

Unaudited pro forma consolidated financial statements as of and for the year ended 31 December 2013

The following unaudited pro forma consolidated financial statements of EP Energy, a.s. (“the Company” or “EPE”) as of and for the year ended 31 December 2013 have been derived from the historical IFRS consolidated financial statements of EP Energy, a.s. and its subsidiaries (“EPE Group”) as of and for the year ended 31 December 2013. Certain pro forma related adjustments, as described further in the text, have been added to the data derived from the historical IFRS consolidated financial statements to compile these unaudited pro forma consolidated financial statements.

The unaudited pro forma consolidated financial statements of EP Energy, a.s. as of and for the year ended 31 December 2013, pro forma adjustments and related assumptions were prepared as described in the accompanying notes to this unaudited pro forma consolidated financial statements on pages PF 8 – 17. The unaudited pro forma adjustments are based on currently available information and assumptions that we believe to be reasonable.

The unaudited pro forma consolidated financial information is for informational purposes only and is not intended to represent or to be indicative of the consolidated results of operations or financial position of the EPE Group and should not be taken as indicative of EPE Group’s future consolidated results of operations.

The actual results may differ significantly from those reflected in the unaudited pro forma consolidated financial statements for a number of reasons, including, but not limited to, differences between the assumptions used to prepare this unaudited pro forma consolidated financial information and actual results.

The unaudited pro forma consolidated financial statements have not been prepared in accordance with the rules or regulations of the United States Securities and Exchange Commission, and is not compliant therewith or any other comprehensive basis of preparation. Any reliance you place on this information should take this fully into consideration.

EP Energy, a.s.

Unaudited pro forma consolidated statement of financial position

As at 31 December 2013

In thousands of EUR ("TEUR")

	Consolidated figures ⁽¹⁾	Pro forma adjustments	EP Energy, a.s. pro forma
Assets			
Property, plant and equipment	2,433,472	-	2,433,472
Intangible assets	186,685	-	186,685
Goodwill	92,545	18,865	111,410
Investment property	324	-	324
Participations with significant influence	260,800	-	260,800
Financial instruments and other financial assets	13,075	-	13,075
Trade receivables and other assets	29,333	-	29,333
Deferred tax assets	8,014	-	8,014
Total non-current assets	3,024,248	18,865	3,043,113
Inventories	69,992	-	69,992
Extracted minerals and mineral products	6,136	-	6,136
Trade receivables and other assets	318,290	-	318,290
Financial instruments and other financial assets	516,842	-	516,842
Prepayments and other deferrals	3,345	-	3,345
Tax receivables	13,406	-	13,406
Cash and cash equivalents	283,069	-	283,069
Assets/disposal groups held for sale	49	-	49
Total current assets	1,211,129	-	1,211,129
Total assets	4,235,377	18,865	4,254,242
Equity			
Share capital	769,180	-	769,180
Share premium	116,434	-	116,434
Reserves	(355,957)	(108)	(356,065)
Retained earnings	445,608	12,731	458,339
Total equity attributable to equity holders	975,265	12,623	987,888
Non-controlling interest	480,186	(444)	479,742
Total equity	1,455,451	12,179	1,467,630
Liabilities			
Loans and borrowings	1,513,784	6,686	1,520,470
Financial instruments and financial liabilities	1,649	-	1,649
Provisions	339,219	-	339,219
Deferred tax liabilities	269,463	-	269,463
Trade payables and other liabilities	76,679	-	76,679
Total non-current liabilities	2,200,794	6,686	2,207,480
Trade payables and other liabilities	383,971	-	383,971
Loans and borrowings	45,934	-	45,934
Financial instruments and financial liabilities	5,587	-	5,587
Provisions	93,726	-	93,726
Deferred income	42,022	-	42,022
Current income tax liability	7,892	-	7,892
Total current liabilities	579,132	-	579,132
Total liabilities	2,779,926	6,886	2,786,612
Total equity and liabilities	4,235,377	18,865	4,254,242

Notes:

(1) Historical IFRS consolidated statement of financial position of EP Energy, a.s. as of 31 December 2013

EP Energy, a.s.

Unaudited pro forma consolidated statement of financial position, showing pro forma adjustments

As at 31 December 2013

In thousands of EUR ("TEUR")

	Consolidated figures ⁽¹⁾	Stredoslo- venská energetika, a.s. and its subsidiaries related adjustments (Part 1)	Stredoslo- venská energetika, a.s. and its subsidiaries related adjustments (Part 2)	EP Energy, a.s. pro forma
Notes		Note 3.2.1	Note 3.2.1	
Assets				
Property, plant and equipment	2,433,472	-	-	2,433,472
Intangible assets	186,685	-	-	186,685
Goodwill	92,545	-	18,865	111,410
Investment property	324	-	-	324
Participations with significant influence	260,800	-	-	260,800
Financial instruments and other financial assets	13,075	-	-	13,075
Trade receivables and other assets	29,333	-	-	29,333
Deferred tax assets	8,014	-	-	8,014
Total non-current assets	3,024,248	-	18,865	3,043,113
Inventories	69,992	-	-	69,992
Extracted minerals and mineral products	6,136	-	-	6,136
Trade receivables and other assets	318,290	-	-	318,290
Financial instruments and other financial assets	516,842	-	-	516,842
Prepayments and other deferrals	3,345	-	-	3,345
Tax receivables	13,406	-	-	13,406
Cash and cash equivalents	283,069	-	-	283,069
Assets/disposal groups held for sale	49	-	-	49
Total current assets	1,211,129	-	-	1,211,129
Total assets	4,235,377	-	18,865	4,254,242

Notes	Consolidated figures ⁽¹⁾	Stredoslo- venská energetika, a.s. and its subsidiaries related adjustments (Part 1)	Stredoslo- venská energetika, a.s. and its subsidiaries related adjustments (Part 2)	EP Energy, a.s. pro forma
		Note 3.2.1	Note 3.2.1	
Equity				
Share capital	769,180	-	-	769,180
Share premium	116,434	-	-	116,434
Reserves	(355,957)	-	(108)	(356,065)
Retained earnings	445,608	-	12,731	458,339
Total equity attributable to equity holders	975,265	-	12,623	987,888
Non-controlling interest	480,186	-	(444)	479,742
Total equity	1,455,451	-	12,179	1,467,630
Liabilities				
Loans and borrowings	1,513,784	-	6,686	1,520,470
Financial instruments and financial liabilities	1,649	-	-	1,649
Provisions	339,219	-	-	339,219
Deferred tax liabilities	269,463	-	-	269,463
Trade payables and other liabilities	76,679	-	-	76,679
Total non-current liabilities	2,200,794	-	6,686	2,207,480
Trade payables and other liabilities	383,971	-	-	383,971
Loans and borrowings	45,934	-	-	45,934
Financial instruments and financial liabilities	5,587	-	-	5,587
Provisions	93,726	-	-	93,726
Deferred income	42,022	-	-	42,022
Current income tax liability	7,892	-	-	7,892
Total current liabilities	579,132	-	-	579,132
Total liabilities	2,779,926	-	6,686	2,786,612
Total equity and liabilities	4,235,377	-	18,865	4,254,242

(1) Historical IFRS consolidated statement of financial position of EP Energy, a.s. as of 31 December 2013

EP Energy, a.s.
Unaudited pro forma consolidated income statement
For the year ended 31 December 2013

<i>In thousands of EUR ("TEUR")</i>	Consolidated figures ⁽¹⁾	Pro forma adjustments	EP Energy, a.s. pro forma
Sales: Energy	1,779,206	712,518	2,491,724
<i>of which: Electricity</i>	982,596	708,896	1,691,492
<i>Heat</i>	321,141	-	321,141
<i>Gas</i>	193,900	3,622	197,522
<i>Coal</i>	281,569	-	281,569
Sales: Other	94,735	1,597	96,332
Total sales	1,873,941	714,115	2,588,056
Cost of sales: Energy	(1,155,177)	(534,987)	(1,690,164)
Cost of sales: Other	(25,485)	(9)	(25,494)
Cost of sales	(1,180,662)	(534,996)	(1,715,658)
	693,279	179,119	872,398
Personnel expenses	(184,246)	(36,794)	(221,040)
Depreciation and amortisation	(239,662)	(91,251)	(330,913)
Repairs and maintenance	(12,184)	(2,223)	(14,407)
Emission rights, net	(32,616)	-	(32,616)
Negative goodwill	17,800	(15,624)	2,176
Taxes and charges	(11,648)	(756)	(12,404)
Other operating income	80,990	5,295	86,285
Other operating expenses	(150,105)	(24,290)	(174,395)
Profit/(loss) from operations	161,608	13,476	175,084
Finance income	88,271	1,686	89,957
Finance expense	(97,482)	(10,329)	(107,811)
<i>of which related to pro forma acquisition accounting</i>	-	(6,686)	(6,686)
Profit/(loss) from financial instruments	(2,165)	859	(1,306)
Net finance expense	(11,376)	(7,784)	(19,160)
Share of profit of equity accounted investees, net of tax	(5,377)	-	(5,377)
Gain/(loss) on disposal of subsidiaries, special purpose entities, joint-ventures and associates	(668)	-	(668)
Profit/(loss) before income tax	144,187	5,692	149,879
Income tax expenses	(21,245)	(7,379)	(28,624)
Profit/(loss) from continuing operations	122,942	(1,687)	121,255
Profit/(loss) for the year	122,942	(1,687)	121,255
Profit/(loss) attributable to:			
Owners of the Company	113,201	(11,829)	101,372
Non-controlling interest	9,741	10,142	19,883
Profit/(loss) for the year	122,942	(1,687)	121,255
Other financial information:			
EBITDA ⁽²⁾	383,470	120,351	503,821

Notes:

(1) Historical IFRS consolidated income statement of EP Energy, a.s. for the year ended 31 December 2013

(2) EBITDA represents profit from operations plus depreciation of property, plant and equipment and amortisation of intangible assets (negative goodwill not included, if applicable). Although EBITDA should not be considered a substitute measure for profit and net cash flow from operating activities, we believe that it provides useful information regarding our ability to meet future debt service requirements. EBITDA may not be comparable to the similarly titled measure used by other companies.

In thousands of EUR ("TEUR")

	Consolidated figures ⁽¹⁾	Pro forma adjustments	EP Energy, a.s. pro forma
EBITDA reconciliation to closest IFRS measure			
Profit/(loss) from operations	161,608	13,476	175,084
Depreciation and amortisation	(239,662)	(91,251)	(330,913)
Negative goodwill	17,800	(15,624)	2,176
EBITDA	383,470	120,351	503,821
Adjusted EBITDA⁽³⁾	375,667	120,351	496,018
CAPEX⁽⁴⁾	139,506	36,537	176,043
CAPEX excluding emission rights⁽⁵⁾	98,839	36,487	135,326

Notes:

- (3) Adjusted EBITDA represents EBITDA as calculated in Note (2) further adjusted to exclude:
- (a) the items related to Saale Energie, which lead to an EUR 9,193 thousand decrease to EBITDA in the year ended 31 December 2013, which, due to the accounting treatment of the specific contractual arrangement with Schkopau, are charged to operating costs of Saale Energie but relate to entries that would otherwise not be included in EBITDA.
 - (b) the impact of capitalisation of overburden accounted for in Mibrag, which lead to an EUR 25,585 thousand increase to EBITDA for the year ended 31 December 2013.
 - (c) the impact of non-cash goodwill impairment losses recorded to other operating expenses of Renewables segment, which lead to an EUR 8,589 thousand decrease to EBITDA in the year ended 31 December 2013.
- (4) CAPEX represents acquisitions of property, plant and equipment and intangible assets including emission rights (disregarding the actual cash flows).
- (5) CAPEX excluding emission rights represents acquisitions of property, plant and equipment and intangible assets excluding emission rights (disregarding the actual cash flows).

EP Energy, a.s.

Unaudited pro forma consolidated income statement, showing pro forma adjustments

For the year ended 31 December 2013

<i>In thousands of EUR ("TEUR")</i>	Consolidated figures ⁽¹⁾	Stredoslovenská energetika, a.s. and its subsidiaries related adjustments (Part 1)	Stredoslovenská energetika, a.s. and its subsidiaries related adjustments (Part 2)	EP Energy, a.s. pro forma
Notes		Note 3.2.1	Note 3.2.1	
Sales: Energy	1,779,206	720,427	(7,909)	2,491,724
<i>of which: Electricity</i>	982,596	716,805	(7,909)	1,691,492
<i>Heat</i>	321,141	-	-	321,141
<i>Gas</i>	193,900	3,622	-	197,522
<i>Coal</i>	281,569	-	-	281,569
Sales: Other	94,735	1,597	-	96,332
Total sales	1,873,941	722,024	(7,909)	2,588,056
Cost of sales: Energy	(1,155,177)	(542,896)	7,909	(1,690,164)
Cost of sales: Other	(25,485)	(9)	-	(25,494)
Cost of sales	(1,180,662)	(542,905)	7,909	(1,715,658)
Gross profit	693,279	179,119	-	872,398
Personnel expenses	(184,246)	(36,794)	-	(221,040)
Depreciation and amortisation	(239,662)	(27,415)	(63,836)	(330,913)
Repairs and maintenance	(12,184)	(2,223)	-	(14,407)
Emission rights, net	(32,616)	-	-	(32,616)
Negative goodwill	17,800	-	(15,624)	2,176
Taxes and charges	(11,648)	(756)	-	(12,404)
Other operating income	80,990	5,295	-	86,285
Other operating expenses	(150,105)	(24,290)	-	(174,395)
Profit/(loss) from operations	161,608	92,936	(79,460)	175,084
Finance income	88,271	1,686	-	89,957
Finance expense	(97,482)	(3,643)	(6,686)	(107,811)
<i>of which related to pro forma acquisition accounting</i>	-	-	(6,686)	(6,686)
Profit/(loss) from financial instruments	(2,165)	859	-	(1,306)
Net finance expense	(11,376)	(1,098)	(6,686)	(19,160)
Share of profit of equity accounted investees, net of tax	(5,377)	-	-	(5,377)
Gain/(loss) on disposal of subsidiaries, special purpose entities, joint-ventures and associates	(668)	-	-	(668)
Profit/(loss) before income tax	144,187	91,838	(86,146)	149,879
Income tax expenses	(21,245)	(21,423)	14,044	(28,624)
Profit/(loss) from continuing operations	122,942	70,415	(72,102)	121,255
Profit/(loss) for the year	122,942	70,415	(72,102)	121,255
Profit/(loss) attributable to:				
Owners of the Company	113,201	70,415	(82,244)	101,372
Non-controlling interest	9,741	-	10,142	19,883
Profit/(loss) for the year	122,942	70,415	(72,102)	121,255

Notes:

(1) Historical IFRS consolidated income statement of EP Energy, a.s. for the year ended 31 December 2013

Notes to the unaudited pro forma consolidated financial statements

1. Description of the entity

EP Energy, a.s. was founded by Energetický a průmyslový holding, a.s. (“EPH”) on 16 December 2010 as a subsidiary to consolidate entities belonging to the energy segment of EPH Group.

Registered office of the Company:

EP Energy, a.s.
Příkop 843/4
602 00 Brno
Czech Republic

Members of Board of Directors as of 31 December 2013:

Chairman:	JUDr. Daniel Křetínský, Czech Republic
Vice-chairman:	Jan Špringl, Czech Republic
Member:	Marek Spurný, Czech Republic
Member:	Pavel Horský, Czech Republic
Member:	Jiří Feist, Czech Republic
Member:	Tomáš David, Czech Republic

Members of Supervisory Board as of 31 December 2013:

Chairman:	Martin Štefunko, Slovak Republic
Member:	Robert Ševela, Czech Republic
Member:	Mel Gerard Carvill, United Kingdom
Member:	Ivan Jakobovič, Slovak Republic
Member:	Martin Fedor, Slovak Republic
Member:	Miloš Badida, Czech Republic

2. Background information and scope of the unaudited pro forma consolidated financial statements

The unaudited pro forma consolidated financial statements (further also “pro forma financial information”) are derived from the historical IFRS consolidated financial statements of the EPE Group as of and for the year ended 31 December 2013.

The historical IFRS consolidated statement of financial position of the EPE Group and historical IFRS consolidated income statement information as of and for the year ended 31 December 2013 is included in the column “Consolidated figures” in the pro forma financial information as of and for the year ended 31 December 2013.

The historical IFRS consolidated financial statements of the EPE Group as of and for the year ended 31 December 2013 are used as the main building blocks in the compilation of pro forma financial information. Pro forma adjustments, as included in column “Pro forma adjustments”, were applied to the historical IFRS consolidated financial information to derive the pro forma financial information (column “EP Energy, a.s. pro forma”).

The pro forma adjustments were based on assumptions from the individual financial information of the sub-group’s entities for the period from 1 January 2013 to 31 December 2013. This individual financial information was prepared following the EPE Group’s accounting instructions, which are based on IFRS.

The pro forma consolidated financial information of the EPE Group as of and for the year ended 31 December 2013 includes the following entities:

Entity	Method of consolidation	Actual date of acquisition	Date of acquisition for pro forma	Method of acquisition
EP Energy, a.s. (100%) – parent company	Full	XII.10	XII.10	EST
AISE, s.r.o. (80%)	Full	X.09	X.09	AA
PT Holding Investment B.V. (100%)	Full	IX.10	IX.10	AA
Pražská teplárenská Holding a.s. (49%)	Equity	IX.10	IX.10	AA
Pražská teplárenská a.s. (47.33%)	Full	IX.10	IX.10	AA*
Termonta Praha a.s. (100%)	Full	IX.10	IX.10	AA*
Teplo Neratovice, spol. s r.o. (100%)	Full	IX.10	IX.10	AA*
Energotrans SERVIS, a.s. (95%)	Full	IV.12	IV.12	EST/AA*
United Energy, a.s. (100%)	Full	X.09	X.09	CC
EVO - Komořany, a.s. (100%)	Full	XI.10	XI.10	EST
Severočeská teplárenská, a.s. (100%)	Full	X.10	X.10	EST
PRVNÍ MOSTECKÁ a.s. (50.57%)	Full	X.09	X.09	CC
PRVNÍ MOSTECKÁ Servis a.s. (100%)	Full	IX.12	IX.12	EST
United Energy Moldova, s.r.o. (100%)	Full	X.09	X.09	CC
EKY III, a.s. (100%)	Full	X.09	X.09	CC
United Energy Invest, a.s. (100 %)	Full	X.09	X.09	CC
PRVNÍ MOSTECKÁ a.s. (47.06%)	Full	X.09	X.09	CC
PRVNÍ MOSTECKÁ Servis a.s. (100%)	Full	IX.12	IX.12	EST
United Energy Coal Trading, a.s. (100%)	Full	X.09	X.09	CC
UNITED ENERGY COAL TRADING POLSKA S.A. (100%)	Full	II.12	II.12	EST
EP ENERGY TRADING, a.s. (100%)	Full	X.09	X.09	CC
Plzeňská energetika a.s. (100%)	Full	X.09	X.09	AA
EP Renewables a.s. (100%)	Full	IX.10	IX.10	AA
Arisun, s.r.o. (100%)	Full	XII.10	XII.10	AA
Greeninvest Energy, a.s. (41.7%)	IFRS 5	XI.10	XI.10	AA
ČKD Blansko Wind, a.s. (100%)	Full	VIII.11	VIII.11	AA
POWERSUN a.s. (100%)	Full	IX.10	IX.10	AA
VTE Pchery, s.r.o. (64%)	Full	IX.10	IX.10	AA
Triskata, s.r.o. (100%)	Full	IX.10	IX.10	AA
MR TRUST s.r.o. (0.5%)	Full	IX.10	IX.10	AA
MR TRUST s.r.o. (99.5%)	Full	IX.10	IX.10	AA
VTE Pastviny s.r.o. (100%)	Full	IX.10	IX.10	AA
VTE Moldava, a.s. (100%)	Full	IX.10	IX.10	AA
CHIFFON ENTERPRISES LIMITED (100%)	Full	IX.10	IX.10	AA
Claymore Equity, s.r.o. (80%)	Full	IX.10	IX.10	AA
Alternative Energy, s.r.o. (90%)	Full	IX.10	IX.10	AA
ROLLEON a.s. (100%)	Full	X.09	X.09	AA
ENERGZET, a.s. (100%)	Full	X.09	X.09	AA
EBEH Opatovice, a.s. (100%)	Full	XII.10	XII.10	AA
Elektrárny Opatovice, a.s. (100%)	Full	XII.10	XII.10	AA
Reatex a.s. (100%)	Full	XII.10	XII.10	AA
EOP & HOKA s.r.o. (99.79%)	Full	XII.10	XII.10	AA

V A H O s.r.o. (100%)	Full	XII.10	XII.10	AA
NPTH, a.s. (100%)	Full	XII.10	XII.10	AA
Pražská teplárenská a.s. (50.07%)	Full	XII.10	XII.10	AA*
Termonta Praha a.s. (100%)	Full	XII.10	XII.10	AA*
Teplo Neratovice, spol. s r.o. (100%)	Full	XII.10	XII.10	AA*
Energotrans SERVIS, a.s. (95%)	Full	IV.12	IV.12	EST/AA*
JTSD Braunkohlebergbau GmbH (100%)	Full	VI.11; VI.12	VI.11; VI.12	AA+
Mitteldeutsche Braunkohlen Gesellschaft mbH (100%)	Full	VI.11; VI.12	VI.11; VI.12	AA+
MIBRAG Consulting International GmbH (100%)	Full	VI.11; VI.12	VI.11; VI.12	AA+
GALA-MIBRAG-Service GmbH (100%)	Full	VI.11; VI.12	VI.11; VI.12	AA+
Mitteldeutsche Umwelt- und Entsorgung GmbH (50%)	Equity	VI.11; VI.12	VI.11; VI.12	AA+
Fernwärme GmbH Hohenmölsen – Webau (48.96%)	Equity	VI.11; VI.12	VI.11; VI.12	AA+
Ingenieurbüro für Grundwasser GmbH (25%)	Equity	VI.11; VI.12	VI.11; VI.12	AA+
Bohr & Brunnenbau GmbH (100%)	Full	IX.12	IX.12	AA
MIBRAG Neue Energie GmbH (100%)	Full	VI.11; VI.12	VI.11; VI.12	AA+
Helmstedter Revier GmbH (100%)	Full	XII.13	XII.13	AA'
Norddeutsche Gesellschaft zur Ablagerung von Mineralstoffen mbH (51%)	Full	XII.13	XII.13	AA'
Terrakomp GmbH (100%)	Full	XII.13	XII.13	AA'
EP Germany GmbH (100%)	Full	VIII.11	VIII.11	CC
Saale Energie GmbH (100%)	Full	VII.12	VII.12	AA-
Kraftwerk Schkopau GbR (41.9%)	Equity	VII.12	VII.12	AA-
Kraftwerk Schkopau Betriebsgesellschaft mbH (44.4%)	Equity	VII.12	VII.12	AA-
EPH Financing II, a.s. (100%)	Full	XI.13	I.13	AA''
Stredoslovenská energetika, a.s. (49%)	Full	XI.13	I.13	AA''
Stredoslovenská energetika – Distribúcia, a.s. (100%)	Full	XI.13	I.13	AA''
Elektroenergetické montáže, a.s. (100%)	Full	XI.13	I.13	AA''
SSE – Metrológia s.r.o. (100%)	Full	XI.13	I.13	AA''
Stredoslovenská energetika – Project Development, s.r.o. (100%)	Full	XI.13	I.13	AA''
SSE-Solar, s.r.o. (100%)	Full	XI.13	I.13	AA''
SSE CZ, s.r.o. (100%)	Full	XI.13	I.13	AA''
SPX, s.r.o. (33.33%)	At cost	XI.13	I.13	AA''
Energotel, a.s.(20%)	At cost	XI.13	I.13	AA''
EP ENERGY HR d.o.o. (100%)	Full	IX.13	IX.13	EST

Abbreviations used:

AA Acquisition accounting incl. purchase price allocation

AA* Pražská teplárenská a.s. was acquired in two steps:

1. The first part was acquired by PT Holding Investment B.V. in September 2010. The acquisition was recorded in the IFRS consolidated financial statements using acquisition accounting techniques incl. purchase price allocation.
2. The second part was acquired by HC Fin 3 N.V. in December 2010. The acquisition was recorded using acquisition accounting techniques incl. purchase price allocation.

Furthermore, in June 2012, the EPE Group gained control over Pražská teplárenská a.s. (with no change in shareholding structure) and has fully consolidated Pražská teplárenská a.s. from June 2012 onwards (with the respective portion of non-controlling interests).

In June 2012, Energotrans, a.s., a former subsidiary of Pražská teplárenská a.s. was sold.

AA+ JTSD - Braunkohlebergbau GmbH Group was acquired in two steps:

1. The first 50% share was acquired by the EPE Group in June 2011.
2. The remaining 50% share was acquired by the EPE Group in June 2012.

Both acquisitions were included using acquisition accounting techniques including the purchase price allocation which was based on the valuation report prepared for the purposes of the acquisition of the other 50% share.

AA- Saale Energie GmbH Group:

1. 100% share in Saale Energie GmbH was acquired in July 2012.

The acquisition of Saale Energie GmbH uses acquisition accounting techniques including the purchase price allocation adjustments and related tax effects based on the valuation report prepared by external valuers.

AA' Stredoslovenská energetika, a.s. Group was acquired as follows:

1. 49% share in Stredoslovenská energetika, a.s. Group was acquired in November 2013 by the EPH Group via EPH Financing II, a.s.
2. In December 2013, EPH Financing II, a.s. (a parent company of Stredoslovenská energetika, a.s.) was contributed from the EPH Group to the EPE Group. As this transaction was a common control transaction, the Company presents the entity in its historical IFRS consolidated financial statements from the original date of acquisition by the parent company Energetický a průmyslový holding, a.s.

The acquisition of Stredoslovenská energetika, a.s. Group included in this pro forma financial information uses acquisition accounting techniques including a purchase price allocation adjustments and related tax effects based on the valuation report prepared by external valuers. In this pro forma financial information, Stredoslovenská energetika, a.s. Group is reported as if already controlled by the EPE Group effective from 1 January 2013. For this reason, the pro forma financial information contains specific pro forma adjustments as described in Note 3.2.1.

AA' Helmstedter Revier GmbH Group was acquired as follows:

1. In December 2013, the EPE Group acquired a 100% share in Helmstedter Revier GmbH and its subsidiaries. This acquisition is not reflected in the pro forma adjustments due to the lack of historical financial information.
2. The acquisition of Helmstedter Revier GmbH uses acquisition accounting techniques including the purchase price allocation adjustments and related tax effects based on the valuation report prepared by external valuers.

CC	Common control acquisition – no new goodwill or negative goodwill recognised in the IFRS consolidated financial statements. The difference between the Net assets acquired (at Net Book Value) and the Purchase price was recorded against equity in the IFRS consolidated financial statements.
CO	Entity included at cost (due to immateriality).
EST	Entity established by the parent company.

3. Assumptions used for the compilation of the pro forma consolidated financial statements

3.1. General pro forma financial information assumptions

The historical IFRS consolidated financial statements as of and for the year ended 31 December 2013 have been adjusted to reflect:

- Consolidation of a 49% share (associated with a management control) in Stredoslovenská energetika, a.s. and its subsidiaries using the full method of consolidation including related changes in financing effective from 1 January 2013 (adjustment column “Stredoslovenská energetika, a.s. and its subsidiaries related adjustments”).

3.2. Description of adjustments recorded to the pro forma financial information of EP Energy, a.s. as of and for the year ended 31 December 2013

3.2.1. Stredoslovenská energetika, a.s. and its subsidiaries related adjustments

The EPE Group acquired a 49% share associated with a management control in Stredoslovenská energetika, a.s. and its subsidiaries (further “SSE Group”) on 27 November 2013. The sub-group was included in the pro forma financial information using a full method of consolidation effective from 1 January 2013 reflecting the relevant non-controlling interest of 51%.

Operations of the SSE Group for December 2013 are already included in the historical IFRS consolidated income statement of the EPE Group. In the pro forma financial information, statutory consolidated income statement of the SSE Group as of and for the year ended 31 December 2013 was adjusted to reflect operations of the SSE Group for the period from 1 January 2013 to 30 November 2013. The operations for the period from 1 January 2013 to 30 November 2013 are presented in the separate column of the pro forma financial information (Part 1).

The historical financial statements were further adjusted in the following column of the pro forma financial information to reflect an application of the EPE accounting principles as of 1 January 2013 and to reflect pro forma acquisition adjustments (Part 2). Pro forma adjustments included in Part 2 comprise mainly acquisition accounting and financing including calculation of interest expense. These particular effects are further described below.

Purchase price allocation in connection with the above acquisition was prepared by external valuation specialists and was included in the historical IFRS consolidated financial statements as of and for the year ended 31 December 2013. The pro forma financial information includes the effects of certain purchase price allocation adjustments and related tax effect as if the EPE Group had gained control over the SSE Group on 1 January 2013.

In connection with the purchase price allocation the acquirer identified increased value of property, plant and equipment and intangible assets. The respective assets have been depreciated and amortized since 1 December 2013 in the historical IFRS consolidated financial statements as of and for the year ended 31 December 2013. The purchase price allocation adjustments were reflected in the pro forma financial information as if the whole purchase price allocation process was performed on 1 January 2013. The pro forma financial information includes adjustments simulating the impact of depreciation and amortisation from the tangible and intangible assets revalued during the purchase price allocation process. These pro forma depreciation and amortisation adjustments were based on a simple linear approximation of amortisation and depreciation charges of related assets and may not, therefore, be accurate in terms of following the real amortisation and depreciation patterns.

Also, appropriate changes to intercompany eliminations were carried out in the pro forma financial information to reflect the consolidation of the SSE Group as of 1 January 2013.

The acquisition of the SSE Group as of 1 January 2013 and related financing effects in the financial statements of EPH Financing II, a.s. were reflected as adjustments in pro forma financial information. No deferred tax effects were included in the pro forma financial information.

The purchase price for acquisition of a 49% share in the SSE Group was financed by interest-bearing debts and by equity, of which EUR 3,624 thousand was recorded to share capital and EUR 116,434 thousand to share premium in the historical financial statements of EP Energy, a.s. as at and for the year ended 31 December 2013. The value of shares was determined by the independent expert appraisal using market generally accepted valuation techniques. For the pro forma financial information purposes, the interest expense related to acquisition debt was calculated and recorded for the period from 1 January 2013 to 27 November 2013. The interest rate of approximately 3% used for the calculation of interest expense was based on the effective interest rate applicable to interest-bearing loan received in November 2013 to finance the acquisition of the SSE Group.

For the pro forma financial information purposes the SSE Group was consolidated as if acquired on 1 January 2013. Therefore dividends paid out by the SSE Group to previous owner in 2013 were deemed as retained in the equity of the SSE Group as at 1 January 2013. Additionally, for the pro forma purposes, the amount of reversed dividend payout was reflected as an increase in the purchase price of the SSE Group with corresponding increase of the acquisition debt as at 1 January 2013. As of 31 December 2013 the relevant part of dividends for 2013 was offset with the acquisition debt.

Goodwill resulting from the pro forma acquisition of the SSE Group was reflected in non-current assets (as such, pro forma financial information also includes a reversal of negative goodwill of EUR 15,624 thousand recognised in the historical IFRS consolidated financial statements as of and for the year ended 31 December 2013).

The pro forma adjustments related to operations of the SSE Group were assigned to “Power distribution and Supply” operating segment.

Appendix 1:

Breakdown of the unaudited pro forma consolidated income statement of EP Energy, a.s. as of and for the year ended 31 December 2013 into operating segments

<i>In thousands of EUR ("TEUR")</i>	Mining	Heat and Power	Power distribution and Supply	Renewables	Other	Total segments	Inter-segment eliminations	Consolidated Pro Forma Financial Information
Sales: Energy	354,466	652,759	1,672,664	5,958	-	2,685,847	(194,123)	2,491,724
<i>external revenues</i>	314,419	553,771	1,617,867	5,667	-	2,491,724	-	2,491,724
<i>inter-segment revenues</i>	40,047	98,988	54,797	291	-	194,123	(194,123)	-
Sales: Other	65,857	20,510	13,217	171	3,136	102,891	(6,559)	96,332
<i>external revenues</i>	59,977	20,470	13,217	171	2,497	96,332	-	96,332
<i>inter-segment revenues</i>	5,880	40	-	-	639	6,559	(6,559)	-
Total sales	420,323	673,269	1,685,881	6,129	3,136	2,788,738	(200,682)	2,588,056
Cost of sales - Energy	(52,647)	(375,174)	(1,437,000)	(86)	-	(1,864,907)	174,743	(1,690,164)
<i>external cost of sales</i>	(52,647)	(299,730)	(1,337,723)	(64)	-	(1,690,164)	-	(1,690,164)
<i>inter-segment cost of sales</i>	-	(75,444)	(99,277)	(22)	-	(174,743)	174,743	-
Cost of sales - Other	(5,081)	(15,087)	(30,707)	(27)	(331)	(51,233)	25,739	(25,494)
<i>external cost of sales</i>	(5,081)	(14,710)	(5,352)	(21)	(330)	(25,494)	-	(25,494)
<i>inter-segment cost of sales</i>	-	(377)	(25,355)	(6)	(1)	(25,739)	25,739	-
Personnel expenses	(126,458)	(49,984)	(42,735)	(369)	(1,494)	(221,040)	-	(221,040)
Depreciation and amortization	(110,170)	(115,906)	(101,321)	(3,450)	(66)	(330,913)	-	(330,913)
Repairs and maintenance	(3,162)	(8,355)	(2,308)	(569)	(13)	(14,407)	-	(14,407)
Emission rights, net	(9,904)	(22,713)	1	-	-	(32,616)	-	(32,616)
Negative goodwill	-	2,176	-	-	-	2,176	-	2,176
Taxes and charges	(9,923)	(1,251)	(824)	(403)	(3)	(12,404)	-	(12,404)
Other operating income	44,422	33,534	8,183	718	220	87,077	(792)	86,285
Other operating expenses	(82,160)	(35,381)	(38,267)	(14,599)	(4,715)	(175,122)	727	(174,395)
Profit from operations	65,240	85,128	40,903	(12,656)	(3,266)	175,349	(265)	175,084
Finance income	2,676	(2,561)	348	617	*267,962	*269,042	*(179,085)	89,957
<i>external finance revenues</i>	2,603	(4,617)	348	617	91,006	89,957	-	89,957
<i>inter-segment finance revenues</i>	73	2,056	-	-	*176,956	*179,085	*(179,085)	-
Finance expense	(26,212)	(30,261)	(17,694)	(4,806)	(73,202)	(152,175)	44,364	(107,811)
Profit/(loss) from derivative financial instruments	(139)	(5,349)	(772)	(124)	5,078	(1,306)	-	(1,306)
Share of profit/(loss) of equity accounted investees, net of tax	(4,332)	(1,045)	-	-	-	(5,377)	-	(5,377)
Gain/(loss) on disposal of subsidiaries, special purpose entities, joint ventures and associates	-	(668)	-	-	-	(668)	-	(668)
Profit/(loss) before income tax	37,233	45,244	22,785	(16,969)	*196,572	*284,865	*(134,986)	149,879
Income tax expenses	(14,281)	(8,326)	(6,575)	136	422	(28,624)	-	(28,624)
Profit/(loss) for the year	22,952	39,918	16,210	(16,833)	196,994	256,241	(134,986)	121,255

*EUR 134,758 thousand is attributable to inter-group dividends primarily recognised by EP Energy, a.s.

Other financial information:

EBITDA⁽¹⁾	175,410	198,858	142,224	(9,206)	(3,200)	504,086	(265)	503,821
Adjusted EBITDA⁽²⁾	149,825	208,051	142,224	(617)	(3,200)	496,283	(265)	496,018

Notes:

General: the allocation of the individual EPE Group entities into the operating segments corresponds to the allocation made for the purposes of the historical IFRS consolidated financial statements of the EPE Group.

- (1) EBITDA represents profit from operations plus depreciation of property, plant and equipment and amortisation of intangible assets (negative goodwill not included, if applicable). Although EBITDA should not be considered a substitute measure for profit and net cash flow from operating activities, we believe that it provides useful information regarding our ability to meet future debt service requirements. EBITDA may not be comparable to the similarly titled measure used by other companies.
- (2) Adjusted EBITDA represents EBITDA as calculated in Note (1) further adjusted to exclude:
 - (a) the items related to Saale Energie, which lead to an EUR 9,193 thousand decrease to EBITDA in the year ended 31 December 2013, which, due to the accounting treatment of the specific contractual arrangement with Schkopau, are charged to operating costs of Saale Energie but relate to entries that would otherwise not be included in EBITDA.
 - (b) the impact of capitalisation of overburden accounted for in Mibrag, which lead to an EUR 25,585 thousand increase to EBITDA for the year ended 31 December 2013.
 - (c) the impact of non-cash goodwill impairment losses recorded to other operating expenses of Renewables segment, which lead to an EUR 8,589 thousand decrease to EBITDA in the year ended 31 December 2013.