



UNIPETROL, a.s.
CONSOLIDATED QUARTERLY REPORT

FOR THE 4th QUARTER

2015

PREPARED IN ACCORDANCE WITH INTERNATIONAL
FINANCIAL REPORTING STANDARDS AS ADOPTED
BY THE EUROPEAN UNION



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**UNAUDITED QUARTERLY CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE 12 AND 3 MONTHS ENDED 31 DECEMBER

2015

**PREPARED IN ACCORDANCE WITH INTERNATIONAL
FINANCIAL REPORTING STANDARDS
AS ADOPTED BY THE EUROPEAN UNION**

A. QUARTERLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION

Consolidated statement of profit or loss and other comprehensive income

	Note	12 MONTHS ENDED 31/12/2015 (unaudited)	3 MONTHS ENDED 31/12/2015 (unaudited)	12 MONTHS ENDED 31/12/2014 (audited, restated*)	3 MONTHS ENDED 31/12/2014 (unaudited, restated*)
Statement of profit or loss					
Revenues	5.3.	108 907	22 957	123 938	28 915
Cost of sales	5.4.	(96 144)	(21 657)	(118 203)	(27 379)
Gross profit on sales		12 763	1 300	5 735	1 536
Distribution expenses		(2 140)	(511)	(2 090)	(515)
Administrative expenses		(1 302)	(386)	(1 274)	(333)
Other operating income	5.7.	616	48	1 645	148
Other operating expenses	5.7.	(1 221)	(207)	(5 264)	(247)
Profit/(loss) from operations		8 716	244	(1 248)	589
Finance income	5.8.	1 260	547	1 232	497
Finance costs	5.8.	(1 307)	(513)	(1 346)	(497)
Net finance income/(costs)		(47)	34	(114)	-
Profit/(loss) before tax		8 669	278	(1 362)	589
Tax expense	5.9.	(1 633)	(96)	806	9
Net profit/(loss)		7 036	182	(556)	598
Other comprehensive income					
items which will not be reclassified into profit or loss		7	7	(10)	(10)
Actuarial gains and losses		9	9	(12)	(12)
Deferred tax		(2)	(2)	2	2
items which will be reclassified into profit or loss under certain conditions		4	452	728	433
Hedging instruments		9	558	899	535
Foreign exchange differences on subsidiaries from consolidation		(3)	-	-	-
Deferred tax		(2)	(106)	(171)	(102)
		11	459	718	423
Total net comprehensive income		7 047	641	162	1 021
Net profit/(loss) attributable to		7 036	182	(556)	599
equity owners of the parent		7 036	179	(556)	597
non-controlling interest		-	3	-	2
Total comprehensive income attributable to		7 047	641	162	1 022
equity owners of the parent		7 047	638	162	1 020
non-controlling interest		-	3	-	2
Net profit/(loss) and diluted net profit/(loss) per share attributable to equity owners of the parent (in CZK per share)		38.80	0.99	(3.06)	3.29

The consolidated financial statements are to be read in conjunction with the notes forming part of the consolidated financial statements set out on pages 8-19.

* Changes in disclosure of comparative period are described in note 3.

Consolidated statement of financial position

	Note	31/12/2015 (unaudited)	31/12/2014 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment		19 398	18 893
Investment property		433	419
Intangible assets		1 514	1 792
Financial assets available for sale		1	1
Deferred tax assets		1 204	1 039
Other non-current assets		25	29
		22 575	22 173
Current assets			
Inventories		10 390	10 320
Trade and other receivables		11 258	12 506
Other financial assets	5.10.	4 281	1 764
Current tax receivables		107	72
Cash and cash equivalents		5 888	1 682
		31 924	26 344
Total assets		54 499	48 517
EQUITY AND LIABILITIES			
EQUITY			
Share capital		18 133	18 133
Statutory reserves		34	2 703
Hedging reserve		545	538
Revaluation reserve		10	10
Foreign exchange differences on subsidiaries from consolidation		15	18
Retained earnings		16 781	7 069
Total equity attributable to equity owners of the parent		35 518	28 471
Non-controlling interest		(9)	(9)
Total equity		35 509	28 462
LIABILITIES			
Non-current liabilities			
Loans, borrowings	5.11.	-	4 000
Provisions	5.12.	678	457
Deferred tax liabilities		809	203
Other non-current liabilities		166	185
		1 653	4 845
Current liabilities			
Trade and other liabilities		15 707	13 582
Loans, borrowings	5.11.	-	350
Current tax liabilities		602	8
Provisions	5.12.	892	782
Deferred income		8	76
Other financial liabilities	5.13.	128	412
		17 337	15 210
Total liabilities		18 990	20 055
Total equity and liabilities		54 499	48 517

The consolidated financial statements are to be read in conjunction with the notes forming part of the consolidated financial statements set out on pages 8-19.

Consolidated statement of changes in equity

	Equity attributable to equity owners of the parent							Non-controlling interest	Total equity
	Share capital	Statutory reserves	Hedging reserve	Foreign exchange differences on subsidiaries from consolidation	Revaluation reserve	Retained earnings	Total		
(unaudited)									
1 January 2015	18 133	2 703	538	18	10	7 069	28 471	(9)	28 462
Net profit	-	-	-	-	-	7 036	7 036	-	7 036
Items of other comprehensive income	-	-	7	(3)	-	7	11	-	11
Total net comprehensive income	-	-	7	(3)	-	7 043	7 047	-	7 047
Transfer of statutory reserves to retained earnings	-	(2 669)	-	-	-	2 669	-	-	-
31 December 2015	18 133	34	545	15	10	16 781	35 518	(9)	35 509
(audited)									
1 January 2014	18 133	2 643	(190)	18	10	7 695	28 309	(9)	28 300
Net loss	-	-	-	-	-	(556)	(556)	-	(556)
Items of other comprehensive income	-	-	728	-	-	(10)	718	-	718
Total net comprehensive income	-	-	728	-	-	(566)	162	-	162
Allocation of profit	-	60	-	-	-	(60)	-	-	-
31 December 2014	18 133	2 703	538	18	10	7 069	28 471	(9)	28 462

The consolidated financial statements are to be read in conjunction with the notes forming part of the consolidated financial statements set out on pages 8-19.

Consolidated statement of cash flows

Note	12 MONTHS ENDED 31/12/2015 (unaudited)	3 MONTHS ENDED 31/12/2015 (unaudited)	12 MONTHS ENDED 31/12/2014 (audited)	3 MONTHS ENDED 31/12/2014 (unaudited)
Cash flows - operating activities				
Net profit/(loss)	7 036	182	(556)	598
Adjustments for:				
Depreciation and amortisation	5.4. 1 927	464	2 270	512
Foreign exchange (gain)/loss	(59)	(22)	7	19
Interest and dividends, net	31	2	105	22
(Profit)/Loss on investing activities	523	(105)	4 371	51
Change in provisions	985	286	807	95
Tax expense	5.9. 1 633	98	(805)	(8)
Income tax (paid)	(150)	(116)	(124)	(34)
Gain on bargain purchase	(429)	-	(1 186)	-
Other adjustments	(262)	(341)	(1 125)	(625)
Change in working capital	3 644	1 371	(3 027)	2 824
<i>inventories</i>	234	1 026	548	2 887
<i>receivables</i>	3 827	1 669	551	2 841
<i>liabilities</i>	(417)	(1 324)	(4 126)	(2 904)
Net cash provided by operating activities	14 879	1 819	737	3 454
Cash flows - investing activities				
Acquisition of property, plant and equipment and intangible assets	(3 357)	(1 870)	(2 093)	(603)
Disposal of property, plant and equipment and intangible assets	11	3	39	33
Acquisition of share in Česká rafinérská	(661)	-	(547)	-
Cash acquired in acquisition of share in Česká rafinérská	426	-	141	-
Settlement of financial derivatives	286	147	533	162
Proceeds/(outflows) from loans granted	4	-	29	-
Proceeds/(outflows) from cash pool assets	(3 054)	(1 143)	-	-
Other	5	-	(20)	12
Net cash used in investing activities	(6 340)	(2 863)	(1 918)	(396)
Cash flows - financing activities				
Proceeds/(outflows) from loans and borrowings	(4 329)	(3)	1 824	(2 489)
Proceeds/(outflows) from cash pool liabilities	1	1	-	1
Interest paid	(49)	3	(90)	(22)
Payments of liabilities under finance lease agreements	(1)	-	(1)	-
Other	(7)	(1)	(5)	(3)
Net cash provided by/(used in) financing activities	(4 385)	-	1 728	(2 513)
Net increase/(decrease) in cash and cash equivalents	4 154	(1 044)	547	545
Effect of exchange rate changes	52	19	18	5
Cash and cash equivalents, beginning of the year	1 682	6 913	1 117	1 132
Cash and cash equivalents, end of the year	5 888	5 888	1 682	1 682

The consolidated financial statements are to be read in conjunction with the notes forming part of the consolidated financial statements set out on pages 8-19.

EXPLANATORY NOTES TO THE QUARTERLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. THE PARENT COMPANY AND STRUCTURE OF THE CONSOLIDATED GROUP

Establishment of the parent company

UNIPETROL, a.s. (the "Company", "parent", "parent company") is a joint stock company established by the National Property Fund of the Czech Republic by a foundation agreement dated 27 December 1994. The Company was registered in the Register of Companies at the Regional Commercial Court in Prague on 17 February 1995. The Company is listed and registered on the Prague Stock Exchange.

Identification number of the Company

616 72 190

Registered office of the Company

UNIPETROL, a.s.
 Na Pankráci 127
 140 00 Praha 4
 Czech Republic

Principal activities

The Company operates as a holding company covering and administering a group of companies (hereinafter, the "Group"). The principal business activities of the Group include oil and petroleum products processing, production of commodity chemicals, polymer materials, mineral lubricants, plastic lubricants, road and insulation bitumen, special refinery and petrochemical products. Furthermore, the Group is engaged in the distribution of fuels and operation of gas stations.

In addition to these principal activities, the Group is engaged in other activities that are necessary to support the principal activities, such as production, distribution and sale of heat and electricity, operation of railway tracks and railway transportation, advisory services relating to research and development, environmental protection, software and hardware advisory services and other services.

Ownership structure

The shareholders as at 31 December 2015 are as follows:

	Number of shares	Nominal value of shares (in CZK)	Share in share capital
POLSKI KONCERN NAFTOWY ORLEN S.A.	114 226 499	11 422 649 900	62.99%
J&T Group*	42 976 339	4 297 633 900	23.70%
Investment funds and other minority shareholders	24 131 926	2 413 192 600	13.31%
	181 334 764	18 133 476 400	100%

* As of 19 March 2014 (last available data) - According to notification received on 31 March 2014 J&T Group holds 23.70% share of votes through the following companies: PAULININO LIMITED, EGNARO INVESTMENTS LIMITED, LEVOS LIMITED, LCE COMPANY LIMITED, NEEVAS INVESTMENT LIMITED, UPRECHT INVESTMENT LIMITED, MUSTAND INVESTMENT LIMITED.

Consolidated group structure

The subsidiaries and jointly controlled entities forming the consolidated group of UNIPETROL, a.s., and the parent company's interest in the capital of subsidiaries and jointly controlled entities held either directly by the parent company or indirectly by the consolidated subsidiaries is presented in the consolidated financial statements of the Group as at and for the year ended 31 December 2014.

On 30 April 2015 UNIPETROL, a.s. completed the acquisition of 303 301 shares of ČESKÁ RAFINÉRSKÁ, a.s. amounting to 32.445% of the Česká rafinérská's share capital from Eni International B.V. As a result of the transaction Unipetrol's stake in the Česká rafinérská's share capital has increased from 67.555% to 100%. Detailed information is presented in note 5.1.

Information about other changes in the structure of the Group is presented in Note 5.2.

Statutory and supervisory bodies

Members of the statutory and supervisory bodies as at 31 December 2015 were as follows:

	Position	Name
Board of Directors	Chairman	Marek Świtajewski
	Vice-chairman	Piotr Wielowieyski
	Member	Martin Durčák
	Member	Mirosław Kastelik
	Member	Andrzej Kozłowski
	Member	Lukasz Piotrowski
Supervisory Board	Chairman	Dariusz Jacek Krawiec
	Vice-chairman	Ivan Kočárník
	Vice-chairman	Sławomir Jędrzejczyk
	Member	Piotr Kearney
	Member	Zdeněk Černý
	Member	Krystian Pater
	Member	Rafał Sekuła
	Member	Piotr Chelminski
	Member	Bogdan Dzudzewicz

Changes in the Board of Directors during the 12 months ended 31 December 2015 were as follows:

Position	Name	Change	Date of change
Vice-chairman	Piotr Wielowieyski	Re-elected to the office	28 March 2015
Chairman	Marek Świtajewski	Re-elected to the office	25 June 2015
Member	Martin Durčák	Re-elected to the office	5 December 2015

1. THE PARENT COMPANY AND STRUCTURE OF THE CONSOLIDATED GROUP (CONTINUED)

Changes in the Supervisory Board during the 12 months ended 31 December 2015 were as follows:

Position	Name	Change	Date of change
Member	Ivan Kočárník	Re-elected to the office	25 June 2015
Member	Bogdan Dzudzewicz	Re-elected to the office	25 June 2015
Chairman	Dariusz Jacek Krawiec	Resigned from the office	21 December 2015 with effect as of 21 January 2016

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1. Statement of compliance and general principles of preparation

The consolidated financial statements of the Company as at and for the period ended 31 December 2015 comprise the Company and its subsidiaries (together referred as the "Group") and the Group's interest in jointly controlled entities.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2014.

These condensed consolidated interim financial statements have been prepared on a going concern basis. As at the date of approval of the statements, there is no indication that the Group will not be able to continue as a going concern in the foreseeable future.

The financial statements, except for the statement of cash flows, were prepared on the accrual basis of accounting.

2.2. Applied accounting principles and IFRS amendments

These interim condensed consolidated financial statements were prepared according to accounting principles described in note 3 in the consolidated financial statements of the Group as at and for the year ended 31 December 2014.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and main uncertainties were the same as those presented in note 4 in the consolidated financial statements as at and for the year ended 31 December 2014.

Starting from 1 January 2015 the Group unified presentation of the cash flow hedge instruments' settlement. Consequently, the result of settlement of foreign currency forwards designated as hedge accounting instruments is included in the operating part of the statement of profit or loss and other comprehensive income, not the financial part as previously presented. Detailed information is presented in note 3.

The Group intends to adopt new standards, amendments and interpretations to existing standards that have been published but are not effective as at the date of preparation of these interim condensed consolidated financial statements after their acceptance by the European Commission in accordance with their effective date. The possible impact of new standards, amendments and interpretations on the Group's future consolidated financial statements was described in the note 3.2 of the consolidated financial statements of the Group as at and for the year ended 31 December 2014.

2.3. Functional currency and presentation currency of financial statements and methods applied to translation of financial data for consolidation purposes

2.3.1. Functional and presentation currency

These consolidated financial statements are presented in Czech crown (CZK), which is the Group's presentation and Company's functional currency. All financial information presented in CZK has been rounded to the nearest million.

2.3.2. Methods applied to translation of financial data for consolidation purposes

Financial statements of foreign entities, for consolidation purposes, are translated into CZK using the following methods:

- assets and liabilities of each presented statement of financial position are translated at the closing rate published by the Czech National bank ("CNB") at the end of the reporting period;
- respective items of statement of profit or loss and other comprehensive income and statement of cash flows are translated at average exchange rates published by the CNB.

Foreign exchange differences resulting from the above presented recalculations are recognized in equity as foreign exchange differences on subsidiaries from consolidation.

Currency	Average exchange rate for the reporting period ended		Exchange rate as at the end of reporting period	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
CZK/EUR	27.283	27.533	27.025	27.730
CZK/USD	24.600	20.746	24.824	22.797

2.4. Information concerning the seasonal or cyclical character of Group's operations in the presented period

The Group does not report any material seasonal or cyclical character of its operations.

3. CHANGES IN DISCLOSURE OF COMPARATIVE PERIOD

Starting from 1 January 2015, the Group unified its presentation of the cash flow hedge instruments' settlement. Consequently, the result of settlement of foreign currency forwards designated as hedge accounting instruments is included in the operating part of the statement of profit or loss and other comprehensive income, not the financial part as previously reported. The management believes that unified presentation provides users of the financial statements with better information concerning operations of the Group.

The changes in the consolidated statement of profit or loss for the 12 and 3 months ended 31 December 2014 are presented in the following table:

	previously stated	presentation of results from foreign currency forwards	12 MONTHS ENDED 31/12/2014 (audited, restated)
Statement of profit or loss			
Revenues	124 229	(291)	123 938
Cost of sales	(118 243)	40	(118 203)
Gross profit on sales	5 986	(251)	5 735
Distribution expenses	(2 090)	-	(2 090)
Administrative expenses	(1 274)	-	(1 274)
Other operating income	1 645	-	1 645
Other operating expenses	(5 264)	-	(5 264)
Loss from operations	(997)	(251)	(1 248)
Finance income	1 272	(40)	1 232
Finance costs	(1 637)	291	(1 346)
Net finance income/(costs)	(365)	251	(114)
Loss before tax	(1 362)	-	(1 362)
Tax credit	806	-	806
Net loss	(556)	-	(556)

	previously stated	presentation of results from foreign currency forwards	3 MONTHS ENDED 31/12/2014 (unaudited, restated)
Statement of profit or loss			
Revenues	28 939	(24)	28 915
Cost of sales	(27 399)	20	(27 379)
Gross profit on sales	1 540	(4)	1 536
Distribution expenses	(515)	-	(515)
Administrative expenses	(333)	-	(333)
Other operating income	148	-	148
Other operating expenses	(247)	-	(247)
Profit/(loss) from operations	593	(4)	589
Finance income	517	(20)	497
Finance costs	(521)	24	(497)
Net finance income/(costs)	(4)	4	-
Profit before tax	589	-	589
Tax credit	9	-	9
Net profit	598	-	598

4. OPERATING SEGMENTS

The operating activities of the Group are divided into the following segments:

- the Downstream segment, which includes integrated refining, petrochemical, sales and energy production activities,
- the Retail segment which includes sales at petrol stations,

and Corporate Functions which are reconciling items and include activities related to management, administration and other support functions as well as remaining activities not allocated to separate operating segments.

Allocation of subsidiaries into the operating activities is presented in the consolidated financial statements of the Group as at and for the year ended 31 December 2014. There were no material changes in allocation of subsidiaries into the operating segments during the 12 months ended 31 December 2015.

Revenues and operating result by operating segments

For the 12 months ended 31 December 2015

	Downstream Segment	Retail Segment	Corporate Functions	Adjustments	Total
Total external revenues	99 314	9 491	102	-	108 907
Transactions with other segments	7 770	87	324	(8 181)	-
Total segment revenue	107 084	9 578	426	(8 181)	108 907
Operating expenses	(98 171)	(9 066)	(530)	8 181	(99 586)
Other operating income	582	11	23	-	616
Other operating expenses	(1 133)	(22)	(66)	-	(1 221)
Segment operating profit/(loss)	8 362	501	(147)	-	8 716
Net finance costs					(47)
Profit before tax					8 669
Tax expense					(1 633)
Net profit					7 036
Depreciation and amortisation	(1 568)	(328)	(31)	-	(1 927)
EBITDA	9 930	829	(116)	-	10 643
Additions to non-current assets	2 989	222	133	-	3 344

For the 3 months ended 31 December 2015

	Downstream Segment	Retail Segment	Corporate Functions	Adjustments	Total
Total external revenues	20 681	2 243	33	-	22 957
Transactions with other segments	1 731	18	102	(1 851)	-
Total segment revenue	22 412	2 261	135	(1 851)	22 957
Operating expenses	(22 198)	(2 042)	(165)	1 851	(22 554)
Other operating income	43	3	2	-	48
Other operating expenses	(174)	(18)	(15)	-	(207)
Segment operating profit/(loss)	83	204	(43)	-	244
Net finance income					34
Profit before tax					278
Tax expense					(96)
Net profit					182
Depreciation and amortisation	(371)	(84)	(9)	-	(464)
EBITDA	454	288	(34)	-	708
Additions to non-current assets	1 718	118	49	-	1 885

For the 12 months ended 31 December 2014

	Downstream Segment	Retail Segment	Corporate Functions	Adjustments	Total
Total external revenues	112 656	11 190	92	-	123 938
Transactions with other segments	9 651	251	568	(10 470)	-
Total segment revenue	122 307	11 441	660	(10 470)	123 938
Operating expenses	(120 160)	(11 085)	(792)	10 470	(121 567)
Other operating income	1 584	31	30	-	1 645
Other operating expenses	(5 192)	(65)	(7)	-	(5 264)
Segment operating profit/(loss)	(1 461)	322	(109)	-	(1 248)
Net finance costs					(114)
Loss before tax					(1 362)
Tax credit					806
Net loss					(556)
Depreciation and amortisation	(1 863)	(323)	(84)	-	(2 270)
EBITDA	402	645	(25)	-	1 022
Additions to non-current assets	1 773	187	47	-	2 007

4. OPERATING SEGMENTS (CONTINUED)

For the 3 months ended 31 December 2014

	Downstream Segment	Retail Segment	Corporate Functions	Adjustments	Total
Total external revenues	26 173	2 714	28	-	28 915
Transactions with other segments	2 195	70	151	(2 416)	-
Total segment revenue	28 368	2 784	179	(2 416)	28 915
Operating expenses	(27 847)	(2 569)	(227)	2 416	(28 227)
Other operating income	141	4	3	-	148
Other operating expenses	(198)	(44)	(5)	-	(247)
Segment operating profit/(loss)	464	175	(50)	-	589
Net finance income (costs)					-
Profit before tax					589
Tax credit					9
Net profit					598
Depreciation and amortisation	(409)	(82)	(21)	-	(512)
EBITDA	873	257	(29)	-	1 101
Additions to non-current assets	586	76	21	-	683

Assets by operating segments

	31/12/2015	31/12/2014
Downstream Segment	37 652	38 138
Retail Segment	5 597	5 835
Segment assets	43 249	43 973
Corporate Functions	12 091	5 355
Adjustments	(841)	(811)
	54 499	48 517

5. OTHER NOTES

5.1. Acquisition of additional stake in ČESKÁ RAFINÉRSKÁ, a.s.

Acquisition of 32.445% stake in Česká rafinérská from Eni

On 30 April 2015 UNIPETROL, a.s. ("Unipetrol") completed the acquisition of 303 301 shares of ČESKÁ RAFINÉRSKÁ, a.s. ("Česká rafinérská") amounting to 32.445% of the Česká rafinérská's share capital from Eni International B.V. ("Eni") following the conclusion of a share purchase agreement on 3 July 2014. The acquisition price for the shares in the amount of EUR 24 million was settled in cash.

Based on the completion of this transaction Unipetrol's stake in the Česká rafinérská's share capital increased from 67.555% to 100%. After settlement of the transaction, Unipetrol obtained control over Česká rafinérská and adopted the full method of consolidation.

Upon completion of the transaction Unipetrol recognized a gain on bargain purchase (the excess of fair value of net assets purchased by Unipetrol over the price paid) in the amount of CZK 429 million in the consolidated statement of profit or loss and other comprehensive income. The gain was calculated in accordance with the accounting principles described in note 3.4.4 Business combinations and 3.4.14.1 Goodwill in Group accounting principles and policies included in the consolidated financial statements of the Group as at and for the year ended 31 December 2014 based on the financial data of ČESKÁ RAFINÉRSKÁ, a.s. used for UNIPETROL Group consolidation purposes as at 30 April 2015.

The recognition of the gain on bargain purchase was preceded by verification of completeness and accuracy of the values of the identified assets and liabilities purchased as part of the transaction and determination of the fair value of identified assets and liabilities.

The fair value of identifiable assets and liabilities of ČESKÁ RAFINÉRSKÁ, a.s. as at the acquisition day:

	Book value as at the acquisition day	Adjustments to fair value	Fair value
Non-current assets	2 307	(629)	1 678
Current assets	7 967	(100)	7 867
Total assets	10 274	(729)	9 545
Non-current liabilities	34	164	198
Current liabilities	5 933	55	5 988
Total liabilities	5 967	219	6 186
Identifiable net assets at fair value			3 359
Share acquired			32.445%
Share on identifiable net assets as fair value			1 090
Cash paid/outflows on acquisition of shares			(661)
Gain on bargain purchase			429

5.2. Changes in the structure of the Group

UNIPETROL RPA Hungary Kft.

The company UNIPETROL RPA, s.r.o. has established a new subsidiary company in Hungary, named UNIPETROL RPA Hungary Kft. The subject of its business will be wholesale sales of solid, liquid and gaseous fuels and related products as well as retail sales of motor fuels in the specialized shops.

Merger between UNIPETROL RPA, s.r.o. and POLYMER INSTITUTE BRNO, spol. s r.o.

The merger by amalgamation of UNIPETROL RPA, s.r.o. ("UNIPETROL RPA") and POLYMER INSTITUTE BRNO, spol. s r.o. was approved by the companies' General Meetings with legal succession of UNIPETROL RPA on 28 December 2015. The legal effects of the merger came into force as at 31 December 2015.

Merger between UNIPETROL RPA, s.r.o. and BENZINA, s.r.o.

The merger by amalgamation of UNIPETROL RPA, s.r.o. ("UNIPETROL RPA") and BENZINA, s.r.o. was approved by the companies' General Meetings with legal succession of UNIPETROL RPA on 21 December 2015. The legal effects of the merger came into force as at 1 January 2016.

Change in the official name of Výzkumný ústav anorganické chemie, a.s.

As of 1 January 2016 the company Výzkumný ústav anorganické chemie, a.s. was changed the name as Unipetrol výzkumně vzdělávací centrum, a.s. Other requirements listed in the Commercial Register as well as the company's registered office remain unchanged.

5.3. Revenues

	12 MONTHS ENDED 31/12/2015	3 MONTHS ENDED 31/12/2015	12 MONTHS ENDED 31/12/2014	3 MONTHS ENDED 31/12/2014
Revenues from sales of finished goods and services, net	102 187	20 653	117 481	27 104
Revenues from sales of merchandise and raw materials, net	6 720	2 304	6 457	1 811
	108 907	22 957	123 938	28 915

5.4. Operating expenses

Cost of sales

	12 MONTHS ENDED 31/12/2015	3 MONTHS ENDED 31/12/2015	12 MONTHS ENDED 31/12/2014	3 MONTHS ENDED 31/12/2014
Cost of finished goods and services sold	(89 590)	(19 385)	(112 017)	(25 546)
Cost of merchandise and raw materials sold	(6 554)	(2 272)	(6 186)	(1 833)
	(96 144)	(21 657)	(118 203)	(27 379)

Cost by nature

	12 MONTHS ENDED 31/12/2015	3 MONTHS ENDED 31/12/2015	12 MONTHS ENDED 31/12/2014	3 MONTHS ENDED 31/12/2014
Materials and energy	(79 958)	(16 683)	(100 944)	(21 727)
Cost of merchandise and raw materials sold	(6 554)	(2 272)	(6 186)	(1 833)
External services	(7 423)	(1 829)	(7 911)	(2 057)
Employee benefits	(2 617)	(704)	(2 500)	(658)
Depreciation and amortisation	(1 927)	(464)	(2 270)	(512)
Taxes and charges	(425)	(88)	(433)	(143)
Other	(1 631)	(356)	(5 629)	(355)
	(100 535)	(22 396)	(125 873)	(27 285)
Change in inventories	(355)	(365)	(958)	(1 189)
Cost of products and services for own use	83	-	-	-
Operating expenses	(100 807)	(22 761)	(126 831)	(28 474)
Distribution expenses	2 140	511	2 090	515
Administrative expenses	1 302	386	1 274	333
Other operating expenses	1 221	207	5 264	247
Cost of sales	(96 144)	(21 657)	(118 203)	(27 379)

5.5. Impairment allowances of inventories to net realisable value

	12 MONTHS ENDED 31/12/2015	3 MONTHS ENDED 31/12/2015	12 MONTHS ENDED 31/12/2014	3 MONTHS ENDED 31/12/2014
Increase	(730)	(428)	(842)	(608)
Decrease	901	56	320	82

5.6. Impairment allowances of assets

	12 MONTHS ENDED 31/12/2015	3 MONTHS ENDED 31/12/2015	12 MONTHS ENDED 31/12/2014	3 MONTHS ENDED 31/12/2014
Property, plant and equipment				
Recognition	(742)	(23)	(4 937)	(183)
Reversal	19	11	56	-
Intangible assets				
Recognition	(7)	-	(107)	(10)
Reversal	1	1	5	4
Receivables				
Recognition	(81)	(30)	(27)	(16)
Reversal	-	-	23	-

5.7. Other operating income and expenses

Other operating income

	12 MONTHS ENDED 31/12/2015	3 MONTHS ENDED 31/12/2015	12 MONTHS ENDED 31/12/2014	3 MONTHS ENDED 31/12/2014
Profit on sale of non-current non-financial assets	9	1	38	33
Reversal of provisions	13	2	13	5
Reversal of receivables impairment allowances	-	-	23	-
Reversal of impairment allowances of property, plant and equipment and intangible assets	20	12	61	4
Penalties and compensations earned	61	19	104	47
Gain on bargain purchase	429	-	1 186	-
Other	84	14	220	59
	616	48	1 645	148

The line „Gain on bargain purchase” relates to the acquisitions of ČESKÁ RAFINÉRSKÁ, a.s. shares in 2015 and 2014 - additional information is presented in note 5.1. of these financial statements and in note 5 of the consolidated financial statements as at and for the year ended 31 December 2014.

Other operating expenses

	12 MONTHS ENDED 31/12/2015	3 MONTHS ENDED 31/12/2015	12 MONTHS ENDED 31/12/2014	3 MONTHS ENDED 31/12/2014
Loss on sale of non-current non-financial assets	(27)	(12)	(15)	(3)
Recognition of provisions	(196)	(25)	(59)	(7)
Recognition of receivables impairment allowances	(81)	(30)	(27)	(16)
Recognition of impairment allowances of property, plant and equipment and intangible assets	(749)	(23)	(5 044)	(193)
Other	(168)	(117)	(119)	(28)
	(1 221)	(207)	(5 264)	(247)

Following the decision of the Czech inspection of environment, the Group recognized a provision in amount of CZK 160 million in respect of remediation of historical ecological contamination in the Kralupy location.

As a consequence of the steam cracker unit accident which took place at the Chempark Záluží in Litvínov on 13 August 2015, the Group recognized an estimated impairment charge in the amount of CZK 597 million in relation to damaged assets. Impairment charges of CZK 508 million were allocated to machinery and equipment, and CZK 89 million to buildings and constructions and these were recorded in other operating costs. The amount of the impairment charge can be changed until the completion of technical works on the site.

The other operating costs incurred by the Group in connection with the accident in the 12 months and 3 months ended 31 December 2015 are estimated in the amounts of CZK 156 million and CZK 112 million, respectively.

5.8. Finance income and finance costs

Finance income

	12 MONTHS ENDED 31/12/2015	3 MONTHS ENDED 31/12/2015	12 MONTHS ENDED 31/12/2014	3 MONTHS ENDED 31/12/2014
Interest	30	5	48	12
Settlement and valuation of financial instruments	1 229	542	1 183	485
Other	1	-	1	-
	1 260	547	1 232	497

Finance costs

	12 MONTHS ENDED 31/12/2015	3 MONTHS ENDED 31/12/2015	12 MONTHS ENDED 31/12/2014	3 MONTHS ENDED 31/12/2014
Interest	(32)	-	(116)	(25)
Foreign exchange loss	(273)	(107)	(825)	(100)
Settlement and valuation of financial instruments	(968)	(401)	(362)	(357)
Other	(34)	(5)	(43)	(15)
	(1 307)	(513)	(1 346)	(497)

Borrowing costs capitalized in the 12 and 3 months ended 31 December 2015 and 2014 amounted to less than CZK 1 million.

5.9. Tax expense

	12 MONTHS ENDED 31/12/2015	3 MONTHS ENDED 31/12/2015	12 MONTHS ENDED 31/12/2014	3 MONTHS ENDED 31/12/2014
Current income tax	(709)	(42)	(112)	4
Deferred income tax	(924)	(54)	918	5
	(1 633)	(96)	806	9

5.10. Other financial assets

	31/12/2015	31/12/2014
Cash flow hedge instruments		
<i>currency forwards</i>	30	15
<i>commodity swaps</i>	670	872
Derivatives not designated as hedge accounting		
<i>currency forwards</i>	14	23
<i>commodity swaps</i>	-	165
Loans granted	-	6
Cash pool	3 086	36
Receivables from settled financial derivatives	481	647
	4 281	1 764

5.11. Loans, borrowings

	Non-current		Current		Total	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Bank loans	-	-	-	327	-	327
Borrowings	-	4 000	-	23	-	4 023
	-	4 000	-	350	-	4 350

During the 12 months ended 31 December 2015 the Group repaid a CZK 4 billion mid-term loan received from its majority shareholder POLSKI KONCERN NAFTOWY ORLEN S.A. under a loan agreement dated 12 December 2013.

5.12. Provisions

	Non-current		Current		Total	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Environmental provision	571	350	3	-	574	350
Jubilee bonuses and retirement benefits provision	76	71	7	5	83	76
Provisions for legal disputes	1	7	23	19	24	26
Provision for CO ₂ emission	-	-	772	707	772	707
Other provision	30	29	87	51	117	80
	678	457	892	782	1 570	1 239

Information regarding an increase of environmental provision is included in note 5.7.

A provision for CO₂ allowances was created for estimated CO₂ emissions in the periods ended 31 December 2015 and 31 December 2014.

5.13. Other financial liabilities

	31/12/2015	31/12/2014
Cash flow hedge instruments		
<i>currency forwards</i>	-	55
<i>commodity swaps</i>	27	169
Derivatives not designated as hedge accounting		
<i>currency forwards</i>	5	-
<i>commodity swaps</i>	-	155
Cash pool	31	33
Liabilities from settled financial derivatives	65	-
	128	412

5.14. Methods applied in determining fair values of financial instruments (fair value hierarchy)

Methods applied in determining fair value have been described in the consolidated financial statements as at and for the year ended 31 December 2014 in note 32.1. As compared to previous reporting periods, the Group has not changed valuation methods concerning derivative instruments and investment property.

Fair value of shares quoted on active markets is determined based on market quotations (so called Level 1). In other cases, fair value is determined based on other input data, which are directly or indirectly observable (so called Level 2) or unobservable inputs (so called Level 3).

	31/12/2015		31/12/2014	
	Level 2	Level 3	Level 2	Level 3
Financial assets				
Derivative instruments at fair value	714	-	1 075	-
Investment property	117	316	117	302
	831	316	1 192	302
Financial liabilities				
Derivative instruments at fair value	32	-	379	-
	32	-	379	-

During the 12 months ended 31 December 2015 and year 2014 there were no transfers in the Group between Levels 1, 2 and 3 of the fair value hierarchy.

5.15. Finance lease payments

As at 31 December 2015 and as at 31 December 2014 the Group was party to finance lease agreements as a lessee related mainly to vehicles, machinery and equipment.

	31/12/2015	31/12/2014
Value of future minimum lease payments	-	1
Present value of future minimum lease payments	-	1
	-	2

5.16. Future commitments resulting from signed investment contracts

As at 31 December 2015 and as at 31 December 2014 the value of future commitments resulting from signed investment contracts amounted to CZK 11 129 million and CZK 459 million. As at 31 December 2015 signed investment contracts related to the new polyethylene unit (PE3) at the Litvínov plant amounted to CZK 6 646 million and contracts related to the steam cracker repair amounted to CZK 2 665 million.

5.17. Retained earnings and dividends

Dividends

In accordance with appropriate Czech law, dividends can be paid from the unconsolidated profit of the parent company.

The Annual General Meeting of UNIPETROL, a.s. held on 2 June 2015 decided, pursuant to Article 8 (2) (k) of the Articles of Association of UNIPETROL, a.s., on distribution of the Company's profit generated on a non-consolidated basis in 2014 in the amount of CZK 328 million. Based on this decision, the amount of CZK 328 million was transferred to retained earnings. Additionally, the General Meeting approved cancellation of the reserve fund in the amount of CZK 1 719 million and transfer of that amount to retained earnings.

5.18. Contingent assets and liabilities

Contingent assets

Steam cracker unit accident

As a consequence of the steam cracker unit accident which took place at the Chempark Zaluzi in Litvinov on 13 August 2015, the Group recognized in the 3rd quarter 2015 an estimated impairment charge in the amount of CZK 597 million in relation to damaged assets. The amount of the impairment charge can be changed until the completion of technical works on the site.

The Group is insured against property and mechanical damage as well as loss of business profits (business interruption) and it is in the process of seeking recourse from the insurer. The Group expects that, based on the insurance policies and the estimates made at the end of 2015, it should be in a position to recover repair costs estimated at approximately CZK 4.1 billion, as well as recoverable lost business profits estimated at CZK 2.4 billion and other operating cost incurred in connection with the fire amounting to approximately CZK 156 million.

During 2015 the Group has received advance payments for insurance compensation in the amount of CZK 276 million. Advance payments are presented in the Statement of financial position under Trade and other liabilities.

Contingent liabilities

Contingent liabilities and commitments related to Purchase of shares of PARAMO, a.s. are described in the consolidated financial statements of the Group as at and for the year ended 31 December 2014.

On 23 June 2015 the court decided to appoint another expert witness - Expert Group, s.r.o. having its registered seat at Radnicni 133/1, Ceske Budejovice - to provide a valuation of the PARAMO, a.s. shares. The court shall decide on the task of the expert witness later in a separate decision.

Transportation contracts

The transportation of crude oil supplies through pipelines for UNIPETROL RPA, s.r.o. is provided by MERO ČR, a.s. and TRANSPETROL, a.s. via ČESKÁ RAFINÉRSKÁ, a.s. As at 31 December 2015, ČESKÁ RAFINÉRSKÁ, a.s. held a contract for transportation with TRANSPETROL, a.s., covering crude oil supplies until 2020.

ČESKÁ RAFINÉRSKÁ, a.s. and MERO ČR, a.s. agreed on the terms and conditions of the crude oil transportation into the Czech Republic. The contract on storage and transportation of crude oil via the IKL and Družba pipelines came into force as of 1 January 2016. ČESKÁ RAFINÉRSKÁ, a.s. and MERO ČR, a.s. further extended the deadline for their negotiations regarding a new transportation tariff for supplies through the Družba and IKL pipelines until 31 March 2016.

The Group management does not expect any impact on the business activities caused by lack of agreement over the new transportation tariff for supplies through the Družba and IKL pipelines with MERO ČR, a.s. The effect on the financial statements is currently not measurable.

5.19. Guarantees

Based on the Group's request, bank guarantees relating to the security of customs debt, excise tax at customs offices and other purposes were issued. The total balance of guarantees related to excise tax amounted to CZK 2 415 million as at 31 December 2015 (31 December 2014: CZK 1 521 million) and to other purposes amounted to CZK 37 million (31 December 2014: CZK 31 million).

The Group was the beneficiary of guarantees in the amount of CZK 621 million as at 31 December 2015 (31 December 2014: CZK 1 464 million).

5.20. Information concerning significant proceedings in front of court, body appropriate for arbitration proceedings or in front of public administration bodies

Claims regarding award for employees' intellectual work

The claims are described in the consolidated financial statements of the Group as at and for the year ended 31 December 2014.

During the 12 months ended 31 December 2015 there were no material changes in relation to the issue.

Claims on compensation of damages filed by I.P. – 95, s.r.o. against UNIPETROL RPA, s.r.o.

The claims are described in the consolidated financial statements of the Group as at and for the year ended 31 December 2014.

On 31 July 2015, the Regional Court resolved to annul the resolution of District Court in Ostrava allowing for the Cypriot company, NESTARMO TRADING LIMITED, to accede the court proceedings as plaintiff. The District Court in Ostrava is obligated to again review and decide on NESTARMO TRADING LIMITED acceding the proceedings. On 12 January 2016 the District Court in Ostrava dismissed the motion of I.P. – 95, s.r.o. to allow for the Cypriot company, NESTARMO TRADING LIMITED, to accede the court proceedings as plaintiff.

Tax proceeding

UNIPETROL RPA, s.r.o., acting as a legal successor of CHEMOPETROL, a.s., is a party in a tax proceeding related to validity of investment tax relief for 2005. UNIPETROL RPA, s.r.o. claims the return of income tax paid in 2006 for the fiscal year 2005 by CHEMOPETROL, a.s. The claim concerns unused investment relief attributable to CHEMOPETROL, a.s. The total value of claim amounts to approximately CZK 325 million.

a) UNIPETROL RPA, s.r.o. complaint for unlawful intervention

The complaint is described in the consolidated financial statements of the Group as at and for the year ended 31 December 2014. On 9 February 2015 UNIPETROL RPA, s.r.o. filed another constitutional complaint with the Czech Constitutional Court claiming that its right for a fair trial was breached by the decisions of the Czech Supreme Administrative Court. On 20 August 2015, the Czech Constitutional Court resolved to reject UNIPETROL RPA, s.r.o.'s constitutional complaint.

b) UNIPETROL RPA, s.r.o. complaint for annulment of the tax authority decisions

The complaint is described in the consolidated financial statements of the Group as at and for the year ended 31 December 2014. On 8 April 2015 UNIPETROL RPA, s.r.o. filed a cassation appeal to the Czech Supreme Administrative Court against the Regional Court in Ústí nad Labem decision dated 25 February 2015. On 14 October 2015, the Czech Supreme Administrative Court annulled the Regional Court in Ústí nad Labem judgment and decided to return the case to the Court in Ústí for re-examination. The Supreme Administrative Court commented that the Regional Court did not correctly deal with the legitimate expectations objection raised by UNIPETROL RPA, s.r.o. The case is now pending with the Regional Court in Ústí nad Labem.

Claim for unjustified enrichment against ČEZ Distribuce, a.s.

On 31 August 2015 UNIPETROL RPA, s.r.o., as petitioner, submitted its action to the District Court in Děčín requesting issuance of a payment order ordering ČEZ Distribuce, a.s., as respondent, to pay an unjustified enrichment to UNIPETROL RPA, s.r.o. in the amount of CZK 303 million with interest and legal fees. The unjustified enrichment of ČEZ Distribuce, a.s. results from ČEZ Distribuce, a.s., during the period from 1 January 2013 until 30 September 2013, charging UNIPETROL RPA, s.r.o. a monthly fee for renewable sources of energy and combined heat and power production with respect to the electricity produced and distributed by UNIPETROL RPA, s.r.o. itself. UNIPETROL RPA, s.r.o. is of the opinion that ČEZ Distribuce, a.s., as distribution system provider, is not entitled to charge the fee to its customers with respect to electricity which was produced and consumed by the customers themselves, i.e. for electricity for which no distribution service was provided.

5.21. Related party transactions

Material transactions concluded by the Group Companies with related parties

In the 12 and 3 months ended 31 December 2015 and 2014 there were no transactions concluded by the Group with related parties on other than an arm's length terms.

Transactions with key management personnel

In the 12 and 3 months ended 31 December 2015 and 2014 the Group Companies did not grant to key management personnel and their relatives any advances, loans, guarantees and commitments, or other agreements obliging them to render services to Group Companies and related parties.

In the 12 and 3 months ended 31 December 2015 and 2014 there were no significant transactions concluded with members of the Board of Directors, Supervisory Board, their spouses, siblings, descendants, ascendants or their other relatives.

Transactions with related parties concluded by key management personnel of the Group Companies

In the 12 and 3 months ended 31 December 2015 and 2014 members of the key management personnel of the parent company and the Group Companies submitted statements that they have not concluded any transactions with related parties.

Parent and ultimate controlling party

During 2015 and 2014 a majority (62.99%) of the Company's shares were held by POLSKI KONCERN NAFTOWY ORLEN S.A. (PKN Orlen).

for 12 month period ended	PKN Orlen		Joint operations		Entities under control or significant influence of PKN Orlen	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Sales	532	772	882	1 746	7 641	6 176
Purchases	63 072	61 154	1 159	2 299	1 629	2 167
Finance income	-	-	150	110	-	-
Finance costs	30	64	-	-	11	25

for 3 month period ended	PKN Orlen		Joint operations		Entities under control or significant influence of PKN Orlen	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Sales	408	386	1	519	1 442	1 782
Purchases	12 842	15 920	19	771	303	671
Finance income	-	-	-	-	-	-
Finance costs	-	22	-	-	1	5

	PKN Orlen		Joint operations		Entities under control or significant influence of PKN Orlen	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Long term receivables	-	-	-	6	-	-
Short term financial assets	-	-	-	-	3 086	36
Trade and other receivables	190	112	1	292	541	570
Trade and other liabilities, including loans	2 580	6 272	4	358	95	211

5.22. Subsequent events after the reporting date

The Supervisory Board of UNIPETROL, a.s. on the meeting held on 13 January 2016 re-elected Mr. Mirosław Kastelik to office of Member of the Board of Directors of Unipetrol with effect as of 6 February 2016.

On 20 January 2016 Unipetrol RPA, s.r.o. represented on the retail market via Benzina brand, concluded an agreement with the Austrian OMV to acquire 68 of its filling stations in the Czech Republic. Completion of the transaction is subject to the fulfilment of certain pre-conditions, among others, obtaining the necessary approval from the antitrust authorities.

The Group's management is not aware of any other events that have occurred since the end of the reporting period that would have any material impact on the financial statements as at 31 December 2015.

**QUARTERLY CONDENSED SEPARATE
FINANCIAL STATEMENTS
UNIPETROL, a.s.**

FOR THE 12 AND 3 MONTHS ENDED 31 DECEMBER

2015

**PREPARED IN ACCORDANCE WITH INTERNATIONAL
FINANCIAL REPORTING STANDARDS AS ADOPTED
BY THE EUROPEAN UNION**

B. QUARTERLY CONDENSED SEPARATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION

Separate statement of profit or loss and other comprehensive income

	12 MONTHS ENDED 31/12/2015 (unaudited)	3 MONTHS ENDED 31/12/2015 (unaudited)	12 MONTHS ENDED 31/12/2014 (audited)	3 MONTHS ENDED 31/12/2014 (unaudited)
Statement of profit or loss				
Revenues	167	42	155	40
Cost of sales	(90)	(21)	(86)	(26)
Gross profit on sales	77	21	69	14
Administrative expenses	(214)	(67)	(202)	(48)
Other operating income	6	1	22	1
Other operating expenses	(51)	(1)	(1)	-
Loss from operations	(182)	(46)	(112)	(33)
Finance income	2 352	1 937	549	52
Finance costs	(38)	(1)	(104)	(28)
Net finance income	2 314	1 936	445	24
Profit/(loss) before tax	2 132	1 890	333	(9)
Tax expense	11	8	(5)	-
Net profit/(loss)	2 143	1 898	328	(9)
Net profit/(loss) and diluted net profit/(loss) per share attributable to equity owners of the parent (in CZK per share)	11.82	10.47	1.81	(0.05)

Separate statement of financial position

	31/12/2015 (unaudited)	31/12/2014 (audited)
ASSETS		
Non-current assets		
Property, plant and equipment	9	9
Investment property	1 161	1 156
Shares in related parties	17 582	14 542
Other non-current assets	24	1 472
	18 776	17 179
Current assets		
Trade and other receivables	142	165
Other financial assets	7 217	15 058
Current tax receivables	16	12
Cash and cash equivalents	5 435	516
	12 810	15 751
Total assets	31 586	32 930
EQUITY AND LIABILITIES		
EQUITY		
Share capital	18 133	18 133
Statutory reserves	-	1 719
Revaluation reserve	503	503
Retained earnings	10 193	6 331
Total equity	28 829	26 686
LIABILITIES		
Non-current liabilities		
Loans, borrowings	-	4 000
Provisions	50	-
Deferred tax liabilities	100	113
	150	4 113
Current liabilities		
Trade and other liabilities	145	135
Loans, borrowings	-	21
Other financial liabilities	2 462	1 975
	2 607	2 131
Total liabilities	2 757	6 244
Total equity and liabilities	31 586	32 930

Separate statement of changes in equity

	Share capital	Statutory reserves	Revaluation reserve	Retained earnings	Total equity
(unaudited)					
1 January 2015	18 133	1 719	503	6 331	26 686
Net profit	-	-	-	2 143	2 143
Total net comprehensive income	-	-	-	2 143	2 143
Transfer of statutory reserves to retained earnings	-	(1 719)	-	1 719	-
31 December 2015	18 133	-	503	10 193	28 829
(audited)					
1 January 2014	18 133	1 672	503	6 050	26 358
Net profit	-	-	-	328	328
Total net comprehensive income	-	-	-	328	328
Allocation of profit	-	47	-	(47)	-
31 December 2014	18 133	1 719	503	6 331	26 686

Separate statement of cash flows

	12 MONTHS ENDED 31/12/2015 (unaudited)	3 MONTHS ENDED 31/12/2015 (unaudited)	12 MONTHS ENDED 31/12/2014 (audited)	3 MONTHS ENDED 31/12/2014 (unaudited)
Cash flows - operating activities				
Net profit/(loss)	2 143	1 898	328	(9)
Adjustments for:				
Depreciation and amortisation	-	-	1	-
Foreign exchange gain	(4)	(1)	(19)	(6)
Interest and dividends, net	(391)	(13)	(448)	(27)
Profit on investing activities	(1 928)	(1 923)	-	-
Change in provisions	50	-	-	-
Tax expense	(11)	(9)	5	(1)
Income tax (paid)	(5)	(1)	9	-
Change in working capital	32	(3)	(14)	(29)
<i>Receivables</i>	22	20	(13)	(3)
<i>Liabilities</i>	10	(23)	(1)	(26)
Net cash used in operating activities	(114)	(52)	(138)	(72)
Cash flows - investing activities				
Disposal of property, plant and equipment and intangible assets	1	-	-	-
Acquisition of share in Česká rafinérská	(1 118)	-	(551)	(4)
Dividends received	330	-	359	11
Interest received	103	12	192	57
Proceeds/(Outflows) from loans granted	13 473	(95)	(2 076)	902
Proceeds/(Outflows) from cash pool granted	(4 188)	(730)	(249)	147
Other	-	3	-	-
Net cash provided by/(used in) investing activities	8 601	(810)	(2 325)	1 113
Cash flows - financing activities				
Change in loans and borrowings	(4 000)	-	1 734	(1 263)
Proceeds from cash pool liabilities	486	1 062	1 150	704
Interest paid	(52)	-	(76)	(23)
Other	(6)	(1)	(4)	(1)
Net cash provided by/(used in) financing activities	(3 572)	1 061	2 804	(583)
Net increase in cash and cash equivalents	4 915	199	341	458
Effect of exchange rate changes	4	1	17	4
Cash and cash equivalents, beginning of the year	516	5 235	158	54
Cash and cash equivalents, end of the year	5 435	5 435	516	516

The foregoing financial report for the period ended 31 December 2015 was authorized for issue by the Board of Directors on 26 January 2016.

Signature of statutory representatives



Marek Świtajewski

Chairman of the Board of Directors



Mirosław Kastelik

Member of the Board of Directors