and even prosperous throughout the quarter of century. Looking back in retrospection to the last century, i.e., the time of our beginnings, I have to remark that the energy market used to be very different from what it is today. Our ability to keep our stability and prosperity proves that we have been able to operate our company flexibly enough to accommodate any and all changes that we had to tackle on our way to stability and – in more favorable cases – use them even to our advantage.

Throughout the 25 years, we worked intensively and constantly on reinforcing our prominent position in the area of sales and services of cogeneration technology powered by gas engines. We are one of the world's respected manufacturers of cogeneration units.

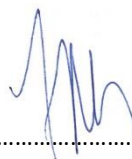
As far as the Czech market is concerned, it is to be noted that the year 2016 is being particularly affected by the absence of subsidies to new cogeneration projects launched into operation after 1.1.2016. We trust that cogeneration subsidies will be renewed in the course of 2016, on the basis of a notification, and sales in Czechia will be resumed in the second half of 2016. Nonetheless, a negative signal to potential customers has already been sent. Moreover, the situation impacts on deliveries to our subsidiary, ČEZ Energo, our largest customer in the Czech Republic.

A logical, long-term solution is to keep increasing sales in the markets abroad. After working on it for a number of years, we have managed to build up a team of highly proficient workers business-wise and language-wise. We consistently invest into language education – our sales department employs several foreign nationals. The results of this approach can be noted, as our sales abroad have been growing and should compensate the anticipated shortfalls in the Czech market. Our sales abroad have been rising dynamically, especially on the North American markets in the U.S.A. and Canada, where the electricity market has not as yet been destroyed by excessive subsidies to renewable resources. Moreover, those markets have the availability of very cheap shale gas. However, those markets operate with a frequency of 60 Hertz that do not have much experience with so far. That is one more reason for us to devote much attention to the development of every detail, as those markets are among the most challenging in the world in the first place.

We intend to focus relentlessly on the development of our cogeneration units with the aim of attaining maximum reliability at low operating costs. Namely, technological development is the main means to success and assurance of our prosperity in the future. Our work on the development and production of our own combustion engine continues, as it is the foundation stone of the cogeneration units that we deliver worldwide.

We want to reinforce our position in the field of cogeneration and we want to keep growing. Furthermore, we will intensify our effort in the area of thermal gas pumps. I am confident that the TEDOM objectives follow the right direction, as indicated by the simple fact of 25 years of continuous growth of TEDOM, its financial condition, its ability to generate profit, and a favorable atmosphere in the company.

Výčapy, May 17, 2016



Ing. Josef Jeleček

Chief Executive Officer and President of the Board of Directors

Auditor's Report on the Annual Report of TEDOM a.s.

Independent Auditor's Report

To the Shareholders of TEDOM a.s.

We have completed the audit of the attached annual financial statements of TEDOM a.s., based at Výčapy 195, Třebíč, company ID no. 28466021, compiled in accordance with the Czech accounting regulations, consisting of the Balance Sheet as of 31.12.2015, Profit & Loss Statement, Overview of Equity Changes, and Cashflow Statement for the period from 1.1.2015 to 31.12.2015, and Annex to the Financial Statements containing a description of the basic accounting methods used and other explanatory information.

Responsibility of the Accounting Unit's Statutory Body for the Financial Statements

The statutory body of TEDOM a.s. is responsible for the compilation of the financial statements, so that it would provide accurate and trustworthy information, in accordance with the Czech Accounting Code, and for setting up an internal control system that is considered indispensable for compiling financial statements free of significant discrepancies due to a fraud or error.

The Auditor's Responsibility

Our responsibility is to produce a statement based on the audit of the company's financial statements. We conducted the audit in compliance with the Act on Auditors, international auditing standard, and related application clauses issued by the Czech Republic Chamber of Auditors. Pursuant to the aforesaid regulations, we are obliged to meet the relevant ethical requirements and to plan and conduct the audit so as to ensure a reasonable certainty that the financial statements do not contain any significant discrepancies.

During the audit, we followed prescribed auditing methods in order to obtain information proving the status of the amounts and data disclosed in the financial statements. The choice of methodology depends on the auditor's discretion, as well as the assessment of the risk of incorrect data appearing in the financial statements due to a fraud or error. While assessing these risks, the auditor also evaluates how relevant is the company's internal control system for the accuracy and trustworthiness of its financial statements. The aim of the assessment is to propose appropriate auditing procedures, not to take a position on the effectiveness of the company's internal control system. The Auditor's Statement also includes assessment of the accounting methods used, the reasonability of company management's accounting estimates, as well as overall presentation of the financial statements.

We are confident that the evidence we collected provided us with adequate and appropriate basis for issuing this Auditor's Report.

The Auditor's Statement

In our opinion, the company's financial statements provide a faithful and honest reflection of the status of the assets and liabilities of TEDOM a.s. as of 31.12.2015, its expenses and revenues, and its economic results and cashflow for the period from 1.1.2015 to 31.12.2015, in accordance with the Czech accounting regulations.

Auditor's Report on the Annual Report of TEDOM a.s.

Other Information

Other information is considered to be information in the Annual Report, other than the financial statement and our Auditor's Report. Responsibility for Other Information is on the part of the company's Statutory Body.

Our Report on the company's financial statements does not apply to Other Information, nor do we issue a separate statement thereto. However, it is our obligation to acquaint ourselves with Other Information, in addition to and as part of auditing the company's financial statements, in order to preclude the existence of significant discrepancies or absence of our awareness of the company's financial standing, and in order to verify whether the Annual Report has been compiled in accordance with the relevant legal provisions, and to eliminate the possibility of significantly incorrect information. In the event that any of the above circumstances were detected, we are obliged to state so in our Report.

Having applied the above procedures, we have not found indications to that effect in Other Information.

Report on Report of Inter-company Relations

We have verified the material accuracy of the data stated in the Report of Inter-company Relations of TEDOM a.s. for the period from 1.1.2015 to 31.12.2015. Responsibility for the compilation of this Report is borne by the Statutory Body of TEDOM a.s. Our responsibility is to issue a statement based on the findings made in the course of our audit.

We have conducted the verification according to the criteria set forth in Act No. 90/2012 Coll., on business companies and cooperatives (business corporations), as amended, and AS No. 56 of the Czech Republic Chamber of Auditors, which require us to plan and conduct the audit with the aim of ascertaining, to a limited extent, the company's Report of Inter-company Relations does not contain any significant material discrepancies. Our verification of facts was limited to questioning the company's workers, using analytical procedures, and selecting certain data for verification of material accuracy. Therefore, the verification provides a lower degree of certainty than the audit proper. Since an audit of the Report of Inter-company Relations has not been made, this Auditor's Statement does not apply thereto.

Based on our findings, we state that no circumstances have been established indicating to us that the Report of Inter-company Relations of TEDOM a.s. for the period from 1.1.2015 to 31.12.2015 contains any significant material discrepancies.

Brno, May 20, 2016

BDO CA s.r.o., Reg. (Lic.) No. 305

Represented by Partner:



Ing. Jiří Kadlec
Registration (License) No. 1246



Basic Economic Characteristics of TEDOM a.s.

BASIC ECONOMIC CHARACTERISTICS OF TEDOM A.S. IN A HISTORICAL OUTLINE

		2015	2014
Total assets	thousands CZK	3 218 690	3 353 897
Fixed assets	thousands CZK	1 859 684	1 952 097
Inventories	thousands CZK	520 017	551 727
Receivables	thousands CZK	465 903	698 078
Current financial assets	thousands CZK	357 158	118 005
Other assets	thousands CZK	15 928	33 990
Equity	thousands CZK	1 835 625	1 705 936
Subscribed capital	thousands CZK	20 100	20 100
Liabilities	thousands CZK	1 362 466	1 622 791
Other liabilities	thousands CZK	20 599	25 170
Total sales	thousands CZK	1 546 554	1 530 119
Profit/loss before tax	thousands CZK	75 666	104 758
Number of staff	persons	494	498

Financial Statement 2015 – Basic Data

BALANCE SHEET (in thousands of CZK)

	2015	2014
TOTAL ASSETS	3 218 690	3 353 897
Receivables from subscriptions	-	-
Fixed assets	1 859 684	1 952 097
Intangible fixed assets	55 992	58 737
- software	33	296
- valuable rights (patents, copyrights, trademarks and brands)	54 899	58 441
Tangible fixed assets	1 202 839	1 302 205
- lands	12 271	12 271
- buildings and structures (constructions)	192 289	198 914
- machinery, equipment, vehicles, fixtures and fittings	108 568	103 475
- tangible fixed assets under construction	1 278	2 263
- advances for tangible fixed assets	-	447
- adjustment to acquired assets	888 433	984 835
Long-term financial assets	600 853	591 155
- shares – controlled organizations	30 864	31 078
- shares in accounting units with substantial influence	569 989	559 681
- other securities and shares	-	396
Current assets	1 343 078	1 367 810
Inventory	520 017	551 727
- materials	305 372	252 308
- work in progress and semi-products	188 325	273 197
- finished products	16 044	14 581
- advance payments for inventory	10 276	11 641
Long-term receivables	31 316	429 752
- trade receivables	3 072	11 763
- receivables from controlled and controlling organizations	15 999	400 658
- long-term deposits given	2 022	3 746
- other receivables	10 223	13 585
Short-term receivables	434 587	268 326
- trade receivables	281 678	222 172
- receivables from controlled and controlling organizations	25 799	29 022
- due from state – tax receivables	21 528	7 174
- short-term deposits given	5 412	6 070
- estimated receivables	5	375
- other receivables	100 165	3 513
Short-term financial assets	357 158	118 005
- cash	1 628	1 262
- bank accounts	355 530	116 743
Accruals	15 928	33 990
- deferred expenses	6 908	31 441
- deferred income	9 020	2 549

Financial Statement 2015 – Basic Data

BALANCE SHEET (in thousands of CZK)

	2015	2014
TOTAL LIABILITIES	3 218 690	3 353 897
Equity	1 835 625	1 705 936
Subscribed capital	20 100	20 100
- subscribed capital	20 100	20 100
- changes of registered capital (+/-)	-	-
Capital funds	471 897	405 624
- other capital funds	227 27	227 127
- differences from revaluation of assets and liabilities (+/-)	244 770	178 497
Reserve funds, statutory reserve account for cooperatives, and other retained earnings	4 071	4 071
- legal reserve fund/indivisible fund	4 020	4 020
- statutory and other funds	51	51
Retained earnings from previous years	1 276 141	1 191 199
Profit/loss - current year (+/-)	63 416	84 942
Other sources	1 362 466	1 622 791
Reserves	38 071	67 715
- income tax reserves	-	-
- other reserves	38 071	67 715
Long-term payables	1 064 519	1 233 563
- other payables	891 260	1 051 555
- deferred tax liability	173 259	182 008
Short-term liabilities	259 157	317 919
- trade payables	138 612	154 694
- payables to controlled and managed organizations	23 710	-
- payables to accounting units with substantial influence	-	36 906
- payables from partners, cooperative members and association members	-	-
- payroll	11 845	11 486
- payables to social security and health insurance	7 145	7 056
- due from state – tax liabilities and subsidies	9 854	13 704
- short-term deposits received	67 288	90 414
- estimated payables	305	377
- other payables	398	3 282
Bank loans and financial accommodations	719	3 594
- long-term bank loans	-	719
- short-term bank loans	719	2 875
- other short-term accommodations	-	-
Accruals	20 599	25 170
- accrued expenses	20 599	15 658
- deferred revenues	-	9 512

Financial Statement 2015 – Basic Data

PROFIT AND LOSS STATEMENT (in thousands of CZK)

	2015	2014
Revenues from sold goods	24 573	22 628
Expenses on sold goods	16 355	17 436
Sale margin	8 218	5 192
Production	1 509 829	1 517 955
- revenues from own products and services	1 521 981	1 507 491
- change in inventory of own products	-81 178	-59 788
- capitalization	69 026	70 252
Production consumption	1 051 174	1 031 543
- consumption of material and energy	855 653	859 367
- services	195 521	172 176
Value added	466 873	491 604
Personnel expenses	248 400	244 199
- wages and salaries	179 820	176 911
- social security expenses and health insurance	62 703	61 363
- other social expenses	5 877	5 925
Taxes and fees	1 993	1 884
Depreciation of intangible and tangible assets	134 174	137 315
Revenues from disposals of fixed assets and material	101 286	70 942
- revenues from disposals of fixed assets	3 727	5 542
- revenues from disposals of material	97 559	65 400
Net book value of disposed fixed assets and materials	69 108	52 608
- net book value of sold fixed assets	3 503	1 622
- net book value of sold material	65 605	50 986
Changes in operating reserves and adjustments and complex deferred expenses (+/-)	-27 056	-4 989
Other operating revenues	404 619	119 461
Other operating expenses	428 600	109 621
PROFIT/LOSS FROM OPERATING ACTIVITIES	117 559	141 369
Revenues from revaluation of securities and derivatives	3 635	9 806
Cost of revaluation of securities and derivatives	-	2 875
Interest revenues	81 328	-
Interest expenses	56 575	-
Other financial revenues	27 309	32 151
Other financial expenses	68 164	70 491
PROFIT/LOSS FROM FINANCIAL OPERATIONS (TRANSACTION)	20 286	21 425
Income tax on ordinary activities	49 048	26 627
- due tax	-41 229	-36 611
- tax deferred	12 250	19 816
OPERATING PROFIT/LOSS FROM ORDINARY ACTIVITY	21 000	36 799
Extraordinary revenues	-8 750	-16 983
Extraordinary expenses	64 080	84 942
OPERATING PROFIT/LOSS FROM EXTRAORDINARY ACTIVITY	664	-
PROFIT/LOSS OF CURRENT ACCOUNTING PERIOD (+/-)	-664	-
PROFIT/LOSS BEFORE TAX	63 416	84 942
	75 666	104 758

Financial Statement 2015 – Basic Data

CASH FLOW – STATEMENTS (in thousands of CZK)

	2015	2014
Cash and cash equivalents at beginning of accounting period	118 005	113 927
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/loss from ordinary activities before taxation	76 330	104 758
Adjustments for non-cash transactions	134 353	163 251
- depreciation of fixed assets	134 174	137 315
- change in adjustments, provisions	-27 031	-4 988
- profit/loss on disposal of fixed assets	-24 977	-3 920
- net interest expense (+) (except of capitalized interest) and interest income (-)	40 855	38 341
- contingent adjustments and other non-cash transactions	11 332	-3 497
Net cash flow from operating activities before tax, changes in working capital and extraordinary items	210 683	268 009
Change in non-financial items of working capital	-60 668	54 118
- increase/decrease in trade and other receivables, including prepayments and accrued income (+/-)	-42 395	57 783
- increase/decrease in trade payables, including accruals and deferred income (+/-)	-50 689	-71 280
- increase/decrease in inventories	32 416	67 615
Net cash flow from operating activities before taxes and extraordinary items	150 015	322 127
Interest paid, excl. capitalized interests	-67 612	-23 276
Interest received (+)	45 855	3 165
Income tax on ordinary activities paid and additional assessments for past periods (including deposits and refunds)	-36 129	-27 116
Extraordinary revenues and expenses which generate extraordinary trading profit including paid income tax due from extraordinary activities (+/-)	-664	-
Net cash flow from operating activities	91 465	274 900
CASH FLOW FROM INVESTING ACTIVITIES		
Costs associated acquisition of fixed assets	-35 566	-37 380
Proceeds on sales of fixed assets	86 069	4 528
Net cash flow from investing activities	50 503	-32 852
CASH FLOW FROM FINANCING ACTIVITIES		
Net effect of changes in long-term liabilities and short-term liabilities, belonging to the financial activities area, to cash and cash equivalents	97 185	-237 970
Net cash from financing activities	97 185	-237 970
Net increase/decrease in cash and cash equivalents	239 153	4 078
Cash and cash equivalents at end of period	357 158	118 005

Commentary on the Consolidated Group

1. COMMENTARY ON BUSINESS AND PRODUCTION INTENTS OF THE CONSOLIDATED GROUP

The main business activity of the parent company and subsidiary companies is based on operating heat-energy systems, especially operating of district heating plants and operating of energy sources on landfills.

TEDOM a.s.

Operation of energy sources at the landfills of Praha, Chvaletice, Modlany, Ostrava, Ďáblice, Kozlany, Želeč, Vodňany, Chrást, Křovice, Holasovice, Markvartovice, Hantály, Těmice, Mutěnice, Děčín

Operation of CHP energy sources: TEDOM Výčapy, TEDOM Výčapy – test stand, assembly hall TEDOM Střítež, TEDOM Jablonec – engine test stand, TEDOM CHP – Hořovice, KJ – Třebíč, Lavického, Vranovská Ves – Motel Club

Heat output (kW)	Total heat sold in 2014 (GJ)	Installed electrical output (kW)	Total electricity sold in 2014 (MWh)
12 942	53 266	11 033	36 381

ČEZ Energo, s.r.o.

Operation of district heating source – Ivančice, Volyně, Příbor, Svitavy, Světlá nad Sázavou, Zruč nad Sázavou, Železná Ruda, Smiřice, Přelouč, Osek, Velká Chuchle, Vrchlabí

provozy s vnořenou jednotkou – Adamov, Bojkovice, Broumov, Brtnice, Bystřice nad Pernštejnem, Česká Třebová, Duchcov, Frýdlant, Babice, Havlíčkův Brod, Hlučín, Hodkovice nad Mohelkou, Horní Bříza, Hořovice, Humpolec, Jihlava, Kaznějov, Kladruby, Kroměříž, Krupka, Lipník nad Bečvou, Mohelnice, Moravský Krumlov, Nové Hrady, Nové Město nad Metují, Nové Strašecí, Nymburk, Nýřany, Ostrava, Polička, Postoloprty, Prostějov, Rokycany, Roudnice nad Labem, Sušice, Šumperk, Tanvald, Ústí nad Orlicí, Vamberk, Votice, Vrchlabí, Vysoké Mýto

Heat output (kW)	Total heat sold in 2014 (GJ)	Installed electrical output (kW)	Total electricity sold in 2014 (MWh)
166 994	907 868	67 229	166 099

Within the group of companies belonging to TEDOM holding, the amount of electrical energy sold in 2014 was **202 480 MWh** and the amount of sold heat was **961 134 GJ**.

The goal of all companies is to maintain the revenues from the existing projects and to ensure the realisation of other projects for the sake of long-term stability of the firms. The most important goal of the company's business activities was to improve earnings and especially profit.

2. EVALUATION OF MANUFACTURING AND FINANCIAL SITUATION OF FIRMS WITHIN THE CONSOLIDATED GROUP, INCLUDING RESEARCH AND DEVELOPMENT CONDITIONS

In 2015, the parent company, TEDOM a.s., achieved turnover amounting to CZK 2,172,866 thousand, thereby making profit in the amount of CZK 63,416 thousand.

The entire group of companies (i.e. TEDOM holding) achieved non-consolidated earnings in the amount of CZK 1,653,033 thousand, thereby achieving non-consolidated profit of 70,216 thousand.

Commentary on the Consolidated Group

2.1 ECONOMIC INDICATORS (IN THOUSANDS OF CZK)

ECONOMIC INDICATORS	Total earnings		P/L	
	2013	2014	2013	2014
TEDOM a.s.	1,546,554	1,530,119	63,416	84,942
TEDOM, s.r.o.	124,860	76,323	473	7,083
TEDOM Cogeneration Equipments (Beijing) Co., Ltd	10,878	3,219	1,217	-728
TEDOM Poland sp.z.o.o.	28,212	14,409	97	-3,334
OOO TEDOM-RU	11,532	5,231	15	-2,737
ČEZ Energo, s.r.o.	851,533	703,309	20,657	21,080
Total (non-consolidated)	2,573,569	2,332,610	85,873	106,306

2.2 EXPENSES WITH REGARD TO THE RESEARCH AND DEVELOPMENT

TEDOM A.S.

Development of engines in Jablonec nad Nisou – the costs for 2015 amount to 20,294 thousand CZK.

Development and research of cogeneration in Hořovice – the costs for 2015 amount to 5,085 thousand CZK.

GHP research and development (Gas-engine Heat Pump) – the costs for 2015 amount to 1,114 thousand CZK.

In 2015, TEDOM a.s. had expended a total of 26,493 thousand CZK in the area of research and development.

3. DATA ON KEY EVENTS WHICH OCCURRED AFTER THE FINALISATION OF THE FIRMS' FINANCIAL STATEMENTS

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4. PRESUPPOSED DEVELOPMENT OF THE ESTABLISHMENTS OF THE CONSOLIDATION UNIT

In the years to come, the establishments of the consolidation unit will focus mainly on building the stronger position of the TEDOM brand and on increasing the sales in the selected international markets, mainly in the U.S.A. In the European countries we will offer complex services in the area of decentralized power engineering, including the cogeneration technologies operation and financing. The sales development in the Czech market will depend mainly on the legislative conditions for the supported sources of energy.

5. ACTIVITIES IN THE ENVIRONMENTAL AREA

TEDOM a.s. is the holder of the Certificate for the Integrated Quality Management and Environmental Care System according to ČSN EN ISO 9001 and ČSN EN ISO 14001. This Certificate was issued by the Lloyd's Register Quality Assurance.

We develop, produce and sell the energy saving technologies – CHP units and gas heat pumps. For the medium output series we use the engines manufactured in our own plants. The engine development is focused on the emission reduction and efficiency increasing trends. This assures contribution of the product made by TEDOM a.s. to the environment. The specific aim is to save the primary sources of energy and to reduce the emissions of greenhouse gases.

If the product is really contributing to the environment we want that our activities relating to the product creation, operation and service is as friendly to the environment as possible. We therefore strive to attain the maximum possible quality of all our activities and processes with a full respect of the environmental care and preservation principles.

Commentary on the Consolidated Group

We consider the issues of unceasing improvement of quality and care for the environment when making the decisions on our company activities.

The primary goal of our company in the area of the environment is prevention of pollution and unceasing improvement of the environmental conditions. Compliance with the requirements of the applicable legislation and other requirements imposed to preserve the environment are a matter of course for us.

The quality and environmental care policy specifies the basic activities in the area of the environmental care:

- Eliminate or reduce any damages to the environment by applying the correct practices, by asserting the new knowledge and suitable state-of-the-art technologies in the process of manufacture, implementation, operation and servicing as well as during further activities of the company.
- Engage all of our business and contractual partners in our endeavours to improve the quality and environmental conditions.
- Identify and evaluate the impacts of our activities on the environment.
- Improve unceasingly the Quality Management and Environmental Care System depending on the results from examinations of the System's efficiency.

Auditor's Report on the Consolidated Financial Statement

Independent Auditor's Report

To the Shareholders of TEDOM a.s.

Independent Auditor's Report

To the Shareholders of TEDOM a.s.

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We are confident that the evidence we collected provided us with adequate and appropriate basis for issuing this Auditor's Report.

Auditor's Report on the Consolidated Financial Statement

The Auditor's Statement

In our opinion, the company's consolidated financial statements provide a faithful and honest reflection of the status of the assets and liabilities of TEDOM a.s. as of 31.12.2015, its expenses and revenues, and its economic results and cashflow for the period from 1.1.2015 to 31.12.2015, in accordance with the Czech accounting regulations.

In Brno, as of 20 May 2016

BDO CA s. r. o., registration number 305

represented by the Partner:



Ing. Jiří Kadlec

Registration (License) No. 1246



Consolidated Financial Statement for the Year 2015

CONSOLIDATED BALANCE SHEET AS AT 31. 12. 2015 (in thousands of CZK)

	2015	2014
Receivable from subscription	-	-
Fixed assets	1 716 357	2 285 169
Intangible assets	55 992	58 739
- software	33	298
- valuable rights	54	58 441
	899	
- other intangible fixed assets	1 060	-
Tangible fixed assets	1 239 010	1 800 640
- lands	12 271	12 271
- construction	203 120	305 611
- equipment	133 306	494 538
- other long-term tangible property	602	663
- unfinished long-term tangible property	1 278	2 274
- advance payments paid for DHM	-	447
- difference in valuation to the acquired property	888 433	984 835
Long-term financial investments	-	396
- shares – controlled organizations	-	-
- shares in accounting units with substantial influence	-	-
- other securities and shares	-	396
Active consolidation difference	564	24 857
Passive consolidation difference	-149 198	-159 145
Securities in equivalents	569 989	559 682
Current assets	1 347 025	1 026 512
Inventory	538 938	563 886
- materials	319 190	264 466
- work in progress and semi-products	188 325	273 197
- finished products	16 044	14 581
- merchandise	5 103	-
- advance payments for inventory	10 276	11 641
Long-term receivables	15 317	29 744
- trade receivables	3 072	11 763
- long-term deposits given	2 022	3 775
Short-term receivables	10 223	14 206
- trade receivables	412 973	297 277
- receivables from controlled and controlling organizations	283 899	278 659
- receivables in enterprises with substantial influence	-	-
- receivables from partners and association	-	-
- due from state – tax receivables	22 595	8 910
- short-term deposits given	5 412	6 070
- estimated receivables	5	797
- other receivables	101 062	2 841
Short-term financial assets	379 798	135 605
- cash	1 728	1 375
- bank accounts	378 069	134 230
Accruals	16 638	35 181
- deferred expenses	7 522	32 532
- complex deferred expenses	9 020	-
- deferred income	96	2 649
TOTAL ASSETS	3 080 021	3 346 862

Consolidated Financial Statement for the Year 2015

CONSOLIDATED BALANCE SHEET AS AT 31. 12. 2015 (in thousands of CZK)

	2015	2014
Equity	1 662 560	1 523 640
Registered capital	20 100	34 717
- registered capital	20 100	34 717
Capital funds	227 127	227 127
- other capital funds	227 127	227 127
- difference from revaluation of assets and liabilities	-	-
Difference from consolidation adjustments	-	-
Reserve funds, statutory reserve account for cooperatives and other retained earnings	4 385	4 393
- legal reserve fund	4 334	4 342
- statutory and other funds	52	51
Profit/loss of previous years	1 315 227	1 182 021
Profit/loss of previous years	70 216	60 184
Share in income (loss) in equivalence	10 308	10 519
Consolidation reserve fund	15 197	4 679
Other sources	1 394 664	1 800 977
Reserves	42 535	69 988
- income tax reserves	2 798	-
- other reserves	39 737	69 988
Long-term payables	1 065 542	1 339 734
- long-term advances received	-	3 701
- other payables	891 324	1 150 170
- deferred tax liability	174 217	185 862
Short-term payables	272 253	341 198
- trade payables	142 278	170 823
- payables to accounting units with substantive influence	-	-
- payables – essential effect	23 709	36 906
- payables from partners, coop. and association members	564	-
- payroll	12 462	12 083
- payables to social security and health insurance	7 424	7 559
- due from state tax liabilities and subsidies	16 783	19 693
- short-term deposits received	67 321	89 710
- estimated payables	305	377
- other payables	1 407	4 048
Bank loans and financial accommodations	14 334	50 058
- long-term bank loans	3 500	19 493
- short-term current bank loans	10 834	30 565
- short-term accommodations	-	-
Accruals	22 798	25 170
- accrued expenses	20 599	15 658
- deferred revenues	2 199	9 512
Minority equity	-	-2 926
- minority fixed capital	-	37 869
- minority capital funds	-	-
- minority profit funds and income (loss) of previous years	-	-36 105
- minority income (loss) of current year	-	-4 690
TOTAL LIABILITIES	3 080 021	3 346 862

Consolidated Financial Statement for the Year 2015

CONSOLIDATED PROFIT AND LOSS STATEMENT AS AT 31. 12. 2015 (in thousands of CZK)

	2015	2014
Revenues from sold goods	86 435	28 224
Expenses on sold goods	73 178	18 725
Sale margin	13 257	9 500
Production	1 554 446	1 798 424
- revenues from own product and services	1 566 598	1 787 960
- change in inventory of own products	-81 178	-59 788
- capitalization	69 026	70 252
Production consumption	1 039 288	1 234 938
- consumption of material and energy	830 403	1 050 871
- services	208 885	184 067
Added value	528 415	572 986
Personnel expenses	263 340	266 114
- wages and salaries	191 306	195 581
- social security expenses and health insurance	65 886	63 981
- other social expenses	6 147	6 552
Taxes and fees	2 334	2 262
Depreciation of intangible and tangible assets	161 424	178 680
Clearing of active consolidation difference	9 947	9 947
Clearing of passive consolidation difference	41	1 466
Revenues from disposed fixed assets and material	59 042	60 240
- revenues from disposals of fixed assets	17 810	5 522
- revenues from disposals of materials	41 232	54 718
Net book value of disposed fixed assets and materials	41 745	47 963
- net book value of sold fixed assets	13 582	1 622
- net book value of sold material	28 163	46 341
Changes in operating reserves and adjustments and complex deferred costs	-25 696	-4 989
Other operating revenues	407 342	122 463
Other operating expenses	429 123	113 985
Operating profit/loss	122 529	151 673
CONSOLIDATED OPERATING PROFIT/LOSS	132 435	160 154

Consolidated Financial Statement for the Year 2015

CONSOLIDATED PROFIT AND LOSS STATEMENT AS AT 31. 12. 2015 (in thousands of CZK)

	2015	2014
Revenues from sales of securities and ownership interests	81 328	-
Sold securities and ownership interests	56 575	-
Revenues from long-term financial assets	-	-
- revenues from shares in controlled organizations and in accounting units with substantial influence	-	-
Revenues from revaluation of securities and derivatives	3 635	9 806
Costs of revaluation of securities and derivatives	-	2 875
Interest revenues	25 473	688
Interest expenses	68 861	72 048
Other financial revenues	23 205	22 651
Other financial expenses	54 247	29 901
Profit/loss from financial operations	-46 222	-71 679
CONSOLIDATION PROFIT/LOSS FROM FINANCIAL OPERATIONS	-46 222	-71 679
Income tax on ordinary income	15 333	21 590
- due tax	24 082	36 911
- tax deferred	-8 750	-15 322
Ordinary profit/loss	62 901	55 109
CONSOLIDATION ORDINARY PROFIT/LOSS	70 880	66 884
Extraordinary revenues	-	-
Extraordinary expenses	664	11 390
Income tax on extraordinary income	-	-
- due tax	-	-
Extraordinary profit/loss	-664	-11 390
CONSOLIDATED EXTRAORDINARY PROFIT/LOSS	-664	-11 390
Profit/loss of current accounting period	62 237	43 719
CONSOLIDATED PROFIT/LOSS FOR THE ACCOUNTING PERIOD WITHOUT EQUIVALENCE	70 216	55 494
- profit/loss of current accounting period without minority	70 216	60 184
- minority profit/loss	-	-4 690
SHARE IN PROFIT/LOSS IN EQUIVALENCE	10 308	10 519
Profit/loss before tax	77 570	65 309
CONSOLIDATED PROFIT/LOSS FOR THE ACCOUNTING PERIOD	70 216	66 013

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Registered in the Commercial Register kept by the Regional Court in Brno,
Section B, File 6260

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