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ALTA is a modern, progressively developing business-industrial group, active on the market in the Czech Republic and abroad. Since the beginning of its operations in 1991, ALTA has directed its foreign business activities towards the countries of Central and Eastern Europe. Since the time of its foundation, its export activities have been focused on the supply of technological systems, machining equipment, machinery products, construction material manufacturing equipment and equipment used for mining and processing of ore and rock. Import operations were dominated by iron ore raw materials and also mechanical engineering products.

In 1994, ALTA was transformed into a joint stock company. The holding structure of the ALTA Group was completed in 2011. The ALTA Group consists of the parent company ALTA Invest, a.s. and its Czech and international subsidiaries, offering a wide range of business, engineering, manufacturing and financial services in many industrial areas.

- ALTA, a.s. offers and provides top quality business, design, engineering and financial services. It is likewise the exclusive dealer for the machine manufacturing plants TOS KUŘIM - OS, a.s. and ČKD BLANSKO-OS, a.s. on CIS markets.
- The companies TOS KUŘIM - OS, a.s., ČKD BLANSKO-OS, a.s. and SE-MI Technology, a.s. represent an important manufacturing and design basis of the ALTA Group in the area of machining equipment and equipment for deep and surface mining operations.
- The companies ALVEL, a.s. and DMS s.r.o. offer first-class scientific, engineering and logistics services in the field of nuclear engineering.
- The companies ALTA RUS and ALTA URAL are among the most important foreign subsidiaries of the ALTA Group.

ALTA is an active member of the Chamber for Trade and Industry for CIS countries, Brno Regional Chamber of Commerce and Economics, International Chamber of Commerce of the Czech Republic, Czechoslovak Foreign Institute, Confederation of Industry of the Czech Republic, Association of Engineering Technology, Czech Mining Technology Association, Mining Union, Czech Power Industry Alliance and Czech Nuclear Power Companies.
Vladimír Plašil

Born in 1960. Graduated from Kiev State University, degree in Foreign Trade Economics. Between 1984 and 1990 worked for PZO PRAGOINVEST. In 1991 he founded ALTA and ran it until 2003 as the CEO and Chairman of the Board of Directors. At present he is the Chairman of the Board of Directors of ALTA Invest, a.s. Vladimír Plašil is engaged outside the company as well. He holds the position of Vice-chairman of the Board of Directors of the Chamber for Trade and Industry for the Commonwealth of Independent States and Member of the Board of Directors of the Brno Regional Chamber of Commerce and Economics.
Dear business partners and friends,

It is a positive note that the ALTA Group has successfully maintained its favourable position and achieved favourable results thanks to the experience gained from years of collaboration and activity, based on long-term contracts for the supply of state-of-the-art technology and equipment and the systematic work we do with our business partners.

These results are all the more cherished because the export of machinery and technology was impacted by economic sanctions in 2015, which put the brakes on the business activities of our customers not only in the Russian Federation, but practically in all countries of this region – Ukraine, Kazakhstan, Azerbaijan and other countries.

The focal point of our export activities have therefore remained in supplying machinery for the industrial manufacture of road and rail equipment, shipbuilding and aviation, supplying technology for mining and processing of ore and other raw materials, importing and maintenance services for fuel elements, and other technologies for nuclear power. The projects of 2015 worth mentioning include supplying highly sophisticated machinery equipment for the market in Kazakhstan, completing the development of a new line of machine tools ALTA TITAN, supplying coal mining technology in Krasnoarmeysk, or a project to deliver technology for processing slag for Zaporozhstal in the Metinvest holding group.

To our business partners, I would like to say this is not the first nor certainly the last time the major markets for our company go through some difficult times. Given our presence on the market, these situations provide a comparative advantage for us and an opportunity to grow our activities and intensify our collaboration not only with our existing business partners, but new ones as well.

Not just me but all our employees today see a gradual growth in the activities of the region and we are prepared to further devote maximum effort and deployment in intensifying our mutual business cooperation.

Vladimír Plašil
Chairman of the Board of Directors of ALTA Invest, a.s.
### Group structure

<table>
<thead>
<tr>
<th>ALTA Invest, a.s.</th>
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<tbody>
<tr>
<td>BUSINESS</td>
</tr>
<tr>
<td>ALTA, a.s. / Brno</td>
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<tr>
<td>ALTA RUS / Moscow</td>
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<tr>
<td>ALTA URAL / Yekaterinburg</td>
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<tr>
<td>TRANSPORT - 21 VEK / Yekaterinburg</td>
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<tr>
<td>MACHINING EQUIPMENT</td>
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<tr>
<td>TOS KÚŘIM - OS, a.s. / Kuřim</td>
</tr>
<tr>
<td>ČKD BLANSKO-OS, a.s. / Kuřim</td>
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<tr>
<td>ENERGETIKA KÚŘIM, a.s. / Kuřim</td>
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<tr>
<td>MINING EQUIPMENT</td>
</tr>
<tr>
<td>SE-MI Technology, a.s. / Ostrava</td>
</tr>
<tr>
<td>POWER ENGINEERING</td>
</tr>
<tr>
<td>ALVEL, a.s. / Prague</td>
</tr>
<tr>
<td>DMS s.r.o. / Dukovany</td>
</tr>
</tbody>
</table>
TOS KUŘIM - OS, a.s.
Since its founding in 1942, TOS KUŘIM - OS, a.s. has been an innovator in implementing new technologies in practice and the trade name of the company soon became the worldwide symbol of reliable and precision machine tools with long service life. The production program is focused on large-scale milling and a universal machining centres with a unique system for automatically changing spindle heads. The machines are used mainly in the heavy engineering industry, the energy sector, the armaments and aircraft industry, in the production of heavy construction machines and mining technological systems, and in the shipbuilding and railway industry.

ČKD BLANSKO-OS, a.s.
ČKD BLANSKO-OS, a.s. is a major Czech engineering company with a rich tradition. Since as early as 1951, the company has specialized in the development, construction, and installation of heavy vertical lathes, so-called boring mills. The boring mills manufactured by ČKD BLANSKO-OS, a.s. serve as machining centres enabling lathe turning, milling, boring, drilling and grinding. The design of the machines is advantageous for machining oversized workpieces and therefore they find use in e.g. the power industry, aircraft industry, shipping industry and others.

SE-MI Technology, a.s.
The production company SE-MI Technology, a.s. provides supplies of mechanical engineering products and technological systems in the fields of underground and surface mining of raw materials, preparation plants, surface transport systems and equipment designed for other industries based on own technical, production and logistic know-how.

ALVEL, a.s.
ALVEL is a company established in 2011 as a joint venture of two major companies operating in the nuclear sector: ALTA (Czech Republic) and TVEL (Russian Federation). The company provides top scientific and engineering services in the nuclear sector, particularly with regard to the nuclear energy installations in the Czech Republic. Another business area is represented by cooperation with companies dealing in supplies for the nuclear energy sector.

DMS s.r.o.
The DMS company has long focused on the transport of hazardous materials and radioactive materials, including nuclear materials and the transport of oversized loads. The company provides specialized transport services in the field of the nuclear fuel cycle not only in the Czech Republic but also abroad. Over its twenty-year operation, the DMS s.r.o. company has become a synonym for safe and reliable transport in a global context.
ALTA Invest, a.s.
Vladimír Plašil – Chairman of the Board of Directors
Jozef Abrahám – Chief Financial Officer of the ALTA Group

ALTA, a.s.
Vladimír Horňák – Chief Executive Officer
Radek Pecina – Manager of the Mining Technologies Division
Josef Běláč – Manager of the NPP Fuel Cycle Division
Inez Krautmannová – Manager of the ALTA Group Project Financing
Karel Laš – Chief Purchase and Realization Officer
 Jiří Bartuněk – Manager of the Mechanical Engineering Division
Josef Jančařík – Chief Economic Officer

TOS KUŘIM - OS, a.s. / ČKD BLANSKO-OS, a.s.
Radim Sobola – Executive Manager

SE-MI Technology, a.s.
Jiří Valenta – Managing Director

ALVEL, a.s.
Josef Běláč – Chief Executive Officer

DMS s.r.o.
Lukáš Hurdálek – Chief Executive Officer
Major events in growth

1991
- Foundation of ALTA, spol. s r.o.

1992
- First deliveries of 8PA4 engines for the purposes of surface mining combines in CIS countries

1994
- Transformation of ALTA, spol. s r.o. to the joint-stock company ALTA, a.s.

1995
- Signing of a contract on exclusive agency of the Russian manufacturer of fuel cells TVEL for the Czech Republic
- Start of deliveries of iron ore raw materials to the Czech Republic

1996
- Deliveries for investment projects for technologies for mining and processing of ore and rock

1998
- Establishment of representation in Minsk (Belarus)

1999
- Establishment of representation in Kiev (Ukraine)
- Commencement of the modernization project of PO BELAZ (Belarus)

2001
- ALTA, a.s. places among the one hundred most successful companies in the chart put together by CZECH TOP 100 for the first time

2002
- Establishment of representation in Yekaterinburg (Russian Federation)

2005
- Signing of a framework agreement on the modernization project for FGUP PO Uralvagonzavod (Russian Federation)
- Property share acquisition in companies TOS KUŘIM - OS, a.s., KULIČKOVÉ ŠROUBY KUŘIM, a.s., and SLÉVÁRNA KUŘIM, A.S.

2006
- Commencement of the modernization project for FGUP PO Uralvagonzavod (Russian Federation)
- Signing of a contract for complex shaft mechanization for the VINACOMIN company (Vietnam)
- Property share acquisition in TRANSPORT - 21 VEK (Russian Federation)
- Signing of a contract with OOO Kuzminetskyi kirpichnyi zavod (Ukraine) for the delivery of a complete brick production line
- Signing and commencement of the project for delivery of galvanic lines and a varnishing line for Irkut Corporation (Russian Federation)

2007
- Foundation of the subsidiary ALTA URAL providing service for machining tools for the Russian Federation

2008
- Capital acquisition in company SE-MI Technology, a.s. (Czech Republic)
- Signing of a framework contract with the company OAO Magnitogorskyi metallurgicheskyi kombinat (MMK) for the delivery of equipment for preparatory works and processing of overburden
- Establishment of business representation in Donetsk (Ukraine)
2009
■ Establishment of representation in Magnitogorsk (Russian Federation)
■ Modernization of the OAO MMK rolling mill plant via deliveries of equipment and construction parts for rolling stand 5000
■ Signing of contracts with OAO MMK for technological and construction deliveries of peripheries of the vacuum furnace system, continuous casting and the rolling stand 2500 project
■ Signing of a contract for the delivery of mining equipment for ZAO Donetskstal
■ Signing of a contract for the delivery of mining transport and a mechanized system for VINACOMIN

2010
■ Acquisition of the company ČKD BLANSKO-OS, a.s. and following up on the tradition of the production of boring mills
■ Completion of the project for the largest varnishing line of freight cars in the world for OAO NPK Uralvagonzavod

2011
■ Acquisition of a Czech manufacturer of heavy milling machines and lathes, ŠKODA MACHINE TOOL a.s.
■ Establishment of the company ALVEL, a.s.

2012
■ Signing of a memorandum concluded with the Ministry of Energy Sector and Infrastructure of the Republic of Serbia on cooperation on the construction of a new mine complex and a power plant with a capacity of 380 MW
■ Signing of a significant contract concluded with the OAO Ashinsky Metallurgical Plant (AMET) concerning the reconstruction and complex refurbishment of the rolling line
■ Signing of a contract for the “turnkey” delivery of a complete technological line for the OOO KKI brick factory, Klincy (Ceramic Product Plant, Bryansk Region, Russian Federation)
■ Acquisition of DMS s.r.o. (transporter in the area of specialized shipping)

2013
■ Delivery of the largest belt conveyors for deep mining in the CIS territory for OAO SUEK in Krasnoyarsk (Russian Federation)
■ Construction of a coal-treatment plant for Silesia PG Czechowice (Poland)
■ Contract for delivery of a coal-mining complex for OAO Vorkutaugol (Russian Federation)

2014
■ A project to modernize the rolling line was successfully completed at the Ashinsky Metallurgical Plant (Russian Federation)

2015
■ Delivery of technology for processing slag for the company Zaporozhstal (Ukraine)
Economic results

The consolidated economic results of the ALTA Group fully reflect the circumstances of 2015 in the consolidation unit comprising fifteen companies. Considering the results reported by the Group, it can be said that despite the unfavourable situation on CIS markets the Group maintained a significant position in the industry. The ALTA Group succeeded in completing the tasks planned for 2015 and established a good basis for the successful implementation of tasks and plans for 2016.

The consolidated revenues from sales of the ALTA Group pursuant to the International Financial Reporting Standards (IFRS) amounted to MCZK 2,678 and the consolidated profit after tax totalled TCZK 68,083. In terms of sales and economic result, the biggest impact in comparison with 2014 is the exclusion of the companies ALTA MACHINE TOOL, a.s. (raw materials), ŠKODA MACHINE TOOL a.s., SEDRA TOOLS s.r.o. and ŠKODA EASTERN in the consolidation of 2015. This fact was reflected in the consolidated balance particularly in the items of assets, receivables, liabilities and loans.

In view of the fact that the parent company owns subsidiaries abroad, the financial statements have been consolidated in accordance with International Financial Reporting Standards (IFRS). No new acquisitions occurred in 2015.
Every year, the ALTA Group strengthens its position amongst the most important Czech exporters. The Group has also succeeded in implementing a number of contracts with bank financing for our customers. The realization of these projects is possible thanks to traditionally good and close relations with banking and insurance institutions.

The range of banks cooperating with us is comprehensive from the perspective of both size and provided services and focus on exports and project financing thereof. With the help of the experience of our banking partners and skill of employees in the area of export and project financing, it is possible to offer our clients innovative solutions and ensure advantageous financial conditions for the successful realization of their business plans.

Customers are offered standard export financing based on medium or long-term credit with EGAP insurance. In this manner, it is possible to finance a wide range of export supply contracts starting with piece supplies, up to the supply of technological systems and construction projects on a turnkey basis.

The precondition for success in export is an extensive knowledge of, and experience in, the area of export and project financing. Our company has such knowledge and shares it with its customers in the interest of the common use of new business opportunities. In spite of the complicated geopolitical situation, we managed to confirm this fact also last year and we offered our clients a complex spectrum of financing options under conditions which were as competitive as possible considering the given circumstances.
Business activities

Business activities within the framework of the ALTA Group particularly represent exporting technological systems in the field of machine engineering, delivering technologies for mining and processing ore and other raw materials, producing construction materials and metallurgy. The business activities of ALTA are traditionally realized via ALTA, a.s.

Ever since its foundation, ALTA, a.s. has been one of the leading suppliers of engineering equipment to countries of Central and Eastern Europe. It is the exclusive representative of the companies TOS KUŘIM - OS, a.s., and ČKD BLANSKO-OS, a.s. on markets of the Russian Federation, Ukraine and Belarus. ALTA, a.s. also cooperates with other significant mechanical engineering manufacturers in the Czech Republic and in Europe.

The segment of technological projects is based on the ALTA, a.s. company’s experience in the implementation of large investment projects for foreign customers.

The import activities within the framework of the ALTA Group are particularly focused on fuel cells for the nuclear industry and several components ensuring the operational capability of Czech nuclear power plants.

ALTA carried out a number of successful deliveries in the machine engineering sector last year. This was a very good outcome primarily taking into account the fact that in 2015 we and our traditional customers were severely impacted by international sanctions on the supply of machining equipment, particularly to the market crucial for us, which is the Russian Federation.

A positive tendency is represented by the fact that after previous correction plans regarding the investments of our potential customers, we are again registering growth in demand for our equipment and services. Currently and together with our business partners, we are also considering the possibilities of using new forms of collaboration in assembly for our range of machining centres.

The good results have been largely achieved thanks to our stable work with traditional partners. We have not followed the market drop particularly because we have long-term contracts for very sophisticated equipment and we have also successfully diversified a portion of our deliveries of equipment for other markets. The focal point of our deliveries continues to be in the manufacture of road and rail vehicles, shipbuilding, and the power and aircraft industries. For our most demanding customers we are ready to deliver the new line of machine tools ALTA TITAN, which in terms of technology and dimensions represent the absolute peak in the field.
In 2015, the continuing crisis negatively impacted the supplies of technology for mining and processing ore and industrial minerals primarily in the traditional markets of Russia and Ukraine. Despite this, a number of projects were successfully carried out, including the deliveries of technology for the underground mining of coal at Shachtoupravlenie Pokrovskoe, Krasnoarmeysk, or the successful project to deliver technology for processing slag for a company from the group Metinvest – Zaporozhstal in Ukraine, which likewise became a reference for the expansion of the company into other markets and gain of new customers.

In recent years Turkey has become a new market, where our activities are concentrated on transportation and storage systems for coal in thermal power plants. No less important is collaboration on prospective projects with design organizations, where an example can be the collaboration with the Russian company Kuzbassgiproshacht, which operates beyond the borders of the Russian Federation.

Other projects in third countries are in the stage of preparation. The expansion into new markets is also supported by the development and expansion of the manufacturing program of the subsidiary SE-MI Technology in the sector of steep and pipe conveyors for transporting bulk material. Interest in such equipment has also been shown by leading Russian mining companies.
The mechanical engineering segment provides optimal technological solutions through the supplied technological systems as well as in the form of supply of individual machines.

Focus:
- production, sale and distribution of machine tools produced internally
- sale of machine tools produced externally
- sale of surface treatment equipment
- sale of automated machining lines and operations
- material division equipment
- forming and forging machines
- machining lines and robot work stations
- forming and forging lines and robot work stations
- surface treatment lines (galvanic and varnishing ones)
- casting lines
- technological supplies for iron metallurgy
- welding lines and robot work stations
- welding equipment, machines and excess materials
- diagnostic equipment
The segment of mining technologies specializes in the supply of technologies for raw materials mining in a surface or underground fashion. The supplied technologies, which are well known not only in the CIS countries but also in Poland and Vietnam, are designed both for mining and enrichment of ores and raw materials (namely coal, but also gold, silver and iron ore, chrome, lead, platinum, etc.), and for mining and treatment of materials intended for the building industry (aggregate, sand, etc.).

Focus:

■ designing, supply and installation of mining mechanized complexes for coal extraction
■ designing, supply and installation of technological lines for mining and treatment of ores and aggregates and its further processing (concrete mixing plants, asphalt mixing plants, railroad tie manufacturing)
■ design and supply of technological systems for continuous surface mining of ores and coal
■ conveyor systems for deep and surface mining
■ supply of mineral processing plants
■ supply of mining equipment for vertical transport
The segment of technological projects specializes in the supply of equipment for the production of building materials, in comprehensive solutions in the energy sector (energy sources) and the petrochemical industry.

Focus:
- machines and equipment for the brick-and-tile industry
- machines and equipment for the production of wood pellets
- comprehensive supplies of services and equipment for the chemical and petrochemical industry
- comprehensive supply of services and equipment in the energy sector
- modernization of existing metallurgical plants
In fuel cycle of nuclear power plants segment we provide comprehensive solutions to fuel cycles in nuclear power plants, namely starting with supplies of nuclear materials and fresh nuclear fuel and proceeding up to optimization studies of their use in the reactor after its irradiation as well.

Focus:
- provision of import and export licences for the import and export of nuclear materials and double-use items
- licensing of transport packing materials/containers for road as well as air transport of nuclear materials within the territory of the EU
- supplies of fresh fuel cells and the relating engineering services, including the provision of transport thereof for the nuclear power plants and research reactors in the Czech Republic and Slovakia
- export of nuclear materials and provision of their transport
- import and export of materials and goods belonging to double-use items
- transport of radioactive and hazardous materials and spent nuclear fuel
Internal control and internal audit

The corporate administration and management of the ALTA Group includes an internal control system and internal audit. The purpose of the internal control system is to ensure that the set business goals are achieved together with protection of the company assets, effectiveness of in-house processes and protection of the interests of the Group’s shareholders and creditors. The purpose of the internal audit is to assess the internal control system in an independent and impartial manner. In 2015, the Group was subject to a number of audits, which focused in particular on the following:

- protection of assets of the member companies in the Group
- assessment of efficiency, effectiveness and economy of the in-house processes executed in the member companies of the Group
- assessment of compliance with the set strategic goals and interests of shareholders and creditors of the Group, legislative and regulatory requirements on the part of the member companies in the Group
- identification of major risks associated with activities pursued by the member companies of the Group and issuing of recommendations concerning management thereof
- assessment of the effectiveness of the processes securing a true and honest presentation of financial information provided both on the level of the member companies of the Group and on the level of the consolidated financial statement

The results of the executed audits were provided to the Board of Directors and the Supervisory Board of ALTA Invest. Recommendations were issued on the basis of the determined circumstances, in order to improve the performance of the Group and to minimize the identified risks. A plan for resolving identified facts was developed on the basis of these recommendations.

The department of internal audit continuously monitored the performance of corrective measures within the ALTA Group. The annual financial statements (consolidated, non-consolidated) were checked by an external auditor.
The ALTA Group is continually accentuating its products from the perspective of their sustainable competitiveness. Due to the technical development departments of the member companies, the Group has highly qualified teams of employees specializing in research and development. This concentrated capacity includes all stages of development of a new product, from design, through construction, up to prototype testing. The Group has been systematically creating and developing the background with the necessary research and development technologies of the latest generation and optimizing the designing processes.

For the control of development in the medium-term horizon, the member companies have been preparing a plan of technical development, including the application of the latest findings in the sciences and reflecting the marketing priorities and goals of the Group. These plans define the goals for preserving and increasing the value of our products and mutual relations based on the competency of individual entities to secure the necessary activities.

Concerning machine tools, research in 2015 was especially focused on the modularity and multifunction capability of tools, the use of new materials, and furthermore on methodologies for the effective construction of machine tools in the stage of installation and handover testing. The list of research projects carried out supported by grants included:

- The integration, modularity and reconfigurability of the tools of the consortium TOS NOVA, 01/2012–12/2015
- Project: Heavy-duty boring mill table 40/47 with a modularly-conceived drive, 01/2012–06/2015
- Project: Use of progressive technologies for the effective construction of machine tools, 07/2014–12/2017
Social responsibility

Since 2002, ALTA has been a partner to the cultural project Days of Russian Culture in South Moravia and in Prague. The festival, which meets with a great response every year, is focused primarily on theatre, ballet, and music. ALTA is also a long-term partner of the Brno City Theatre. The financial aid of ALTA contributes regularly to the humanitarian traditions of our nation within the framework of the partnership with Společnost Ludvíka Svobody (an association named after the former Czechoslovakian president). In recent years, attention has been paid to educational, sporting and other leisure-time activities of youth, for instance within the framework of support for technical kindergartens and primary schools in Kuřim.

Great attention is paid within the ALTA Group to human resources. We are aware that people are the basic building blocks of our results. That is why we support our employees at work and when involved in extra-vocational activities. The nature of the Group’s activities requires not only high expertise, precision and loyalty from our employees, but also the courage to look for new solutions and to respond flexibly to the needs of customers and the market. Creativity combined with the high specialization of key workers and the identification of employees to the company is the basic added value of our companies.

We promote the creation of all conditions necessary for professional growth. We prepare individual educational plans for our employees with the goal of extending and improving their qualifications. We have traditionally emphasized support for the development of language skills using individual or group instruction under instructors and native speakers. Besides personal development, we also look after the health of our employees, who can use preventive activities in health care supported by the employer, or draw health benefits at their discretion.

In the ALTA Group, special attention is paid to the principle of equal opportunity. In the group, you will find employees of all age groups. We support the employment of women with the possibility of reduced working hours, something valued principally by our colleagues returning from maternity and parental leave, or those raising small children. We also work with university students/part-timers, some of whom have found work in our company after graduating from university.

We provide our employees with space for personal self-fulfilment and for innovating existing processes as well. We are also particular about friendly and open relations in the workplace. Contributing to that, in addition to emphasizing a friendly, tactful and inspiring working environment, are plenty of year-round sporting, social and cultural activities, as well as a range of social benefits for employees. Among the popular events, there is the Christmas Party, the Summer Party for families with children, a sports-focused event called Šťelecké odpoledne (the Day of Sport Shooting), golf tournaments and group-wide bowling tournament.

Our flexibility helps create conditions for maintaining the balance between personal and professional life.
Activities within the ALTA Group are done in accordance with currently applicable laws that concern the protection of the environment. The strategy of development is oriented on the provision of services and products whose reliability, quality and friendly approach towards the environment meet the needs of customers. The aim of our manufacturing program is a minimum burden on the environment and the effective use of natural resources. Occupational health and safety for our employees is a matter of priority. This policy also includes procedures for handling waste, chemical substances and measures to be taken in the case of accidents or emergency situations. As part of the framework for improving the quality of the working environment and its immediate surroundings, a new representational entrance was built with extensive landscaping, new tiling, lighting, and the planting of greenery at the complex of TOS KUŘIM - OS, a.s.
## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

AS AT 31 DECEMBER 2015, 2014 (thousands of CZK)

<table>
<thead>
<tr>
<th></th>
<th>Ar. 2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from sales of goods and services</td>
<td>2 677 863</td>
<td>10 228 648</td>
</tr>
<tr>
<td>Costs for sold goods and services</td>
<td>-2 304 801</td>
<td>-9 641 840</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>372 862</td>
<td>586 808</td>
</tr>
<tr>
<td>Distribution costs</td>
<td>-106 856</td>
<td>-122 565</td>
</tr>
<tr>
<td>Administration costs</td>
<td>-168 041</td>
<td>-278 334</td>
</tr>
<tr>
<td>Research and development costs</td>
<td>0</td>
<td>-4 032</td>
</tr>
<tr>
<td>Other operating profit and loss</td>
<td>-45 172</td>
<td>-131 577</td>
</tr>
<tr>
<td>Profit (loss) from sale of shares</td>
<td>-5 839</td>
<td></td>
</tr>
<tr>
<td>Other financial income</td>
<td>2 873</td>
<td>2 296</td>
</tr>
<tr>
<td>Financial profit</td>
<td>208 907</td>
<td>300 571</td>
</tr>
<tr>
<td>Financial loss</td>
<td>-134 624</td>
<td>-29 007</td>
</tr>
<tr>
<td><strong>Profit before taxes</strong></td>
<td>96 530</td>
<td>229 632</td>
</tr>
<tr>
<td>Income tax</td>
<td>-52 384</td>
<td>-51 583</td>
</tr>
<tr>
<td>Profit (loss) for the period from continuing operations</td>
<td>44 146</td>
<td>178 049</td>
</tr>
<tr>
<td>Profit (loss) for the period from completed operations</td>
<td>23 937</td>
<td>0</td>
</tr>
<tr>
<td><strong>PROFIT FOR THE PERIOD</strong></td>
<td>68 083</td>
<td>178 049</td>
</tr>
<tr>
<td>Profit allocated to the shareholders of the parent company</td>
<td>65 836</td>
<td>184 623</td>
</tr>
<tr>
<td>Profit allocated to non-controlling shares</td>
<td>2 247</td>
<td>-6 574</td>
</tr>
</tbody>
</table>

### OTHER COMPREHENSIVE INCOME FOR THE PERIOD:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revaluation reserve for available-for-sale financial assets</td>
<td>-2</td>
<td>1</td>
</tr>
<tr>
<td>Cash flow hedges of financial derivatives</td>
<td>-4 607</td>
<td>21 513</td>
</tr>
<tr>
<td>Fund from conversion of foreign currencies for foreign operations</td>
<td>-9 438</td>
<td>-3 278</td>
</tr>
<tr>
<td>Tax on other comprehensive income</td>
<td>-975</td>
<td>-4 074</td>
</tr>
<tr>
<td><strong>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</strong></td>
<td>-5 708</td>
<td>14 162</td>
</tr>
<tr>
<td>Other comprehensive income allocated to shareholders of the parent company</td>
<td>-4 998</td>
<td>8 111</td>
</tr>
<tr>
<td>Other comprehensive income allocated to non-controlling shares</td>
<td>-710</td>
<td>6 051</td>
</tr>
</tbody>
</table>

### COMPREHENSIVE INCOME FOR THE PERIOD

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total comprehensive income allocated to shareholders of the parent company</td>
<td>60 838</td>
<td>192 734</td>
</tr>
<tr>
<td>Total comprehensive income allocated to non-controlling shares</td>
<td>1 537</td>
<td>-523</td>
</tr>
</tbody>
</table>
## Report on economic results of the ALTA Group for 2015

ALTA Invest, a.s.

**CONSOLIDATED STATEMENT ON FINANCIAL POSITION**

**AS AT 31 DECEMBER 2015, 2014 (thousands of CZK)**

<table>
<thead>
<tr>
<th></th>
<th>Ar.</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Short-term assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>20.</td>
<td>717 868</td>
<td>935 981</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>21.</td>
<td>790 432</td>
<td>1 687 293</td>
</tr>
<tr>
<td>Receivables from construction contracts</td>
<td>22.</td>
<td>224 420</td>
<td>828 571</td>
</tr>
<tr>
<td>Financial lease receivables</td>
<td>42.</td>
<td>1 348 754</td>
<td>1 395 944</td>
</tr>
<tr>
<td>Inventories</td>
<td>23.</td>
<td>543 907</td>
<td>675 586</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>24.</td>
<td>453 606</td>
<td>17 375</td>
</tr>
<tr>
<td>Other assets</td>
<td>25.</td>
<td>144 996</td>
<td>197 494</td>
</tr>
<tr>
<td>Assets classified as held for sale</td>
<td>27.</td>
<td>615 171</td>
<td>631 105</td>
</tr>
<tr>
<td>Tax receivable</td>
<td>26.</td>
<td>23 336</td>
<td>2 329</td>
</tr>
<tr>
<td><strong>Long-term assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>28.</td>
<td>511 834</td>
<td>809 698</td>
</tr>
<tr>
<td>Investment property</td>
<td>29.</td>
<td>0</td>
<td>2 601</td>
</tr>
<tr>
<td>Goodwill</td>
<td>30.</td>
<td>342 363</td>
<td>531 063</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>32.</td>
<td>12 396</td>
<td>114 643</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>21.</td>
<td>79 783</td>
<td>99 392</td>
</tr>
<tr>
<td>Financial lease receivables</td>
<td>42.</td>
<td>45 712</td>
<td>339 337</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>24.</td>
<td>5</td>
<td>16</td>
</tr>
<tr>
<td>Other assets</td>
<td>25.</td>
<td>0</td>
<td>36</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td>5 854 583</td>
<td>8 468 464</td>
</tr>
</tbody>
</table>

| **TOTAL EQUITY**      |           | 1 632 735  | 1 788 654  |
| Share capital         | 33.       | 200 000    | 200 000    |
| Funds from profits    | 34.       | 28 845     | 10 103     |
| Retained earnings     | 35.       | 1 391 268  | 1 344 964  |
| Non-controlling shares| 36.       | 12 622     | 233 587    |
| **TOTAL LIABILITIES** |           | 4 221 848  | 6 679 460  |

| **Short-term liabilities** |           | 3 732 469  | 5 315 465  |
| Trade and other payables | 35.       | 879 957    | 1 517 520  |
| Financial lease liabilities | 43.       | 1 615      | 2 193      |
| Liabilities from construction contracts | 22.       | 15 294     | 145 341    |
| Loans and borrowings   | 36.       | 2 000 713  | 2 880 932  |
| Other financial liabilities | 37.       | 0          | 1 950      |
| Other liabilities      | 38.       | 782 446    | 688 986    |
| Provisions             | 39.       | 52 444     | 78 543     |

| **Long-term liabilities** |           | 489 379    | 1 364 345  |
| Trade and other payables | 35.       | 50 987     | 51 090     |
| Financial lease liabilities | 43.       | 2 333      | 3 561      |
| Loans and borrowings   | 36.       | 94 666     | 916 033    |
| Other financial liabilities | 37.       | 0          | 14 090     |
| Other liabilities      | 38.       | 289 727    | 339 010    |
| Deferred payable tax   | 40.       | 51 666     | 40 558     |

| **TOTAL EQUITY AND LIABILITIES** |           | 5 854 583  | 8 468 464  |
Basic company information (as at 1 July 2016)

ALTA Invest, a.s.

<table>
<thead>
<tr>
<th>Trade name:</th>
<th>ALTA Invest, a.s.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered office:</td>
<td>Brno, Štefánikova 41</td>
</tr>
<tr>
<td>Company ID No.:</td>
<td>607 35 244</td>
</tr>
<tr>
<td>Legal form:</td>
<td>joint-stock company</td>
</tr>
<tr>
<td>Registration Court:</td>
<td>Regional Court in Brno</td>
</tr>
<tr>
<td>Identification of the company in the Commercial Register:</td>
<td>Section B, File No. 1497</td>
</tr>
<tr>
<td>Date of incorporation:</td>
<td>28 December 1994</td>
</tr>
<tr>
<td>Registered capital:</td>
<td>CZK 200,000,000</td>
</tr>
<tr>
<td>Number of shares:</td>
<td>220,000 pcs of registered shares</td>
</tr>
</tbody>
</table>

Bodies of the company

Board of Directors
Chairman of the Board of Directors
Vladimír Plašil

Supervisory Board
Chairman of the Supervisory Board
Lucie Čípová
**ALTA Invest, a.s.**
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602 00 Brno
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e-mail: office@alta.cz
www.alta-invest.cz

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www.tos-kurim.cz

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www.ckd-blansko.cz

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e-mail: office@dms.cz
www.dms.cz
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