

**ENEA Group**

**Opinion and Report  
of the Independent Auditor  
Financial Year ended  
31 December 2015**

**The opinion contains 2 pages  
The supplementary report contains 14 pages  
Opinion of the independent auditor  
and supplementary report on the audit  
of the consolidated financial statements  
for the financial year ended  
31 December 2015**



**KPMG Audyt**  
**Spółka z ograniczoną**  
**odpowiedzialnością sp.k.**  
Biuro w Poznaniu  
ul. Roosevelta 18  
60-829 Poznań  
Poland

Telefon +48 61 845 46 00  
Fax +48 61 845 46 01  
E-mail [poznan@kpmg.pl](mailto:poznan@kpmg.pl)  
Internet [www.kpmg.pl](http://www.kpmg.pl)

*This document is a free translation of the Polish original. Terminology current in Anglo-Saxon countries has been used where practicable for the purposes of this translation in order to aid understanding. The binding Polish original should be referred to in matters of interpretation.*

## **OPINION OF THE INDEPENDENT AUDITOR**

*To the General Meeting of ENEA S.A.*

### **Opinion on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of the Group, whose parent entity is ENEA S.A. with its registered office in Poznań, Górecka 1 Street (“the Group”), which comprise the consolidated statement of financial position as at 31 December 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

### *Management's and Supervisory Board's Responsibility for the Consolidated Financial Statements*

Management of the Parent Entity is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with other applicable regulations and preparation of the report on the Group's activities. Management of the Parent Entity is also responsible for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

According to the Accounting Act dated 29 September 1994 (Official Journal from 2013, item 330 with amendments) (“the Accounting Act”), Management of the Parent Entity and members of the Supervisory Board are required to ensure that the consolidated financial statements and the report on the Group's activities are in compliance with the requirements set forth in the Accounting Act.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with section 7 of the Accounting Act dated 29 September 1994 (Official Journal from 2013, item 330 with amendments) (“the Accounting Act”) and International Standards on Auditing as adopted by the National Council of Certified Auditors as the National Standards on Assurance. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management of the Parent Entity, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Opinion*

In our opinion, the accompanying consolidated financial statements of ENEA Group have been prepared and present fairly, in all material respects, the financial position of the Group as at 31 December 2015 and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union, and are in compliance with the respective regulations that apply to the consolidated financial statements, applicable to the Group.

### **Specific Comments on Other Legal and Regulatory Requirements**

#### *Report on the Group's Activities*

As required under the Accounting Act, we report that the accompanying report on the Group's activities includes, in all material respects, the information required by Art. 49 of the Accounting Act and by the Decree of the Ministry of Finance dated 19 February 2009 on current and periodic information provided by issuers of securities and the conditions for recognition as equivalent information required by the law of a non-Member State (Official Journal from 2014, item 133) and the information is consistent with the consolidated financial statements.

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.  
Registration No. 3546  
Inflancka 4A Street  
00-189 Warsaw

#### *Signed on the Polish original*

.....  
Marek Gajdziński  
Key Certified Auditor  
Registration No. 90061  
Limited Liability Partner  
with power of attorney

Poznań, 9 March 2016



TRANSLATION

**ENEA Group**

**Supplementary report  
on the audit of the  
consolidated financial  
statements**

**Financial Year ended  
31 December 2015**

**The supplementary report contains 14 pages  
The supplementary report on the audit of the  
consolidated financial statements  
for the financial year ended  
31 December 2015**

*This document is a free translation of the Polish original. Terminology current in Anglo-Saxon countries has been used where practicable for the purposes of this translation in order to aid understanding. The binding Polish original should be referred to in matters of interpretation*

## Contents

1.	General	3
1.1	Identification of the Group	3
1.1.1	Name of the Group	3
1.1.2	Registered office of the Parent Company of the Group	3
1.1.3	Registration of the Parent Company in the register of entrepreneurs of the National Court Register	3
1.1.4	Management of the Parent Company	3
1.2	Information about companies comprising the Group	4
1.2.1	Companies included in the consolidated financial statements	4
1.3	Key Certified Auditor and Audit Firm Information	6
1.3.1	Key Certified Auditor information	6
1.3.2	Audit Firm information	6
1.4	Prior period consolidated financial statements	6
1.5	Audit scope and responsibilities	6
1.6	Information on audits of the financial statements of the consolidated companies	7
1.6.1	Parent Company	7
1.6.2	Other consolidated entities	8
2.	Financial analysis of the Group	9
2.1	Summary analysis of the consolidated financial statements	9
2.1.1	Consolidated statement of financial position	9
2.1.2	Consolidated statement of profit or loss and other comprehensive income	11
2.2	Selected financial ratios	12
3.	Detailed report	13
3.1	Accounting principles	13
3.2	Basis of preparation of the consolidated financial statements	13
3.3	Method of consolidation	13
3.4	Goodwill arising on consolidation	13
3.5	Consolidation of equity and calculation of non-controlling interest	13
3.6	Consolidation eliminations	14
3.7	Notes to the consolidated financial statements	14
3.8	Report of the Management Board of the Parent Company on the Group's activities	14

## **1. General**

### **1.1 Identification of the Group**

#### **1.1.1 Name of the Group**

ENEA Group

#### **1.1.2 Registered office of the Parent Company of the Group**

Górecka 1 Street  
60-201 Poznań

#### **1.1.3 Registration of the Parent Company in the register of entrepreneurs of the National Court Register**

Registration court: District Court in Poznań - Nowe Miasto i Wilda,  
VIII Commercial Department of the National Court Register  
Date: 21 May 2001  
Registration number: KRS 0000012483  
Share capital as at  
the end of reporting period: PLN 441 442 578.00

#### **1.1.4 Management of the Parent Company**

The Management Board is responsible for management of the Parent Company.

As at 31 December 2015, the Management Board of the Parent Company was comprised of the following members:

- Wiesław Piosik – acting President of the Management Board,
- Dalida Gepfert – Member of the Management Board responsible for Financial Affairs,
- Grzegorz Kinelski – Member of the Management Board responsible for Commercial Affairs.

According to the resolution no. 39/IX/2015 of the Supervisory Board dated 7 December 2015, Mr Krzysztof Zamasz was dismissed from the position of the President of the Management Board.

According to the resolution no. 40/IX/2015 of the Supervisory Board dated 7 December 2015, Mr Paweł Orlof was dismissed from the position of the Member of the Management Board responsible for Corporate Affairs.

According to the resolution no. 41/IX/2015 of the Supervisory Board dated 7 December 2015, Mr Wiesław Piosik, the Member of the Supervisory Board, was delegated to temporarily perform the duties of the President of the Management Board.

According to the resolution no. 62/IX/2015 of the Supervisory Board dated 30 December 2015, Mrs Dalida Gepfert was dismissed from the position of the Member of the Management Board responsible for Financial Affairs, effective from 7 January 2016.

According to the resolution no. 63/IX/2015 of the Supervisory Board dated 30 December 2015, Mr Grzegorz Kinelski was dismissed from the position of the Member of the Management Board responsible for Commercial Affairs, effective from 7 January 2016.

According to the resolution no. 64/IX/2015 of the Supervisory Board dated 30 December 2015, Mr Wiesław Piosik was revoked to temporary perform the duties of the President of the Management Board, effective from 7 January 2016.

According to the resolution no. 65/IX/2015 of the Supervisory Board dated 30 December 2015, Mr Mirosław Kowalik was appointed to the position of the President of the Management Board, effective from 7 January 2016.

According to the resolution no. 66/IX/2015 of the Supervisory Board dated 30 December 2015, Mr Wiesław Piosik was appointed to the position of the Member of the Management Board responsible for Corporate Affairs, effective from 7 January 2016.

According to the resolution no. 68/IX/2015 of the Supervisory Board dated 30 December 2015, Mr Sławomir Brzeziński, the Member of the Supervisory Board, was delegated to temporary perform the duties of the Member of the Management Board responsible for Commercial Affairs, effective from 7 January 2016 till the appointment of the Member of the Management Board responsible for Commercial Affairs.

According to the resolution no. 18/IX/2016 of the Supervisory Board dated 21 January 2016, Mr Mikołaj Franzkowiak was appointed to the position of the Member of the Management Board responsible for Financial Affairs.

According to the resolution no. 19/IX/2016 of the Supervisory Board dated 21 January 2016, Mr Piotr Adamczak was appointed to the position of the Member of the Management Board responsible for Commercial Affairs.

## **1.2 Information about companies comprising the Group**

### **1.2.1 Companies included in the consolidated financial statements**

As at 31 December 2015, the following companies were consolidated by the Group:

Parent Company:

- ENEA S.A.

Subsidiaries consolidated on the full consolidation basis:

- ENEA Operator Sp. z o.o.,
- ENEA Wytwarzanie Sp. z o.o.,
- ENEA Oświetlenie Sp. z o.o.,
- ENEA Trading Sp. z o.o.,
- Hotel "EDISON" Sp. z o.o.,
- Szpital Uzdrowiskowy ENERGETYK Sp. z o.o.,
- ENEA Logistyka Sp. z o.o.,

- ENEA Serwis Sp. z o.o.,
- ENEA Centrum Sp. z o.o.,
- ENEA Pomiary Sp. z o.o.,
- ENERGO-TOUR Sp. z o.o. in liquidation,
- Annacond Enterprises Sp. z o.o.,
- Przedsiębiorstwo Energetyki Ciepłej “Zachód” Sp. z o.o.,
- Przedsiębiorstwo Energetyki Ciepłej Sp. z o.o. in Oborniki,
- Miejskie Przedsiębiorstwo Energetyki Ciepłej Sp. z o.o. in Białystok,
- Miejska Energetyka Ciepła Piła Sp. z o.o.,
- “Ecebe” Sp. z o.o. in liquidation,
- Lubelski Węgiel “BOGDANKA” S.A.
- EkoTRANS Bogdanka Sp. z o.o.,
- RG “Bogdanka” Sp. z o.o.,
- MR Bogdanka Sp. z o.o.,
- Łęczyńska Energetyka Sp. z o.o.,
- Centralny System Wymiany Informacji Sp. z o.o.,
- ENEA Innovation Sp. z o.o.

The following subsidiaries were consolidated for the first time during the year ended 31 December 2015, as a result of the Parent Company acquiring a controlling interest:

- Przedsiębiorstwo Energetyki Ciepłej “Zachód” Sp. z o.o. – subject to consolidation for the period from 9 June 2015 to 31 December 2015,
- Lubelski Węgiel “BOGDANKA” S.A. – subject to consolidation for the period from 29 October 2015 to 31 December 2015,
- EkoTRANS Bogdanka Sp. z o.o. – subject to consolidation for the period from 29 October 2015 to 31 December 2015,
- RG “Bogdanka” Sp. z o.o. – subject to consolidation for the period from 29 October 2015 to 31 December 2015,
- MR Bogdanka Sp. z o.o. – subject to consolidation for the period from 29 October 2015 to 31 December 2015,
- Łęczyńska Energetyka Sp. z o.o. – subject to consolidation for the period from 29 October 2015 to 31 December 2015.



The following subsidiaries were consolidated until the date control by the Parent ceased:

- ENERGO-TOUR Sp. z o.o. in liquidation – subject to consolidation for the period from 1 January 2015 to 20 October 2015,
- Hotel “EDISON” Sp. z o.o. – subject to consolidation for the period from 1 January 2015 to 18 December 2015,
- “Ecebe” Sp. z o.o. in liquidation – subject to consolidation for the period from 1 January 2015 to 15 January 2015.

### **1.3 Key Certified Auditor and Audit Firm Information**

#### **1.3.1 Key Certified Auditor information**

Name and surname: Marek Gajdziński  
Registration number: 90061

#### **1.3.2 Audit Firm information**

Name: KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.  
Address of registered office: Inflancka 4A Street, 00-189 Warsaw  
Registration number: KRS 0000339379  
Registration court: District Court for the Capital City of Warsaw in Warsaw, XII Commercial Department of the National Court Register  
NIP number: 527-26-15-362

KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. is entered in the register of audit firms, maintained by the National Council of Certified Auditors, under number 3546.

### **1.4 Prior period consolidated financial statements**

The consolidated financial statements for the financial year ended 31 December 2014 were audited by KPMG Audyt Sp. z o.o. and received an unmodified opinion.

The consolidated financial statements were approved at the Ordinary General Meeting of the Parent Entity on 30 June 2015.

The consolidated financial statements were submitted to the Registry Court on 13 July 2015.

### **1.5 Audit scope and responsibilities**

This report was prepared for the General Meeting of ENEA S.A. with its registered office in Poznań, Górecka 1 Street and relates to the consolidated financial statements comprising: the consolidated statement of financial position as at 31 December 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

The consolidated financial statements were audited in accordance with the contract dated 6 May 2015, concluded on the basis of the resolution of the Supervisory Board dated 18 December 2014 on the appointment of the auditor.

We conducted our audit in accordance with section 7 of the Accounting Act dated 29 September 1994 (Official Journal from 2013, item 330 with amendments) (“the Accounting Act”) and International Standards on Auditing as adopted by the National Council of Certified Auditors as the National Standards on Assurance.

We audited the consolidated financial statements at the Group entities during the period from 25 January to 19 February 2016 and on 25 February 2016.

Management of the Parent Company is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with other applicable regulations and preparation of the report on the Group’s activities.

Our responsibility is to express an opinion and to prepare a supplementary report on the audit of the financial statements.

The Management Board of the Parent Company submitted a statement, dated as at the same date as this report, as to the true and fair presentation of the accompanying consolidated financial statements, which confirmed that there were no undisclosed matters which could significantly influence the information presented in the consolidated financial statements.

All required statements, explanations and information were provided to us by Management of the Group and all our requests for additional documents and information necessary for expressing our opinion and preparing the report have been fulfilled.

The scope of the work planned and performed has not been limited in any way. The method and scope of our audit is detailed in working papers prepared by us and retained in the offices of the Audit Firm.

The Key Certified Auditor and the Audit Firm fulfill the independence requirements as described in Art. 56 points 3 and 4 of the Act on Certified Auditors and their Self-Governance, Audit Firms authorized to Audit Financial Statements and Public Oversight dated 7 May 2009 (Official Journal from 2015, item 1011 with amendments).

## **1.6 Information on audits of the financial statements of the consolidated companies**

### **1.6.1 Parent Company**

The separate financial statements of the Parent Company for the year ended 31 December 2015 were audited by KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k., certified auditor number 3546, and received an unmodified opinion.

## 1.6.2 Other consolidated entities

Entity's name	Authorised auditor	Financial year end	Type of auditor's opinion
ENEA Operator Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31.12.2015	unmodified opinion
ENEA Wytwarzanie Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31.12.2015	unmodified opinion
ENEA Oświetlenie Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31.12.2015	unmodified opinion
ENEA Trading Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31.12.2015	unmodified opinion
Szpital Uzdrawiskowy ENERGETYK Sp. z o.o.	KPW Audytor Sp. z o.o.	31.12.2015	unmodified opinion
ENEA Logistyka Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31.12.2015	unmodified opinion
ENEA Serwis Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31.12.2015	unmodified opinion
ENEA Centrum Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31.12.2015	unmodified opinion
ENEA Pomiary Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31.12.2015	unmodified opinion
Przedsiębiorstwo Energetyki Ciepłej "Zachód" Sp. z o.o.	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31.12.2015	unmodified opinion
Przedsiębiorstwo Energetyki Ciepłej Sp. z o.o. in Oborniki	KPW Audytor Sp. z o.o.	31.12.2015	unmodified opinion
Miejskie Przedsiębiorstwo Energetyki Ciepłej Sp. z o.o. in Białystok	KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.	31.12.2015	unmodified opinion
Miejska Energetyka Ciepła Piła Sp. z o.o.	DGA Audyt Sp. z o.o.	31.12.2015	unmodified opinion
Lubelski Węgiel „BOGDANKA” S.A.	Deloitte Polska Sp. z o.o. Sp. k.	31.12.2015	*
EkoTRANS Bogdanka Sp. z o.o.	Deloitte Polska Sp. z o.o. Sp. k.	31.12.2015	*
RG „Bogdanka” Sp. z o.o.	Deloitte Polska Sp. z o.o. Sp. k.	31.12.2015	*
MR Bogdanka Sp. z o.o.	Deloitte Polska Sp. z o.o. Sp. k.	31.12.2015	*
Łęczyńska Energetyka Sp. z o.o.	Deloitte Polska Sp. z o.o. Sp. k.	31.12.2015	*
ENERGO-TOUR Sp. z o.o. in liquidation	brak obowiązku badania	31.12.2015	
Hotel "EDISON" Sp. z o.o.	brak obowiązku badania	31.12.2015	
Annacond Enterprises Sp. z o.o.	brak obowiązku badania	31.12.2015	
Centralny System Wymiany Informacji Sp. z o.o.	brak obowiązku badania	31.12.2015	
ENEA Innovation Sp. z o.o.	brak obowiązku badania	31.12.2015	
"Ecebe" Sp. z o.o. in liquidation	brak obowiązku badania	31.12.2015	

\*Procedures for the purposes of audit of the consolidated financial statements of ENEA Group were performed however until the date of this report the audit of the statutory financial statement has not been completed

## 2. Financial analysis of the Group

### 2.1 Summary analysis of the consolidated financial statements

#### 2.1.1 Consolidated statement of financial position

ASSETS	31.12.2015		31.12.2014*	
	PLN '000	% of total	PLN '000	% of total
<b>Non-current assets</b>				
Property, plant and equipment	17 074 978	74.3	13 617 942	75.2
Perpetual usufruct of land	74 160	0.3	77 281	0.4
Intangible assets	272 116	1.2	389 961	2.2
Investment property	20 624	0.1	23 431	0.1
Investments in subsidiaries	748	0.0	-	-
Deferred tax assets	616 795	2.7	167 207	0.9
Financial assets available for sale	23 982	0.1	47 479	0.3
Financial assets measured at fair value through profit or loss	-	-	99	0.0
Derivatives	844	0.0	-	-
Trade and other receivables	28 323	0.1	20 739	0.1
Cash and cash equivalents	90 872	0.4	-	-
<b>Total non-current assets</b>	<b>18 203 442</b>	<b>79.2</b>	<b>14 344 139</b>	<b>79.2</b>
<b>Current assets</b>				
CO <sub>2</sub> emission rights	307 521	1.3	208 720	1.2
Inventories	649 509	2.8	508 163	2.8
Trade and other receivables	1 732 744	7.5	1 764 128	9.7
Current income tax assets	31 956	0.1	20	0.0
Financial assets held to maturity	479	0.0	189 789	1.0
Financial assets measured at fair value through profit or loss	222 011	1.0	392 251	2.2
Cash and cash equivalents	1 822 094	7.9	687 316	3.8
Assets classified as held for sale	19 240	0.1	13 514	0.1
<b>Total current assets</b>	<b>4 785 554</b>	<b>20.8</b>	<b>3 763 901</b>	<b>20.8</b>
<b>TOTAL ASSETS</b>	<b>22 988 996</b>	<b>100.0</b>	<b>18 108 040</b>	<b>100.0</b>

\* Restatement of comparative figures is presented in Note 3 of the consolidated financial statements

<b>EQUITY AND LIABILITIES</b>	<b>31.12.2015</b>	<b>%</b>	<b>31.12.2014</b>	<b>%</b>
	<b>PLN '000</b>	<b>of total</b>	<b>PLN '000</b>	<b>of total</b>
<b>Equity</b>				
Share capital	588 018	2.6	588 018	3.2
Share premium	3 632 464	15.8	3 632 464	20.1
Financial instruments revaluation reserve	814	0.0	34 777	0.2
Other capital	(45 883)	(0.2)	(45 883)	(0.3)
Reserve capital from valuation of hedging instruments	3 980	0.0	-	-
Retained earnings	7 158 352	31.1	7 804 989	43.1
<b>Total equity attributable to equity holders of the parent</b>	<b>11 337 745</b>	<b>49.3</b>	<b>12 014 365</b>	<b>66.3</b>
<b>Non-controlling interest</b>	<b>784 858</b>	<b>3.4</b>	<b>49 648</b>	<b>0.3</b>
<b>Total equity</b>	<b>12 122 603</b>	<b>52.7</b>	<b>12 064 013</b>	<b>66.6</b>
<b>Liabilities</b>				
Loans, borrowings and debt securities	5 933 360	25.8	2 209 648	12.2
Trade and other liabilities	16 527	0.1	3 275	0.0
Finance lease liabilities	992	0.0	814	0.0
Deferred income due to subsidies and connection fees and other	674 682	2.9	637 357	3.5
Deferred tax liabilities	388 117	1.7	255 374	1.4
Liabilities due to employee benefits	818 772	3.6	618 092	3.4
Financial liabilities measured at fair value through profit or loss	-	-	917	0.0
Provisions for other liabilities and charges	625 388	2.7	464 720	2.6
<b>Total non-current liabilities</b>	<b>8 457 838</b>	<b>36.8</b>	<b>4 190 197</b>	<b>23.1</b>
Loans, borrowings and debt securities	43 399	0.2	8 875	0.0
Trade and other liabilities	1 223 320	5.3	1 135 657	6.3
Finance lease liabilities	1 025	0.0	1 752	0.0
Deferred income due to subsidies and connection fees and other	83 666	0.4	72 698	0.4
Current income tax liabilities	87 022	0.4	61 698	0.3
Liabilities due to employee benefits	397 986	1.7	268 277	1.5
Liabilities due to an equivalent of the right to acquire shares free of	281	0.0	281	0.0
Provisions for other liabilities and charges	567 556	2.5	304 374	1.7
Liabilities related to non-current assets held for sale	4 300	0.0	218	0.0
<b>Total current liabilities</b>	<b>2 408 555</b>	<b>10.5</b>	<b>1 853 830</b>	<b>10.2</b>
<b>Total liabilities</b>	<b>10 866 393</b>	<b>47.3</b>	<b>6 044 027</b>	<b>33.4</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>22 988 996</b>	<b>100.0</b>	<b>18 108 040</b>	<b>100.0</b>

## 2.1.2 Consolidated statement of profit or loss and other comprehensive income

	1.01.2015 - 31.12.2015 PLN '000	% of total sales	1.01.2014 - 31.12.2014 PLN '000	% of total sales
<b>CONTINUING OPERATIONS</b>				
Sales revenue	10 081 083	102.4	10 057 909	102.1
Excise tax	(232 691)	2.4	(202 514)	2.1
<b>Net revenue</b>	<b>9 848 392</b>	<b>100.0</b>	<b>9 855 395</b>	<b>100.0</b>
Other operating revenue	99 102	1.0	115 066	1.2
Depreciation	(790 375)	8.0	(728 408)	7.4
Costs of employee benefits	(989 489)	10.0	(948 872)	9.6
Consumption of materials and supplies and costs of goods sold	(1 791 115)	18.2	(1 821 196)	18.5
Energy and gas purchase for sale	(3 282 923)	33.3	(3 835 730)	38.9
Transmission services	(769 503)	7.8	(710 577)	7.2
Other external services	(423 204)	4.3	(336 339)	3.4
Taxes and charges	(290 201)	2.9	(268 934)	2.7
Loss on sale and liquidation of property, plant and equipment	(9 148)	0.1	(5 620)	0.1
Impairment loss on non-financial non-current assets	(1 501 621)	15.2	(30 556)	0.3
Other operating expenses	(262 040)	2.7	(97 754)	1.0
<b>Operating (loss)/ profit</b>	<b>(162 125)</b>	<b>1.6</b>	<b>1 186 475</b>	<b>12.0</b>
Financial expenses	(81 751)	0.8	(125 483)	1.3
Financial revenue	84 497	0.9	81 178	0.8
Impairment of goodwill	(251 432)	2.6	(3 131)	0.0
Dividend income	1 833	0.0	3 355	0.0
Share in profits of associates measured using the equity method	-	-	708	0.0
<b>(Loss)/ Profit before tax</b>	<b>(408 978)</b>	<b>4.2</b>	<b>1 143 102</b>	<b>11.6</b>
Income tax	10 100	0.1	(233 980)	2.4
<b>Net (loss)/ profit for the period</b>	<b>(398 878)</b>	<b>4.1</b>	<b>909 122</b>	<b>9.2</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<i>Items that are or may be reclassified to profit or loss</i>				
Change in fair value of financial assets available for sale	(21 048)	0.2	(14 282)	0.1
Net change in fair value of available-for-sale financial assets	(12 854)	0.1	-	-
Valuation of hedging instruments	4 914	0.0	-	-
Other	(61)	0.0	-	-
Income tax	(934)	0.0	2 714	0.0
<i>Items that will not be reclassified to profit or loss</i>				
Remeasurement of defined benefit plan	(1 034)	0.0	(95 354)	1.0
Income tax	187	0.0	18 116	0.2
<b>Other comprehensive income for the period, net of income tax</b>	<b>(30 830)</b>	<b>0.3</b>	<b>(88 806)</b>	<b>0.9</b>
<b>Total comprehensive income for the period</b>	<b>(429 708)</b>	<b>4.4</b>	<b>820 316</b>	<b>8.3</b>
<b>(Loss)/ Profit attributable to:</b>				
Parent's shareholders	(434 857)		908 319	
Non-controlling interests	35 979		803	
<b>Total comprehensive income attributable to:</b>				
Parent's shareholders	(464 270)		819 562	
Non-controlling interests	34 562		754	
Net (loss)/ profit attributable to shareholders of the Parent	(434 857)		908 319	
Weighted average number of ordinary shares	441 442 578		441 442 578	
Net earnings per share (in PLN per share)	(0.99)		2.06	
Diluted earnings per share (in PLN per share)	(0.99)		2.06	

## 2.2 Selected financial ratios

	2015	2014	2013
<b>1. Return on sales</b>			
$\frac{\text{net profit} \times 100\%}{\text{net revenue}}$	negative value	9.2%	7.9%
<b>2. Return on equity</b>			
$\frac{\text{net profit} \times 100\%}{\text{equity} - \text{net profit}}$	negative value	8.1%	6.7%
<b>3. Debtors turnover</b>			
$\frac{\text{average trade receivables (gross)} \times 365 \text{ days}}{\text{net revenue}}$	46 days	41 days	39 days
<b>4. Debt ratio</b>			
$\frac{\text{liabilities} \times 100\%}{\text{equity and liabilities}}$	47.3%	33.4%	29.6%
<b>5. Current ratio</b>			
$\frac{\text{current assets}}{\text{current liabilities}}$	2.0	2.0	1.7

- Revenue includes revenue from sales of finished products, merchandise and raw materials.
- Average trade receivables represent the average of trade receivables at the beginning and at the end of the period, with no deduction made for allowances.

### **3. Detailed report**

#### **3.1 Accounting principles**

The Parent Company maintains current documentation describing the accounting principles applied by the Group and adopted by the Management Board of the Parent Company.

The accounting principles are described in the notes to the consolidated financial statements to the extent required by International Financial Reporting Standards as adopted by the European Union.

In view of the fact that not all entities being part of the Group apply common accounting principles consistent with the accounting principles applied by the Parent Company, appropriate adjustments to the financial statements of those entities were made to ensure consistency with the accounting principles applied by the Parent Company.

The financial statements of the entities included in the consolidated financial statements were prepared at the end of the same reporting period as the financial statements of the Parent Company.

#### **3.2 Basis of preparation of the consolidated financial statements**

The consolidated financial statements of the ENEA Group were prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with other applicable regulations.

The consolidated financial statements were prepared on the basis of the consolidation documentation prepared in accordance with the requirements the Decree of the Ministry of Finance dated 25 September 2009 on principles for the preparation of consolidated financial statements of a capital group by companies other than banks and insurance companies (Official Journal from 2009 No. 169, item 1327 with amendments).

#### **3.3 Method of consolidation**

The method of consolidation is described in note 53.2 of the notes to the consolidated financial statements.

#### **3.4 Goodwill arising on consolidation**

The method of calculating goodwill arising on consolidation is described in note 53.7 of the notes to the consolidated financial statements.

#### **3.5 Consolidation of equity and calculation of non-controlling interest**

The share capital of the Group is equal to the share capital of the Parent Company.

Other equity items of the Group are determined by adding the equity balances of subsidiaries included in the consolidated financial statements in the proportion reflecting the Parent Company's share in the subsidiaries' equity as at the end of the reporting period to the corresponding positions of the equity of the Parent Company.

Only equity of subsidiaries arising after the Parent Company obtained control of the subsidiary is included in the equity of the Group.



Non-controlling interests in subsidiaries included in the consolidated financial statements were determined based on the non-controlling interests' share in the subsidiaries' equity as at the end of the reporting period.

### **3.6 Consolidation eliminations**

Intercompany balances within the Group were eliminated on consolidation.

Sales between entities and other intercompany operating revenues and expenses and financial revenues and expenses were eliminated on consolidation.

The consolidation eliminations were based on the accounting records of ENEA S.A. and subsidiary entities and agreed with information received from the subsidiaries.

### **3.7 Notes to the consolidated financial statements**

All information included in the notes to the consolidated financial statements, comprising of a summary of significant accounting policies and other explanatory information, is, in all material respects, presented correctly and completely. This information should be read in conjunction with the consolidated financial statements.

### **3.8 Report of the Management Board of the Parent Company on the Group's activities**

The report of the Management Board of the Parent Company on the Group's activities includes, in all material respects, the information required by Art. 49 of the Accounting Act and by the Decree of the Ministry of Finance dated 19 February 2009 on current and periodic information provided by issuers of securities and the conditions for recognition as equivalent information required by the law of a non-Member State (Official Journal from 2014, item 133) and the information is consistent with the consolidated financial statements.

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.  
Registration No. 3546  
Inflancka 4A Street  
00-189 Warsaw

*Signed on the Polish original*

.....  
Marek Gajdziński  
Key Certified Auditor  
Registration No. 90061  
Limited Liability Partner  
with power of attorney

Poznań, 9 March 2016