

RWE Energie, a.s.

[Content](#)

ANNUAL REPORT 2010



RWE
The energy to lead

Key Ratios for 2010 (CAS)

	2010
Total sales (CZK m)	20,056
EBITDA (CZK m)	1,046.5
Operating result (CZK m)	1,007
Profit before taxation (CZK m)	3,209
Profit after taxation (CZK m)	3,028
Profit after taxation per share (CZK)	2,937
Investments (CZK m)	1.9
Number of employees	29

RWE Energie, a.s. is hereinafter also referred to as "Company" or "RWE Energie".

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A close-up, low-angle shot of a circular saw blade cutting through a piece of wood. The blade is dark grey with a red stripe along its edge. The teeth of the blade are visible, and the wood is being cut into two pieces. The background is blurred, showing more of the saw and the wood.

ENERGY FOR YOUR COMPANY

1 THE CHAIRMAN'S STATEMENT

Ladies and Gentlemen,

Certainly no less packed with important changes than the preceding years, 2010 can be described succinctly as a year marked by a significant rise in trading competition on the natural gas market as well as RWE's entry into the electricity sales business. Following the successful June 2009 merger of three regional gas companies, 2010 was the first year in business for RWE Energie, a newly created trading company that operates in the territory of five regions (Liberecký, Ústecký, Central Bohemian, Plzeňský, and Karlovarský Regions).

Owing to the very aggressive pricing policies of our competitors that have become fully established in all customer segments, we registered a year-on-year decrease in the number of clients for the first time in the Company's history. In view of our dominant position in the retail segment, however, such a decline was a normal development that could be expected, especially in the initial years after the opening of the market. In our case, this phenomenon was intensified by low natural gas prices on spot markets that have affected RWE negatively due to our long-term contract, hopefully for a temporary period only.

The year 2010 was a premiere for us with regard to our entry into the electricity market, without a doubt a very beneficial endeavor. Within several months, RWE Energie succeeded to attract nearly 15,000 consumers, and I believe that the number of our electricity customers will keep growing at the same pace this year. This new business to some extent makes up for our losses on the natural gas market, and, no less importantly, it expands the Company's portfolio by another successful business activity of RWE in the Czech Republic.

In looking back at 2010, we should not forget last August's devastating floods in the Liberec region, a natural disaster of enormous magnitude that temporarily halted gas supplies to approximately 4,000 of our customers. Thanks to the dedication and hard work of RWE employees, however, natural gas supplies were restored rapidly in most of the affected localities.



On behalf of the Board of Directors of RWE Energie, I want to thank our customers and business partners for their trust. Many thanks also go to all employees for their hard work and contribution to the Company's exceptionally good economic result in 2010.

A handwritten signature in blue ink, appearing to read 'Budinský', written in a cursive style.

Roman Budinský
Chairman of the Board of Directors

Board of Directors as at 31 December 2010

Roman Budinský

Chairman of the Board of Directors

Date of birth:

24 July 1954

Education:

Czech Technical University, Prague, Faculty of Electrical Engineering

Membership of the bodies of other companies:

Managing Director of RWE Key Account CZ, s.r.o.

Any other business activities:

None

Lukáš Roubíček

Vice-Chairman of the Board of Directors

Date of birth:

25 February 1971

Education:

Ostrava Mining University, Faculty of Economy

Membership of the bodies of other companies:

Vice-Chairman of the Severomoravská plynárenská, a.s. and Východočeská plynárenská, a.s. Boards of Directors; Member of the GASFINAL, a.s. Board of Directors and Managing Director of RWE Gas Slovensko, s.r.o.

Any other business activities:

None

David Konvalina

Member of the Board of Directors

Date of birth:

24 October 1976

Education:

University of Economics, Prague

Membership of the bodies of other companies:

Member of the Severomoravská plynárenská, a.s. and Východočeská plynárenská, a.s. Boards of Directors

Any other business activities:

None

2 REPORT OF THE SUPERVISORY BOARD FOR 2010

In 2010, the Supervisory Board supervised activities carried out by the Board of Directors as part of the conduct of the Company's business and oversaw the compliance of the Board of Directors with generally binding regulations, the Articles of Association, and resolutions of the Company's General Meetings.

In 2010, the Supervisory Board was composed of three members. Effective as of 10 June 2010, the General Meeting re-elected Martin Herrmann and Vladimír Vurm as members of the Supervisory Board. Effective as of 26 June 2010, Pavel Zajíc was elected a new member of the Supervisory Board representing employees.

During the year under review, the Supervisory Board held four regular and one extraordinary sessions and formed a quorum on all occasions. The Board of Directors regularly informed the Supervisory Board of the Company's current affairs, economic results, and financial situation. In doing so, the Board of Directors presented documents that were supplemented by verbal comments of its members during the Supervisory Board's discussions on individual matters.

The oversight activity of the Supervisory Board in the reported year mainly focused on:

- financial results, including ongoing updates of forecasts for 2010
- monitoring the development of receivables and payables
- preparation of documents for decisions made by the sole shareholder exercising the powers of the General Meeting in 2010

The Supervisory Board confirms that all activities of the Board of Directors were carried out in accordance with the Articles of Association and other generally binding regulations.

At its meeting held on 8 March 2010, the Supervisory Board approved PricewaterhouseCoopers Audit, s.r.o. as the auditor of the Company's Annual Financial Statements as at 31 December 2010; the auditor was subsequently approved under a decision made on 7 June 2010 by the sole shareholder exercising the powers of the Company's General Meeting.

On 7 March 2011, the Supervisory Board reviewed the Report of the Board of Directors compiled in accordance with Section 66a(9) of the Commercial Code and stated no objections regarding the completeness and content of this report. At the same meeting, the Supervisory Board discussed and reviewed the Company's Annual Financial Statements as at 31 December 2010, including the Auditor's Report and the Profit Distribution Proposal for 2010.

In line with the auditor, the Supervisory Board concluded that the submitted Financial Statements provide an true and fair depiction of the Company's financial position as at 31 December 2010 as well as of its economic performance and cash flow in 2010 in accordance with Czech accounting regulations.

The Supervisory Board recommends to the sole shareholder to approve the Annual Financial Statements as at 31 December 2010 and the Profit Distribution Proposal for 2010 submitted by the Board of Directors.

The Supervisory Board thanks all employees for their work in 2010.

7 March 2011



Martin Herrmann

Chairman of the Supervisory Board

Supervisory Board as at 31 December 2010

Martin Herrmann

Chairman of the Supervisory Board

Date of birth:

3 July 1967

Education:

Westfälische Wilhelms-Universität, Münster, Economics

Membership of bodies of other companies:

Chairman of the RWE Transgas, a.s. Board of Directors;

Managing Director of RWE East, s.r.o., Chairman of the Jihomoravská plynárenská, a.s.,

Severomoravská plynárenská, a.s., Východočeská plynárenská, a.s., and RWE Gas Storage, s.r.o.

Supervisory Boards; Vice-Chairman of the NET4GAS, s.r.o. Supervisory Board,

Member of the RWE Supply & Trading GmbH Supervisory Board

Any other business activities:

None

Vladimír Vurm

Vice-Chairman of the Supervisory Board

Date of birth:

19 September 1946

Education:

Czech Technical University, Prague, Faculty of Mechanical Engineering

Membership of the bodies of other companies:

Vice-Chairman of the Jihomoravská plynárenská a.s., Severomoravská plynárenská, a.s.,

and Východočeská plynárenská, a.s. Supervisory Board

Any other business activities:

None

Pavel Zajíc

Member of the Supervisory Board

Date of birth:

14 August 1970

Education:

University of Chemical Technology, Pardubice

Membership of the bodies of other companies:

None

Any other business activities:

None

3 MANAGEMENT REPORT FOR 2010

3.1 Results

In February 2010, RWE officially announced its entry into the electricity market. Despite the fact that natural gas trading remains the core of our business, the new focus on electric power represents an important expansion of activities conducted by RWE Energie.

Revenues, Expenses, Profit

In 2010, earnings before taxes amounted to CZK 3,209,376 thousand, and the Company recorded CZK 3,028,068 thousand in after-tax profit. The results mainly reflect a favorable development of the natural gas sales margin and profit transferred from our subsidiary RWE GasNet, s.r.o.

Sales of natural gas amounted to CZK 19,970,471 thousand, a year-on-year decrease by 6.2%. The cost of procuring gas declined as well, specifically by 8.6%.

Assets

As at 31 December 2010, the Company's assets totaled CZK 23,682,354 thousand, an increase by CZK 1,023,426 thousand on 2009. The value of assets decreased by CZK 181,049 thousand due to the sale of surplus assets and the creation of provisions for the net book value of immovable property (revaluation to the fair value). Short-term receivables grew by CZK 1,176,354 thousand year-on-year, where estimated receivables increased by CZK 1,040,561 thousand from the previous year mainly due to the transfer of profit earned by our subsidiary and due to unbilled gas supplies. The balance of provisions increased by CZK 62,106 thousand compared to the preceding fiscal period.

Liabilities

During the reported year, equity grew by CZK 1,237,399 thousand, mainly due to a CZK 1,237,321 thousand increase in profit. Compared to 2009, reserves grew by CZK 237,764 thousand, particularly on account of a CZK 210,396 thousand increase in the income-tax reserve. The balance of bank loans decreased by CZK 500,000 thousand repaid in 2010.

Investments

In the year under review, the Company acquired assets worth only CZK 1,884 thousand in total; the funds were invested into the acquisition of land and structures. All investment projects were executed in the Czech Republic and financed exclusively using the Company's own resources. The Company did not invest into shares and bonds of other issuers.

The scope of funds allocated to planned investments has been optimized from the viewpoint of needs and resources until the year 2013. In the framework of the mid-term plan, the Company plans to invest approximately CZK 4,700 thousand during the upcoming period.

Risk Management

All risks are recorded in the catalog of risks. In addition, risks are entered into the risk matrix, which allows identifying the most serious threats from the viewpoint of the probability of their occurrence and the extent of potential damage. In 2010, the Risk Management Committee, which consists of management representatives, did not identify any risks liable to jeopardize the Company's existence.

Research and Development

The Company does not carry out research and development of new products.

Foreign Organizational Units

According to its incorporation data registered in the Commercial Register, the Company does not have any organizational units in the Czech Republic or abroad.

3.2 Strategy and Business Activities

In 2010, the main strategic priorities of sales included maintaining our share of the natural gas market and effectuating an active entry into the electricity market.

The situation enabled new traders to offer lower prices for natural gas, mainly due to large differences between current market prices and pricing terms agreed under long-term purchase contracts. The Company countered the pressures exerted by other traders in the year under review by charging competitive natural gas prices and, even more importantly, by devising new products and services. In addition, RWE Energie began selling electric power, offering customers the supply of both commodities.

As to climatic conditions, the average temperature in 2010 was 7.5 °C, which is colder than the 8.7 °C in 2009. The weather was colder than the average, as the long-term mean temperature in the North, Central, and West Bohemian Regions is 8.0 °C.

Gas Purchase

In 2010, the Company purchased 20,735,621 MWh and 258,500 MWh of natural gas from RWE Transgas, a.s. and Jihomoravská plynárenská, a.s., respectively. The total gas volume purchased by RWE Energie, a.s. amounted to 20,994,121 MWh, a decrease by 1,581,781 MWh from 2009.

Gas Sale

In the reported year, the Company sold 20,987,502 MWh of natural gas, where 20,963,702 MWh was sold to our end customers. Compared to 2009, sales decreased by 996,514 MWh. An important decline (32%) was recorded in the Key Account (Industrial) segment due to clients who switched to other suppliers and due to recession-related problems in the corporate sector. The volume of natural gas purchased by customers in the Small Business and Household segments increased by 16.5% and 11.4% year-on-year, respectively, mainly due to lower temperatures during the winter season.

Sales and Purchases of Natural Gas (MWh)		
	2010	2009
Purchase	20,994,121	22,575,902
Sale		
Key Account (Industrial)	9,648,275	12,756,753
Small Business	3,498,779	3,139,874
Households	7,816,648	6,712,738
Other traders	23,800	
Total sales	20,987,502	22,609,365

Customers - Natural Gas

As at 31 December 2010, the Company had 766,699 customers, a year-on-year decrease by 33,537.

Development of the Number of Customers		
Year	2010	2009
Key Account (Industrial)	1,420	2,276
Small Business	49,645	52,705
Households	715,634	745,255
Total	766,699	800,236

As of 31 December 2010, 5,332 customers, mostly from the household segment, were actively connected to the electricity supply network.

3.3 Marketing and Communication Activities

Marketing and communication activities of RWE Energie are coordinated by RWE Transgas, as is the case with most other RWE Group member companies in the Czech Republic. Thanks to this centralization, the RWE brand and our products, services, and standpoints are presented in a uniform manner, and necessary information is provided effectively and promptly.

Marketing

The main focus of marketing activities was providing intensive support for our entry into the electricity business and for achieving the sales figures projected for 2010. Entirely new pricing products were developed, and the portfolio of standard products was expanded by an option allowing customers to receive an attractive bonus for signing an electricity supply contract, particularly in cases where several contracts were signed at the same time.

Developing the ensemble of measures designated by the "Always Better Services" slogan was a key initiative for retaining existing customers. The main activities conducted as part of the "Always Better Services" project consisted of expanding the RWE Premium customer program that allows retail clients

to receive high discounts from RWE's partners and to purchase a wide assortment of consumer goods. In addition, the "Always Better Services" project included the continuation of the Company's long-term support for the rational use of energy by our customers.

In focusing on the retention of existing customers, marketing activities concentrated on improving customer care, particularly the development of the RWE ONLINE SERVIS application that allows customers to manage their accounts at no charge from any personal computer without the necessity to visit a customer service center.

In 2010, we continued to provide benefits to new customers who connect their system to the distribution network, including an offer to buy individual gas pipes from clients, a one-time commodity discount, and special terms for the purchase of a gas boiler.

Communication

An important task in 2010 was communication supporting our entry into the electricity business. A significant part of this effort was media communication aimed at bringing about a change in the public perception of RWE from a supplier specializing exclusively in natural gas toward a multifaceted customer-oriented energy corporation.

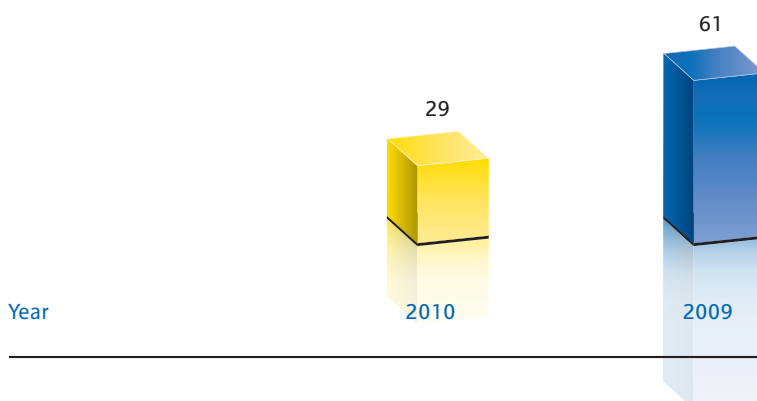
During the year under review, our key sponsorship activities consisted of the long-term projects *RWE – Energy of Czech Film* and *RWE – Energy of Czech Skiing*. Recent surveys have shown that the RWE Group is perceived as the most important sponsor of Czech filmmaking and Czech skiing.

RWE Energie pays close attention to ensuring that its business activities are perceived in a positive manner. Communication activities focus on publishing information on our business through press releases and articles in national and regional media.

Our effort to contribute to the development of the Central, North, and West Bohemian regions is evidenced by support for selected non-profit activities and projects in such areas as charity, education, healthcare, ecology, culture, and sports. In 2010, the Company distributed over CZK 4,400 thousand in donations for these purposes. The highest amount of assistance went to municipalities affected by disastrous floods in the Liberec area in August 2010.

3.4 Human Resources

Employee Headcount Development



Employee fluctuation within RWE Energie was chiefly caused by the centralization of Gas Trading Department into RWE Transgas, the elimination of assistant positions in the Sales Division, a reduction of employees in the Retail Sales Department, and a staff increase in the Sales Management Department.

Wages

The development of the average wage mainly reflected changes in the Company's occupational and organizational structure in the reported year. Wages increased in line with the development of inflation in 2010.

Employee Training and Career Development

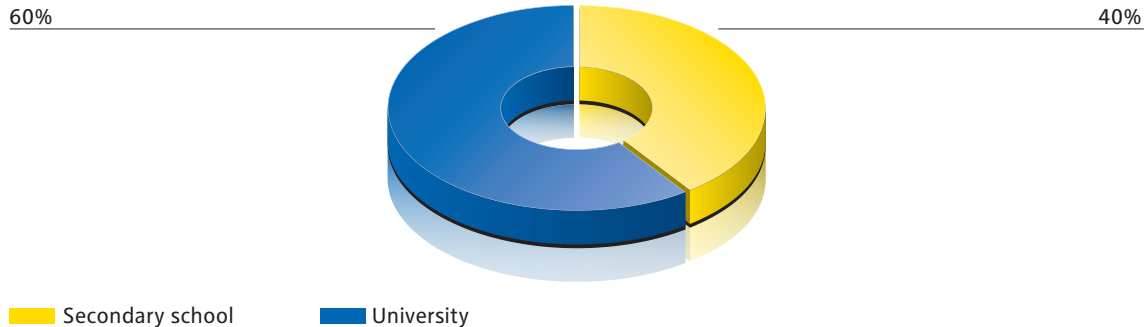
In 2010, the Company spent 3.19% of wage costs on the training and personal development of its workforce. We completed 78 training projects. The average annual cost of training per employee amounted to CZK 16,309.

Social Policy

Workplace conditions and employee benefits are guaranteed under the Collective Agreement of the RWE Group in the Czech Republic for the years 2010 and 2011.

During the reported year, the Company supported sports, culture, and training activities of employees and their family members. Under the fringe benefit program, workers received retirement savings and life insurance contributions and Flexi Pass vouchers.

Employee Structure by Education



3.5 Information Technologies

In 2010, all information technology services for RWE Energie were outsourced to RWE Interní služby. During the reported year, we optimized information technology services throughout the RWE Group in the Czech Republic, where emphasis was put on improving support for business processes. The HelpDesk application interface was reconfigured on 1 January 2010 in connection with internal changes in the Company. Several new projects were executed for the RWE Group in the Czech Republic with the aim to increase IT security, including the installation of a new version of the antivirus software. In the course of the year, RWE Interní služby launched online internal audits of software installed on user workstations.

3.6 Environmental Protection

The Company's operations have a negligible impact on the environment. On the contrary, active support for the use of natural gas is an important positive aspect of RWE Energie's business.

In 2010, the Company worked toward implementing the ISO 14 001 environmental management system. Since protecting the natural world is one of our main priorities, we not only focus on complying with legislative requirements, but also engage in increasing the knowledge of our employees and implementing environment-friendly technologies.

By providing active support for the remediation of past environmental pollution, RWE Energie strives to alleviate the harmful impact of contamination in former city gas production facilities. The process is a long-term endeavor that takes place in close cooperation with the Ministry of Environment, the Ministry of Finance, and the Czech Environmental Inspectorate.

No incidents liable to have a harmful impact on the environment occurred in 2010. During the year, no government authority responsible for environmental protection carried out an inspection in the Company.

3.7 Subsequent Events

Natural gas prices in the Household segment increased by 1.6% starting on 1 January 2011.

3.8 Outlook

In 2011, RWE Energie will continue its strategy of improving and expanding products and services with the aim to retain its share of the natural gas market. As regards the electricity business, we will mainly focus on acquiring new customers in all consumer segments.

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4 FINANCIAL PART

4.1 Financial Statements

BALANCE SHEET (in thousand Czech crowns)

Ref.	ASSETS	31. 12. 2010			31. 12. 2009
		Gross	Provision	Net	Net
	TOTAL ASSETS	25,493,962	(1,811,608)	23,682,354	22,658,928
B.	Fixed assets	13,965,881	(1,171,431)	12,794,450	12,975,499
B. I.	Intangible fixed assets	341,519	(340,755)	764	1,436
B. I. 1.	Software	312,361	(312,335)	26	88
	2. Royalties	23,106	(23,094)	12	23
	3. Other intangible fixed assets	6,052	(5,326)	726	1,325
B. II.	Tangible fixed assets	1,262,580	(830,676)	431,904	612,281
B. II. 1.	Land	58,173	-	58,173	60,067
	2. Constructions	919,143	(574,633)	344,510	501,247
	3. Equipment	284,087	(256,043)	28,044	47,823
	4. Other tangible fixed assets	490	-	490	491
	5. Tangible fixed assets in the course of construction	687	-	687	2,653
B. III.	Long-term investments	12,361,782	-	12,361,782	12,361,782
B. III. 1.	Investments in controlled entities / subsidiaries	12,361,782	-	12,361,782	12,361,782
C.	Current assets	11,527,979	(640,177)	10,887,802	9,683,208
C. II.	Long-term receivables	83,828	-	83,828	54,675
C. II. 1.	Trade receivables	-	-	-	8
	2. Long-term advances paid	20,553	-	20,553	20,480
	3. Deferred tax asset	63,275	-	63,275	34,187
C. III.	Short-term receivables	11,441,857	(640,177)	10,801,680	9,625,326
C. III. 1.	Trade receivables	901,847	(635,540)	266,307	279,270
	2. Receivables – controlling entities / subsidiaries	2,727	-	2,727	51,366
	3. Taxes and state subsidies receivable	167,931	-	167,931	39,749
	4. Short-term advances paid	1,523,000	-	1,523,000	1,465,619
	5. Anticipated assets	8,812,960	-	8,812,960	7,772,399
	6. Other receivables	33,392	(4,637)	28,755	16,923
C. IV.	Financial assets	2,294	-	2,294	3,207
C. IV. 1.	Cash in hand	27	-	27	-
	2. Cash at bank	2,267	-	2,267	3,207
D. I.	Accruals and deferrals	102	-	102	221
D. I. 1.	Prepaid expenses	81	-	81	158
	2. Accrued revenue	21	-	21	63

BALANCE SHEET – continued (in thousand Czech crowns)			
Ref.	LIABILITIES AND EQUITY	31. 12. 2010	31. 12. 2009
	TOTAL LIABILITIES AND EQUITY	23,682,354	22,658,928
A.	Equity	12,522,481	11,285,082
A. I.	Share capital	1,031,131	1,031,131
A. I. 1.	Share capital	1,031,131	1,031,131
A. II.	Capital contributions	2,692,818	2,692,818
A. II. 1.	Other capital contributions	122,762	122,762
	2. Assets and liabilities revaluation	2,570,056	2,570,056
A. III.	Reserve fund and other reserves	3,920,587	3,921,213
A. III. 1.	Statutory reserve fund	512,003	512,003
	2. Statutory and other reserves	3,408,584	3,409,210
A. IV.	Retained earnings	1,849,877	1,849,173
A. IV. 1.	Retained profits	1,849,877	1,849,173
A. V.	Profit for the current period	3,028,068	1,790,747
B.	Liabilities	11,159,378	11,373,468
B. I.	Provisions	274,448	36,684
B. I. 1.	Income tax provision	210,396	-
	2. Other provisions	64,052	36,684
B. II.	Long-term liabilities	4,931	11,297
B. II. 1.	Long-term advances received	24	1,400
	2. Other liabilities	4,907	9,897
B. III.	Short-term liabilities	10,879,999	10,825,487
B. III. 1.	Trade payables	1,200,862	879,522
	2. Liabilities – controlling entities / subsidiaries	2,006,443	1,690,108
	3. Liabilities to shareholders and co-ventures	2,366	2,366
	4. Liabilities to employees	980	4,476
	5. Liabilities for social security and health insurance	467	748
	6. Taxes and state subsidies payable	18,379	22,059
	7. Short-term advances received	6,035,118	6,738,551
	8. Anticipated liabilities	1,614,179	1,421,158
	9. Other payables	1,205	66,499
B. IV.	Bank loans & overdrafts	-	500,000
B. IV. 1.	Short-term bank loans and overdrafts	-	500,000
C. I.	Accruals and deferrals	495	378
C. I. 1.	Accruals	495	378

INCOME STATEMENT (in thousand Czech crowns)

Ref.	DESCRIPTION	Accounting period	
		2010	2009
II.	Sales of production	20,056,250	21,359,509
II. 1.	Sales of own products and services	20,056,250	21,359,509
B.	Cost of sales	18,798,273	20,533,016
B. 1.	Raw materials and consumables	14,033,600	16,353,704
	2. Services	4,764,673	4,179,312
+	Added value	1,257,977	826,493
C.	Staff costs	24,700	70,414
C. 1.	Wages and salaries	17,607	56,382
	2. Emoluments of board members	1,080	1,968
	3. Social security and health insurance costs	5,864	11,733
	4. Other social costs	149	331
D.	Taxes and charges	10,057	8,552
E.	Depreciation of long-term assets	39,564	50,571
III.	Sale of long-term assets and raw materials	61,386	33,146
III. 1.	Sale of long-term assets	61,386	33,130
	2. Sale of raw materials	-	16
F.	Net book value of long-term assets and raw materials sold	32,988	6,236
F. 1.	Net book value of long-term assets sold	32,988	6,236
G.	Increase in operating provisions	199,853	156,155
IV.	Other operating income	58,436	43,869
H.	Other operating charges	63,692	82,108
*	Operating result	1,006,945	529,472
VII.	Income from long-term investments	2,220,439	1,344,184
VII. 1.	Income from investments in controlled entities / subsidiaries and associates	2,220,439	1,344,184
IX.	Gain on revaluation of securities and derivatives	82,335	230,037
L.	Loss on revaluation of securities and derivatives	5,252	2,280
X.	Interest income	403	1,139
N.	Interest expense	33,615	86,609
XI.	Other financial income	14,491	55,353
O.	Other financial expense	76,370	257,182
*	Financial result	2,202,431	1,284,642
Q.	Tax on profit or loss on ordinary activities	181,308	23,367
Q. 1.	- current	210,396	(913)
	2. - deferred	(29,088)	24,280
**	Profit or loss on ordinary activities after taxation	3,028,068	1,790,747
***	Net profit for the financial period	3,028,068	1,790,747
***	Net profit before taxation	3,209,376	1,814,114

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Year ended 31 December 2010					
	Share capital CZK'000	Reserve fund and other reserves CZK'000	Capital contributions CZK'000	Retained earnings CZK'000	Total CZK'000
As at 1 January 2009	1,031,131	3,921,886	1,858,412	2,510,469	9,321,898
Dividends paid	-	-	-	(661,296)	(661,296)
Drawing from social fund	-	(673)	-	-	(673)
Revaluation of investment	-	-	834,406	-	834,406
Net profit for the period	-	-	-	1,790,747	1,790,747
As at 31 December 2009	1,031,131	3,921,213	2,692,818	3,639,920	11,285,082
Dividends paid	-	-	-	(1,790,043)	(1,790,043)
Drawing from social fund	-	(626)	-	-	(626)
Net profit for the period	-	-	-	3,028,068	3,028,068
As at 31 December 2010	1,031,131	3,920,587	2,692,818	4,877,945	12,522 481

CASH FLOW STATEMENT

Year ended 31 December 2010		
	2010 CZK'000	2009 CZK'000
Cash flows from operating activities		
Net profit on ordinary activities before tax	3,209,376	1,814,114
A.1 Adjustments for non-cash movements		
A.1.1 Depreciation and amortisation of fixed assets	39,564	50,571
A.1.2 Change in provisions	199,853	156,155
A.1.3 Loss from disposal of fixed assets	(28,398)	(26,895)
A.1.4 Dividend and profit distribution income	(2,220,439)	(1,344,184)
A.1.5 Net interest expense	33,212	85,470
A.1.6. Change of fair value of derivatives	(77,083)	(227,759)
A.1.7. Other non-cash movements	49,964	40,628
A* Net cash flow from operating activities before tax, changes in working capital and extraordinary items	1,206,049	548,100
A.2 Working capital changes		
A.2.1 Change in receivables and prepayments	(446,532)	1,206,125
A.2.2 Change in short-term payables and accruals	(199,004)	(17,518)
A.2.3 Change in inventories	-	38
A** Net cash flow from operating activities before tax and extraordinary items	560,514	1,736,745
A.3 Interest paid	(33,499)	(89,606)
A.4 Interest received	447	1,373
A.5 Income tax overpayment received	-	58,743
A.6 Cash movements relating to extraordinary profit	-	-
A*** Net cash flow from operating activities	527,462	1,707,255
Cash flows from investing activities		
B.1 Acquisition of fixed assets	(1,884)	(9,419)
B.2 Proceeds from the sale of fixed assets	61,386	33,130
B.3 Proceeds from the profit distribution	1,344,184	1,124,893
B*** Net cash flow from investing activities	1,403,686	1,148,604
Cash flows from financing activities		
C.1 Change in long and short-term liabilities	(206,366)	(1,949,642)
C.2 Changes in equity		
C.2.5 Direct payments from funds	(626)	(673)
C.2.6 Dividends paid	(1,790,043)	(661,984)
C*** Net cash flow from financing activities	(1,997,035)	(2,612,299)
Net decrease / increase in cash and cash equivalents	(65,887)	243,560
Cash and cash equivalents as at the beginning of the year	(135,535)	(181,248)
Merger impact	-	(197,847)
Cash and cash equivalents as at the end of the year	(201,422)	(135,535)

4.2 Notes to Financial Statements

Year ended 31 December 2010

1 GENERAL INFORMATION

RWE Energie, a.s. ("the Company"), was registered in the Commercial Register kept with the Regional Court in Ústí nad Labem, section B, insert 515. The Company was incorporated on 1 January 1994 and has its registered office at Ústí nad Labem, Klíšská 940, PSČ 401 17, the Czech Republic. The Company's business activity is purchase and sale of natural gas. The Company was renamed RWE Energie, a.s. from Severočeská plynárenská, a.s in June 2009.

Identification number (IČ) of the Company is 499 03 209.

The Company is fully owned by RWE Gas International B.V., incorporated in the Kingdom of the Netherlands, and the ultimate parent company is RWE Aktiengesellschaft, incorporated in the Federal Republic of Germany.

In accordance with the European Union directive and the amendment of the Energy Act, the Company separated a part of its business related to gas distribution and transferred it to its subsidiary SČP Net, s.r.o., as at 1 January 2007. The Company owns 100% share of SČP Net, s.r.o. SČP Net, s.r.o. changed its company name to RWE GasNet, s.r.o. with effective date 1 October 2009 (see Note 5 Investments in controlled entities/subsidiaries).

1 January 2009 was the effective date of a merger between the following affiliated companies: Západočeská plynárenská, a.s., Identification number: 49790315, with its registered office at Ed. Beneše 2439/70-2439/72, 304 77 Plzeň, registered in the Commercial Register kept with the Regional Court in Plzeň, section B, insert 385, on 1 January 1994, Středočeská plynárenská, a.s., Identification number: 601 93 158, with its registered office at Novodvorská 803/82, 142 01 Praha 4, registered in the Commercial Register kept with the Regional Court in Prague, section B, insert 2375, on 1 January 1994 ("Dissolved Company") and Severočeská plynárenská, a.s., ("Successor Company") in accordance with § 70 letter c) of the Act no 125/2008 Sb. regulating the transformation of companies and cooperatives. The effective day of the merger, i.e. the effective day of the dissolution of the Dissolved Companies and the effective day of the undertaking of all the assets, rights and liabilities by the Successor Company was 1 June 2009 (the date of the merger registration at the Commercial Register).

Note

The financial statements have been prepared in the Czech language and in English. In all matters of interpretation of information, views or opinions, the Czech version of the financial statements takes precedence over the English version.

In accordance with Generally Accepted Accounting Principles in the Czech Republic the Company does not prepare consolidated financial statements as it is a part of the consolidated group owned by the parent company – RWE Aktiengesellschaft, incorporated in Opernplatz 1, 45128 Essen, Germany, which prepares consolidated financial statements in accordance with International Financial Reporting Standards.

The members of the Board of Directors as at 31 December 2010 and 2009 were as follows:

	Position	Note
Roman Budinský	Chairman	reappointed on 1 April 2009
Lukáš Roubíček	Vice-Chairman	appointed on 22 January 2008
David Konvalina	Member	appointed on 1 August 2009

The members of the Supervisory Board as at 31 December 2010 were as follows:

	Position	Note
Martin Friedrich Herrmann	Chairman	reappointed on 28 June 2010
Vladimír Vurm	Vice-Chairman	reappointed on 28 June 2010
Pavel Zajíc	Member	appointed on 26 June 2010

The members of the Supervisory Board as at 31 December 2009 were as follows:

	Position	Note
Martin Friedrich Herrmann	Chairman	reappointed on 1 October 2008
Vladimír Vurm	Vice-Chairman	reappointed on 1 October 2008
Jiří Suchý	Member	appointed on 25 June 2008

Administration of the Company is divided into two divisions: Trade division and Services division.

2 ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles in the Czech Republic and have been prepared under the historical cost convention except as disclosed below. Derivatives and securities (excluding investments in controlled entities/subsidiaries or investments in associates) are shown at fair value. Investments in controlled entities/subsidiaries and associates are valued by the equity method.

(b) Intangible fixed assets

Purchased intangible fixed assets are recorded at cost. Intangible assets with a purchase price greater than CZK 60,000 and useful life longer than one year are treated as intangible fixed assets by the Company.

Intangible fixed assets are amortised applying the straight-line basis over their estimated useful lives as follows:

Software	3-5 years
Royalties	5-6 years
Other intangible fixed assets	5-6 years

A provision for impairment is established when the carrying value of an asset is greater than its estimated recoverable amount.

(c) Tangible fixed assets

Acquired tangible fixed assets are recorded at cost, which include costs incurred in bringing the assets to their present location and condition. Own work capitalised is recorded at cost.

Tangible fixed assets with a purchase price greater than CZK 10,000 and useful lives longer than one year are treated as tangible fixed assets by the Company.

Tangible fixed assets are depreciated applying the straight-line basis over their estimated useful lives as follows:

Land	not depreciated
Buildings and constructions	14-50 years
Plant, machinery and equipment, furniture and fittings	3-15 years
Motor vehicles	3-8 years

Repairs and maintenance expenditures of tangible fixed assets are charged to expenses as incurred. Technical enhancements of tangible fixed assets greater than CZK 40,000 per year are capitalised.

Tangible assets with a unit cost more than CZK 2,000 and less than CZK 10,000 are treated as inventory and are expensed upon consumption.

A provision for impairment is established when the carrying value of an asset is greater than its estimated recoverable amount.

(d) Investments in controlled entities/subsidiaries

Investments in controlled entities/subsidiaries represent enterprises that are controlled by the Company ("the subsidiary").

Investments in subsidiaries are accounted for by the equity method of accounting. Under this method, the investment is initially recorded at cost and the carrying amount is increased or decreased to recognise the investor's share of the equity of the subsidiary. Revaluation of investment by using the equity method of accounting is recorded through the Company's equity.

(e) Receivables

Receivables are stated at the nominal value less a provision for doubtful amounts. A provision for bad debts is created on the basis of an aging analysis and individual evaluation of the recoverability of receivables. The Company does not create a provision for receivables due from related parties.

(f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, stamps and vouchers and cash in banks.

Cash equivalents are short-term highly liquid investments that can be exchanged for a predictable amount of cash and no significant changes of value over time are expected. Cash equivalents are, for example, deposits with a maturity of less than 3 months from the date of acquisition and liquid debt securities traded in public markets.

The Company uses so-called cash-pooling within the group. A receivable (liability) that arises from cash-pooling is presented in the cash flow statement as a part of the item Cash and cash equivalents. If the liability arising from cash-pooling represents a form of financing, then it is not presented in the cash flow statement as a part of the item Cash and cash equivalents.

The Company has prepared the cash flow statement using the indirect method.

(g) Foreign currency translation

Transactions denominated in a foreign currency are translated and recorded at the rate of exchange ruling at the transaction date. Cash, receivables and liabilities balances denominated in foreign currencies have been translated at the exchange rate published by the Czech National Bank as at the balance sheet date. All exchange gains and losses on cash, receivables and liabilities are recorded in the income statement.

(h) Derivative financial instruments

Derivative financial instruments are initially recognised on the balance sheet at cost and subsequently are re-measured at their fair value. Fair values are obtained from discounted cash flow models. All derivatives are presented in Other receivables or in Other payables when their fair value for the Company is positive or negative, respectively.

Changes in the fair value of derivatives held for trading are included in net profit or loss from financial transactions.

The Company does not apply hedge accounting.

(i) Revenue recognition

Revenues from sales of goods and services are recorded net of Value Added Tax and discounts on the accrual basis.

Revenues from natural gas sales and gas distribution

In accordance with Act no. 458/2000 Coll., article 55, the market with gas was fully liberalised effective 1 January 2007. Revenues from gas sold are derived from commodity valuation that is based on gas purchase costs and gross margin which covers trade costs, allowed profit and other energy-related services used to supply gas to customers in required quantity and at required time.

Since 1 April 2007, the price for high-volume customers with annual consumption over 5 millions cubic metres is set by a price model, alternatively by price products linked to a price model, that is linked to quotation of reference fuels and exchange rates. The price formula mirrors the same arrangement on the side of the gas purchase. Other customers in high-volume and middle-volume category have the option to conclude the contract with price model (see above) or a contract with the price set as fixed on predetermined period of one month in case of consumption over 630 thousand cubic metres and on period of one quarter in case of consumption below 630 thousand cubic metres according to valid price lists of the Company. Prices for other customers are fixed for a pre-set period of three months according to valid price lists of the Company.

Costs for energy-related activities included in the final price of gas supply are distribution, transport and storage. Distribution prices and transport are regulated by Energy Regulatory Office. The price for storage is an agreed price.

Gas supply and distribution to high-volume ("VO") and middle-volume categories ("SO") is billed on a monthly basis based on measured consumption. Gas supplies to low-volume categories ("MO") and households ("DOM") are billed periodically, based on the reading of the consumption of each connecting point, which is performed at least once in 18 months.

Revenues from MO and DOM categories consist of actually billed revenues and revenues from so called "unbilled gas". The amount of unbilled gas is calculated from the total amount of purchased gas in the particular year based on past behaviour of individual customers and is valued in relation to the valid price lists of the Company.

Revenues from sales and distribution of electricity

In accordance with Act no. 458/2000 Coll., the electricity market was fully liberalised effective 1 January 2006. Revenues from electricity sold are derived from commodity valuation that is based on electricity purchase costs and gross margin which covers trade costs, allowed profit and other energy-related services used to supply electricity to customers in required quantity and at required time.

An individual fixed price based on the expected supply diagram is charged in relation to priority customers. The price for other customers is set based on the product chosen according to the valid Company's price list.

Cost for energy-related activities included in the final price of electricity supply is distribution. Distribution prices are regulated by Energy Regulatory Office.

Electricity supply and distribution to high-volume ("VO") categories is billed on a monthly basis based on measured consumption. Electricity supplies to low-volume categories ("MOP") and households ("MOO") are billed periodically, based on the reading of the consumption of each connecting point, which is performed at least once in 18 months.

Revenues from MOP and MOO categories consist of actually billed revenues and revenues from so called "unbilled electricity". The amount of unbilled electricity is calculated from the total amount of purchased electricity in the particular year based so called typical supply diagrams (TDD), to which the customers are assigned, and it is valued in relation to the price list valid when the supply or composite supply contract is signed.

Other revenue

Other income of the Company is recorded as follows:

- interest income is recorded on accrual basis;
- dividend income/profit share are recorded when the right for payment arises to the Company;
- revenues arising from Service Level Agreements ("SLA") provided to group member companies are recognised as at the date the services are rendered.

(j) Leases

The costs of assets held under either finance or operating lease are not capitalised as fixed assets. Lease payments are expensed evenly over the life of the lease. Future lease payments not yet due are disclosed in the notes but not recognised in the balance sheet.

Fixed assets acquired via finance lease are recognized as tangible fixed assets after the termination of the lease and transfer of ownership rights and are depreciated over their estimated useful lives.

(k) Provisions

The Company recognizes provisions relating to probable future obligations that would require an outflow of resources, when the purpose of the obligations is known but the accurate amount, or the time when the obligation will arise, is not known. For the purpose of creation of provisions, the Company considers all predictable risks and potential losses.

(l) Employment benefits

The Company recognises an estimated payable relating to rewards and bonuses of employees. The Company takes into account an expected average ratio of payments for social and health insurance and payroll expenses when creating the estimated payable.

Regular contributions are made to the state to fund the national pension plan. The Company also provides contributions to defined pension contribution plans operated by third parties.

(m) Interest costs

All interest costs are expensed.

(n) Deferred taxation

Deferred tax is recognised on all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Deferred tax assets are recognised if it is probable that sufficient future taxable profit will be available against which the assets can be utilised.

(o) Related parties

The Company's related parties are considered to be the following:

- shareholders, of which the Company is a subsidiary or an associate, directly or indirectly, and other subsidiaries and associates of these shareholders;
- members of the Company's or parent company's statutory and supervisory bodies and management and parties close to such members, including entities in which they have a controlling or significant influence;
- subsidiaries and associates.

Material transactions and outstanding balances with related parties are disclosed in Note 15 Related party transactions.

(p) Subsequent events

The effects of events, which occurred between the balance sheet date and the date of preparation of the financial statements, are recognised in the financial statements in the case that these events provide further evidence of conditions that existed as at the balance sheet date.

Where significant events occur subsequent to the balance sheet date but prior to the preparation of the financial statements, which are indicative of conditions that arose subsequent to the balance sheet date, the effects of these events are disclosed, but are not themselves recognised in the financial statements.

3 INTANGIBLE FIXED ASSETS

Cost				
	1 January 2010	Additions /	Disposals	31 December 2010
	CZK'000	transfers	CZK'000	CZK'000
		CZK'000		
Software	328,812	-	16,451	312,361
Royalties	23,163	-	57	23,106
Other intangible fixed assets	7,228	-	1,176	6,052
Total	359,203	-	17,684	341,519

Accumulated amortisation				
	1 January 2010	Additions /	Disposals	31 December 2010
	CZK'000	transfers	CZK'000	CZK'000
		CZK'000		
Software	328,725	61	16,451	312,335
Royalties	23,140	12	58	23,094
Other intangible fixed assets	5,902	595	1,171	5,326
Total	357,767	668	17,680	340,755
Net book value	1,436			764

Cost					
	31 December 2008	Merger	Additions /	Disposals	31 December 2009
	CZK'000	impact*	transfers	CZK'000	CZK'000
		CZK'000	CZK'000		
Software	172,853	157,818	-	1,859	328,812
Royalties	69	23,094	-	-	23,163
Other intangible fixed assets	5,653	2,197	180	802	7,228
Intangible fixed assets in the course of construction	-	82	-	82	-
Total	178,575	183,191	180	2,743	359,203

Accumulated amortisation					
	31 December 2008	Merger impact*	Additions	Disposals	31 December 2009
	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000
Software	172,680	157,535	369	1,859	328,725
Royalties	35	23,094	11	-	23,140
Other intangible fixed assets	4,243	1,740	721	802	5,902
Total	176,958	182,369	1,101	2,661	357,767
Net book value	1,617	822			1,436

* See Note 1 General Information.

4 TANGIBLE FIXED ASSETS

Cost				
	1 January 2010	Additions /	Disposals	31 December 2010
	CZK'000	transfers	CZK'000	CZK'000
		CZK'000		
Land	60,067	279	2,173	58,173
Buildings, halls and constructions	955,417	10,025	46,299	919,143
Equipment	326,120	4,143	46,176	284,087
Other tangible fixed assets	491	-	1	490
Tangible fixed assets in the course of construction	2,653	(1 966)	0	687
Total	1,344 748	12 481	94 649	1,262,580

Accumulated depreciation and provisions				
	1 January 2010	Additions	Disposals	31 December 2010
	CZK'000	CZK'000	CZK'000	CZK'000
Buildings, halls and constructions	347,850	27,921	17,838	357,933
Equipment	278,297	20,551	42,805	256,043
Adjustment to acquired tangible fixed assets	-	-	-	-
Total	626,147	48,472	60,643	613,976
Provision	106,320	110,380	-	216,700
Net book value	612,281			431,904

The provision for tangible fixed asset in the amount of CZK 216,700,000 (as at 31 December 2009: CZK 106,320,000) represents decrease of the carrying value of assets to its estimated recoverable amount. The estimated recoverable amount is set according to valid valuation expert opinions.

Cost					
	31 December 2008	Merger impact*	Additions /	Disposals	31 December 2009
	CZK'000	CZK'000	transfers	CZK'000	CZK'000
			CZK'000		
Land	9,287	50,816	1,257	1,293	60,067
Buildings, halls and constructions	361,339	593,808	5,857	5,587	955,417
Equipment	139,359	247,415	2,732	63,386	326,120
Other tangible fixed assets	191	18,161	-	17,861	491
Tangible fixed assets in the course of construction	2,715	329	(391)	-	2,653
Total	512,891	910,529	9,455	88,127	1,344,748

Accumulated depreciation and provisions					
	31 December 2008	Merger impact*	Additions	Disposals	31 December 2009
	CZK'000	CZK'000	CZK'000	CZK'000	CZK'000
Buildings, halls and constructions	121,508	208,767	20,113	2,538	347,850
Equipment	113,378	204,298	22,081	61,460	278,297
Adjustment to acquired tangible fixed assets	-	10,482	7,276	17,758	-
Total	234,886	423,547	49,470	81,756	626,147
Provision	8,992	2,790	94,538	-	106,320
Net book value	269,013	484,192			612,281

* See Note 1 General Information.

5 INVESTMENTS IN CONTROLLED ENTITIES/SUBSIDIARIES

Investments in controlled entities/subsidiaries represent investments into its share capital.

Subsidiary	Carrying value	% of capital	Current year profit	Net Assets	Income from the profit transfer
	CZK'000		CZK'000	CZK'000	CZK'000
31 December 2010					
RWE GasNet, s.r.o.	12,361,782	100	2,220,439	14,582,221	2,220,439
31 December 2009					
RWE GasNet, s.r.o.	12,361,782	100	2,178,590	13,705,966	1,344,184
Merger impact of STP Net, s.r.o. and ZČP Net, s.r.o.	6,992,890	100	704,045	7,661,733	668,844

There are no differences between the percentage of ownership and the percentage of voting rights in any subsidiary.

SČP Net, s.r.o. merged with ZČP Net, s.r.o. and STP Net, s.r.o., as at 1 January 2009, with SČP Net, s.r.o. being the Successor Company and ZČP Net, s.r.o. and STP Net, s.r.o. being the Dissolved Companies. In 2009, the company SČP Net, s.r.o. renamed to RWE GasNet, s.r.o.

On 18 July 2006, the Company signed up an Agreement on transfer of profit with the company RWE GasNet, s.r.o. (formerly SČP Net, s.r.o.) effective from 1 January 2007. This agreement obliges RWE GasNet, s.r.o. to transfer its profit to the Company annually after allocation to statutory reserve and social funds. The parent company is required to cover losses of RWE GasNet, s.r.o. which cannot be covered by the statutory reserve fund or other available resources of the Company.

6 RECEIVABLES

	31 December 2010 CZK'000	31 December 2009 CZK'000
Trade receivables		
– current	168,826	142,370
– overdue	733,021	711,738
	901,847	854,108
Short-term advances paid	1,523,000	1,465,619
Other receivables and anticipated assets		
– current	9,012,373	7,880,437
– overdue	4,637	3,233
Short-term receivables	11,441,857	10,203,397
Provision for doubtful receivables	(640,177)	(578,071)
Net carrying amount of short-term receivables	10,801,680	9,625,326
Long-term receivables	83,828	54,675
Total net carrying amount of short-term and long-term receivables	10,885,508	9,680,001

Trade receivables outstanding have not been secured and are not due after 5 years.

Short-term advances paid represent mainly advances paid to the subsidiary for gas distribution.

Other receivables and anticipated assets include mainly receivables from unbilled gas supplies of CZK 6,482,374,000 (as at 31 December 2009: CZK 6,043,024,000), from profit transfer from the subsidiary of CZK 2,220,439,000 (as at 31 December 2009: CZK 1,344,184,000), from excessive value added tax deduction of CZK 167,931,000 (as at 31 December 2009: CZK 39,749,000)

and from the Service Level Agreements with the subsidiary of CZK 92,718,000 (as at 31 December 2009: CZK 380,976,000).

The change in the provision for doubtful receivables may be analysed as follows:

	2010 CZK'000	2009 CZK'000
Opening balance as at 1 January	578,071	499,473
Movement on provision account	112,070	119,226
Utilised on write-off	(49,964)	(40,628)
Closing balance as at 31 December	640,177	578,071

7 EQUITY

The share capital of the Company consists of 1,031,131 registered shares fully subscribed and paid. The nominal value of each share is CZK 1,000.

The statutory reserve fund is created in accordance with legal regulations. The use of the statutory reserve fund is limited by law and the Company's Articles of Association. Up to 20% of the share capital, the statutory reserve fund is not available for distribution to the shareholders, but may be used to offset losses.

The net profit for 2009 of CZK 1,790,747,000 was approved and allocated by the decision of the sole shareholder on 19 March 2010 as follows: CZK 1,790,043,000 dividend payment and CZK 704,000 was allocated to retained.

8 PROVISIONS

	31 December 2010 CZK'000	31 December 2009 CZK'000
Litigation provisions	1,101	542
Restructuring provision	32,608	35,339
Other provisions	30,343	803
Total	64,052	36,684

9 LIABILITIES

	31 December 2010 CZK'000	31 December 2009 CZK'000
Trade payables		
– current	1,169,446	832,403
– overdue	31,416	47,119
	1,200,862	879,522
Intragroup liabilities	2,006,443	1,690,108
Short-term advances received	6,035,118	6,738,551
Anticipated liabilities	1,614,179	1,421,158
Other payables		
– current	23,397	96,148
Total short-term payables	10,879,999	10,825,487
Other long-term payables	4,931	11,297
Total short- and long-term liabilities	10,884,930	10 836 784

Intragroup liabilities, as at 31 December 2010, include short-term loan from cash-pooling of CZK 1,800,000,000 (as at 31 December 2009: CZK 1,500,000,000) and liability from cash-pooling representing cash equivalents of CZK 206,443,000 (as at 31 December 2009: CZK 190,108,000).

Short term advances received include mainly the advances for gas of CZK 5,969,082,000 (as at 31 December 2009: CZK 6,695,563,000).

Anticipated liabilities include primarily accrual for gas distribution of CZK 1,575,101,000 (as at 31 December 2009: CZK 1,358,033,000).

Other payables represent mainly ecological taxes for natural gas amounting to CZK 18,123,000 (as at 31 December 2009: CZK 21,035,000). Other payables, as at 31 December 2009, represented mainly revaluation of derivative financial instruments of CZK 63,419,000.

The above mentioned payables have not been secured over any assets of the Company. No trade payables are due after more than 5 years.

The Company does not have any overdue payables related to social or health insurance or any other overdue payables to tax authorities or other state institutions.

10 BANK LOANS AND OTHER BORROWINGS

	31 December 2010 CZK'000	31 December 2009 CZK'000
Short-term loans	-	500,000

The bank loan from Komerční Banka amounting to 500,000,000 was paid off on 5 October 2010.

11 DERIVATIVE FINANCIAL INSTRUMENTS

The Company provides its VO customers with a price product enabling to fix the price for a selected period and a selected volume of natural gas supplies. The condition is to sign a contract containing price formula for the minimum fixed volume of gas for the whole period. The Company hedges the market risks related to these products by entering into commodity index swaps.

Certain derivative transactions, although providing effective economic hedges under the Company's risk management positions, do not qualify for hedge accounting under Czech accounting rules. Therefore, they are presented as trading derivatives.

The fair value of derivatives is presented in "Other receivables" if positive, or in "Other liabilities" if negative.

Change in fair value of derivatives and related loss and gains from financial operations:

	2010 CZK'000	2009 CZK'000
Change in fair value of derivatives - positive	82,335	230,037
Change in fair value of derivatives - negative	(5,252)	(2,280)
Gain from commodity derivatives	11,541	45,007
Loss from commodity derivatives	(66,499)	(237,792)
Total	22,125	34,972

Gains and losses from derivatives are shown in "Other financial income" and "Other financial expense".

12 TAXATION

The income tax expense consists of the following:

	2010 CZK'000	2009 CZK'000
Current tax expense	210,396	-
Deferred tax expense	(29,088)	24,280
Adjustment of prior year tax expense	-	(913)
Total	181,308	23,367

Current tax can be analysed as follows:

	2010 CZK'000	2009 CZK'000
Net profit before taxation	3,209,376	1,814,114
Tax non-deductible expenses	184,542	159,588
Revenues which are not subject to taxation	(12,838)	(67,307)
Non-taxable revenues arising from profit transfer agreement*	(2,220,439)	(1,344,184)
Difference between tax and accounting depreciation	(3,228)	(1,391)
Tax base	1,157,413	560,820
Applied tax losses from prior years	(50,067)	(560,820)
Reduced tax base	1,107,346	-
Total tax obligation	210,396	-

* See Note 5 Investments in controlled entities/subsidiaries.

The deferred tax is calculated at 19% (the rate enacted for 2010 and subsequent years).

Deferred tax asset can be analysed as follows:

	31 December 2010 CZK'000	31 December 2009 CZK'000
Deferred tax liability arising from		
Difference between the accounting and tax carrying amounts of fixed assets	-	8,366
Deferred tax asset arising from		
Difference between accounting and tax residual value of fixed assets	13,335	-
Provision for receivables	31,801	28,330
Provisions and accruals and deferrals	12,170	6,970
Overdue tax liability	5,969	-
Tax losses	-	7,253
	63,275	42,553
Net deferred tax asset	63,275	34,187

Based on an assessment of probability of its reversal in subsequent years, the deferred tax asset was posted in the amount of CZK 63,275,000 as at 31 December 2010 (CZK 34,187,000 as at 31 December 2009).

13 REVENUE ANALYSIS AND ANALYSIS OF COST OF SALES

Revenue from sold own products and services has been generated as follows:

	2010 CZK'000	2009 CZK'000
Revenues from gas sales and distribution		
– VO category	7,796,050	9,978,335
– MO category	3,491,484	3,332,927
– DOM category	8,667,048	7,813,369
– Other	15,888	156,707
	19,970,470	21,281,338
Revenues from electricity sales and distribution	13,859	-
Other revenues from sale of own products and services	11,603	10,018
Revenues based on Service Level Agreements	60,318	68,153
Total sales of own products and services	20,056,250	21,359,509

Cost of sales can be analysed as follows:

	2010 CZK'000	2009 CZK'000
Purchase of natural gas	14,001,227	16,330,909
Purchase of electricity	6,846	-
Consumed material and energy	17,953	22,795
Distribution of natural gas	4,380,043	3,772,429
Distribution of electricity	7,574	-
Other services	384,630	406,883
Total	18,798,273	20,533,016

14 EMPLOYEE ANALYSIS

	Staff costs		Average number of employees during the year	
	2010 CZK'000	2009 CZK'000	2010	2009
Members of management	4,080	17,310	1,3	3,2
Other staff	19,540	51,136	27,6	57,8
Total	23,620	68,446	28,9	61,0

The Company's management includes executive members of Board of Directors and other directors.

Other transactions with the Company's management are described in Note 15 Related party transactions.

15 RELATED PARTY TRANSACTIONS AND BALANCES

The Company was involved in the following related party transactions:

	2010 CZK'000	2009 CZK'000
Expenses for natural gas supply		
- Other regional gas traders	180,100	156,927
- RWE Transgas, a.s.	13,816,187	15,833,362
- NET4GAS, s.r.o. (RWE Transgas Net, s.r.o. till 4 March 2010)	1,568	354,587
Other expenses		
- RWE Transgas, a.s.	172,099	374,005
- Other regional gas traders	15,610	4,221
- RWE GasNet, s.r.o.	4,366,739	3,765,262
- Other related companies within RWE group	242,912	239,232
Interest expense		
- RWE Transgas, a.s.	26,102	69,462
Total	18,821,317	20,797,058

	2010 CZK'000	2009 CZK'000
Revenues from gas supply		
- RWE Transgas, a.s.	72	156,707
- RWE GasNet, s.r.o.	448,040	733,204
- NET4GAS, s.r.o. (RWE Transgas Net, s.r.o. till 4 March 2010)	854	3,843
- Other regional gas traders	15,908	-
- Other related companies within RWE group	92,122	88 201
Other revenues		
- RWE Transgas, a.s.	93,751	269,168
- Other regional gas traders	-	1,092
- RWE GasNet, s.r.o.	8,054	4,301
- RWE GasNet, s.r.o. (proceeds from profit transfer)	2,220,439	1,344,184
- Gas distributors and transit operators	40	15
- Other related parties within RWE group	59,250	62,017
Interest income		
- RWE Transgas, a.s.	380	985
Total	2,938,910	2,582,621

The following related party balances were outstanding as at:

	31 December 2010 CZK'000	31 December 2009 CZK'000
Receivables		
- RWE Transgas, a.s.	2,899	51,470
- Other regional gas traders	-	185
- RWE GasNet, s.r.o	1,609,679	1,792,530
- RWE GasNet, s.r.o. (receivable from profit transfer)	2,220,439	1,344,184
- Gas distributors and transit operators	74	29,279
- Other related companies within RWE group	11,077	7,259
Total receivables	3,844,168	3,224,907
Liabilities		
- RWE Transgas, a.s.	3,087,109	2,245,216
- Other regional gas traders	1,828	122,329
- RWE GasNet, s.r.o.	1,627,864	1,397,795
- Gas distributors and transit operators	511	29,223
- Other related companies within RWE group	43,615	23,734
Total liabilities	4,760,927	3,818,297

The loans receivable and payable bear interest at market interest rates. Trade receivables and payables arose under the same terms and conditions as with unrelated parties. No provision is provided for receivables due from related parties.

Total remuneration to the members of the Board of Directors in 2010 was CZK 670,000 (2009: CZK 1,232,000). Total remuneration for the members of the Supervisory Board in 2010 was CZK 410,000 (2009: CZK 737,000).

In 2010 Company provided to members of management non-monetary benefit in the form of accident insurance of CZK 67,000 (2009: CZK 86,000). Company cars were made available for use by the members of the management.

Except for the above-stated, there was no other monetary or in kind consideration provided to the Company's shareholder, members of the Company's Board of Directors and Supervisory Board and management in 2010 and 2009.

16 FEES PAID AND PAYABLE TO THE AUDIT COMPANY

The information relating to the fees paid and payable for services performed by the audit company PricewaterhouseCoopers Audit, s.r.o. is included in the consolidated financial statements of the ultimate parent company.

17 CONTINGENT LIABILITIES

In 2004, Český plynárenský podnik, s.p. sold its receivable due from the Company of CZK 47,116,000 to Mr. Peter Kmeř who brought a legal action against the Company for the repayment of the receivable including fees for late payment. Mr Kmeř sold the receivable due from Západočeská plynárenská, a.s. to company SHARI COMMERCIAL S.A. The Company believes that it is highly unlikely that the lawsuit will result in a significant cash outflow. Accordingly, no provision for court proceedings has been recognized in the financial statements as at 31 December 2010 and 2009 and the Company released a third of this liability to revenues in December 2010.

Management of the Company is not aware of any other contingent liabilities as at 31 December 2010.

18 CASH FLOW STATEMENT

Cash and cash equivalents disclosed in the cash flow statement can be analysed as follows:

	31 December 2010 CZK'000	31 December 2009 CZK'000
Cash on hand and in transit	27	-
Cash in bank	2,267	3,207
Receivable arising from cash-pooling	2 727	51 366
Liability arising from cash-pooling	(206 443)	(190 108)
Cash and cash equivalents	(201,422)	(135,535)

19 SUBSEQUENT EVENTS

No other events have occurred subsequent to year-end that would have a material impact on the financial statements as at 31 December 2010.

11 February 2011



Roman Budinský
Chairman of the Board of Directors



Lukáš Roubíček
Vice-Chairman of the Board of Directors

5 INDEPENDENT AUDITOR'S REPORT

5.1 Auditor's Report on the Financial Statements



To the shareholder of RWE Energie, a.s

We have audited the accompanying financial statements of RWE Energie, a.s, identification number 49903209, with registered office at Klíšská 940, Ústí nad Labem (“the Company”), which comprise the balance sheet as at 31 December 2010, the income statement, statement of changes in equity and cash flow statement for the year then ended and notes, including a summary of significant accounting policies (“the financial statements”).

Statutory Representative’s Responsibility for the Financial Statements

The Statutory Representative is responsible for the preparation of the financial statements that give a true and fair view in accordance with Czech accounting legislation, and for such internal controls as the Statutory Representative determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

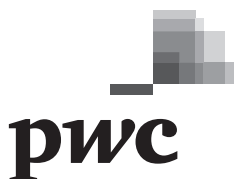
Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Act on Auditors of the Czech Republic, International Standards on Auditing and the related application guidance of the Chamber of Auditors of the Czech Republic. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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Phone: +420 251 151 111, Fax: +420 251 156 111, www.pwc.com/cz*

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Shareholder of RWE Energie, a.s
Independent auditor's report

Auditor's Responsibility (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2010, its financial performance and its cash flows for the year then ended in accordance with Czech accounting legislation.

11 February 2011

A handwritten signature in blue ink that reads 'PricewaterhouseCoopers Audit, s.r.o.'.

PricewaterhouseCoopers Audit, s.r.o.
represented by

A handwritten signature in blue ink that reads 'Václav Prýmek'.

Václav Prýmek
Partner

A handwritten signature in blue ink that reads 'Jitka Žaloudková'.

Jitka Žaloudková
Statutory Auditor, Licence No. 1802

Note

Our report has been prepared in the Czech language and in English. In all matters of interpretation of information, views or opinions, the Czech version of our report takes precedence over the English version.

5.2 Auditor's Report on the Annual Report and the Report on Relations between Related Parties



To the shareholder of RWE Energie, a.s.

We have audited the financial statements of RWE Energie, a.s., identification number 49903209, with registered office at Klíšská 940, Ústí nad Labem (“the Company”) for the year ended 31 December 2010 disclosed in the annual report on pages 19-43 and issued the opinion dated 11 February 2011 and disclosed on page 44.

Report on the Annual Report

We have verified that the other information included in the annual report of the Company for the year ended 31 December 2010 is consistent with the financial statements referred to above. The Statutory Representative is responsible for the accuracy of the annual report. Our responsibility is to express an opinion on the consistency of the annual report with the financial statements based on our verification procedures.

Auditor's Responsibility

We conducted our verification procedures in accordance with the International Standards on Auditing and the related application guidance of the Chamber of Auditors of the Czech Republic. Those standards require that we plan and perform the verification procedures to obtain reasonable assurance about whether the other information included in the annual report which describes matters that are also presented in the financial statements is, in all material respects, consistent with the relevant financial statements. We believe that the verification procedures performed provide a reasonable basis for our opinion.

Opinion

In our opinion, the other information included in the annual report of the Company for the year ended 31 December 2010 is consistent, in all material respects, with the financial statements.

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Phone: +420 251 151 111, Fax: +420 251 156 111, www.pwc.com/cz*

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**Shareholder of RWE Energie, a.s.
Independent auditor's report**

Report on review of the Report on Relations

In addition we have also reviewed the accompanying report on relations between the Company and its controlling party and between the Company and the other persons controlled by the same controlling party for the year ended 31 December 2010 (the "Report"). The completeness and accuracy of the Report is the responsibility of the Statutory Representative of the Company. Our responsibility is to express our opinion on the Report based on performed review.

Scope of Review

We conducted our review in accordance with Audit standard 56 of the Chamber of Auditors of the Czech Republic. This standard requires that we plan and perform the review to obtain limited assurance as to whether the Report is free of material factual misstatement. A review is limited primarily to inquiries of Company personnel, analytical procedures and examination, on a test basis, of factual accuracy of data. A review therefore provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Report has not been properly prepared, in all material respects, in accordance with the requirements of Article 66a of the Commercial Code.

14 March 2011

A handwritten signature in blue ink that reads 'PricewaterhouseCoopers Audit, s.r.o.'.

PricewaterhouseCoopers Audit, s.r.o.
represented by

A handwritten signature in blue ink that reads 'Václav Prýmek'.

Václav Prýmek
Partner

A handwritten signature in blue ink that reads 'Jitka Žaloudková'.

Jitka Žaloudková
Statutory Auditor, Licence No. 1802

Note

Our report has been prepared in the Czech language and in English. In all matters of interpretation of information, views or opinions, the Czech version of our report takes precedence over the English version.

6 REPORT OF THE RWE ENERGIE, A.S. BOARD OF DIRECTORS ON RELATIONS BETWEEN RELATED PARTIES AS AT 31 DECEMBER 2010

Whereas RWE Energie, a.s. ("Company") has not entered into a controlling contract as a controlled entity, which would be in effect in 2010, the Board of Directors has compiled this report on relations between the Company and controlling parties and between the Company and other parties controlled by the same controlling parties ("related parties") for 2010 insofar as such persons are known to the Company. The report was compiled in accordance with Section 66a(9) of Act No. 513/1991 Coll., the Commercial Code, as amended, and it constitutes an integral part of the Company's Annual Report for 2010. The Company's shareholders will have the report available at the same time and under the same conditions as the Financial Statements.

1. Controlling Parties

Throughout the last accounting period, the Company was controlled by the following parties:

a) Directly

- RWE Gas International B.V. with its registered office at Diamantlaan 15, 2132 WV Hoofddorp, Kingdom of the Netherlands, a shareholder of the Company holding a 100% share in the Company's voting rights

b) Indirectly

- RWE Aktiengesellschaft ("RWE AG") with its registered address at Opernplatz 1, 45128 Essen, Federal Republic of Germany, the sole member of RWE Gas International B.V.

2. Other Related Parties

The Company has requested the above-mentioned controlling parties to provide a list of other parties that were controlled by the same controlling parties in the last fiscal reporting period. This report has been compiled based on information provided by the controlling parties and other information available to the Company's Board of Directors. The controlling structure and ties between companies within the RWE Group as at 31 December 2010 are shown on the third page of the cover of this Annual Report.

3. Contracts Signed by the Company and Related Parties, Services Rendered, and Payments Received

In the last fiscal reporting period, the Company and related parties signed the contracts listed in Annex No. 1. The Company has not incurred any losses by performing these contracts, including contracts signed in preceding accounting periods. For this reason, there was no need to secure compensation for losses or to enter into agreements to this effect. The value of services rendered and payments made between related parties in the last fiscal reporting period is specified in Note 15 of the Notes to the Financial Statements as at 31 December 2010.

4. Other Legal Acts Completed in the Interest of Related Parties

In the last fiscal reporting period, the Company did not complete any legal acts in the interest of related parties.

5. Measures Adopted in the Interest or at the Request of Related Parties

In the last fiscal reporting period, the Company did not adopt or implement any measures in the interest or at the request of related parties.

6. Non-Existence of Damage

In the last fiscal reporting period, the Company did not incur any losses under contracts with related parties, other legal acts completed in the interest of related parties, or measures carried out in the interest or at the request of such parties, where their execution or adoption took place during or prior to the last fiscal reporting period.

7. Confidentiality

This report does not contain any information that would constitute the Company's trade secret.

8. Summary

This report was approved by the Company's Board of Directors on 17 February 2011, and it has been presented for examination to the Company's Supervisory Board and the auditor who reviews the Financial Statements in accordance with the law.

9 March 2011



Roman Budinský

Chairman of the Board of Directors



Lukáš Roubíček

Vice-Chairman of the Board of Directors

ANNEX NO 1

Contracts Signed between the Company and Related Parties in the Last Accounting Period (2010)		
Contracting party	Contract type/subject matter	Quantity
RWE Interní služby, s.r.o.	Annex No. 3 to Purchasing and Logistic Services Agreement	1
	Annex No. 3 and Annex No. 4 to Facility Management Services Agreement	2
	Annex No. 5 and Annex No. 6 to Information Technology Services Agreement	2
	Annex No. 4 to Mobile Telephone and IP Telephone Lease, Logistics, and Billing Services Agreement	1
	Annex No. 1 to Vehicle Lease Agreement	1
	Annex No. 4, Annex No. 5, and Annex No. 6 to Commercial Lease Agreement	3
	Translation and Interpreting Services Agreement	1
	Order for Dismounting Two Advertising Panels in Novodvorská	1
Východočeská plynárenská, a.s.	Annex No. 2 and Annex No. 3 to Finance, Accounting, and Controlling Services Agreement	2
RWE Distribuční služby, s.r.o.	Annex No. 4, Annex No. 5, and Annex No. 6 to Commercial Lease Agreement	3
	Annex No. 3 to Security Management Services Agreement	1
	Purchase Agreement	1
RWE Zákaznické služby, s.r.o.	Annex No. 4 and Annex No. 5 to Billing Services Agreement	2
	Annex No. 5 and Annex No. 6 to Call Center Services Agreement	2
	Annex No. 5 and Annex No. 6 to Agreement on Services in the Area of Personal and Written Contact with Small Business and Household Customers	2
	Annex No. 6 and Annex No. 7 to Debt Collection Services Agreement for Small Business and Household Customer Segments	2
	Annex No. 3 to Press Center Services Agreement	1
	Annex No. 4 and Annex No. 5 to Commercial Lease Agreement	2
	Acquisition Services Agreement and Annex No. 1 to this Agreement	2
RWE GasNet s.r.o.	Annex No. 5 to Agreement on Gas Supply for Internal Consumption and Distribution System Losses	1
	Purchase Agreement (Sale of SČP Klíšská Outside Parking Lot)	1
	Annex No. 2 and Annex No. 3 to Commercial Lease Agreement of 21 April 2009	2
	Easement Agreement	1
	Purchase Agreement	3

Content

Contracting party	Contract type/subject matter	Quantity
RWE Plynoprojekt, s.r.o.	Annex No. 2 and Annex No. 3 to Commercial Lease Agreement of 25 March 2009	2
	Agreement on Low Voltage Electricity Distribution with Electricity Trader No. 074/10	1
	Devět Skal Purchase Agreement	1
RWE Key Account CZ, s.r.o.	Electricity Supply Agreement and Annex No. 1 to this agreement	2
	Purchase Agreement for Movable Assets	1
	Agreement Termination	1
	Agreement on Provision of Electricity Sale Services to Customers	1
	Master Electricity Supply Agreement	1
RWE Transgas, a.s.	Annex No. 5 to Real Cash Pooling Agreement	1
	Annex No. 6, Annex No. 7, and Annex No. 8 to Master Agreement of 10 November 2005	3
	Annex No. 9, Annex No. 10, and Annex No. 11 to Marketing Services Agreement	3
	Annex No. 3 and Annex No. 4 to Sales Management and Support Services SLA Agreement	2
	Annex No. 2 to Agreement on Securing Joint Business Dispatching (ODIS)	1
	Annex No. 1 to Master Gas Trading Agreement	1
	Annex No. 2 to Master Unused Tolerance Trading Agreement	1
	Annex No. 3 to Loan Agreement	1
	Annex No. 1 to Consulting Services SLA Agreement	1
	Commercial Lease Agreement and Annex No. 1 to this agreement	2
	Master Natural Gas Purchase and Sale Agreement and Annex No. 1 to this agreement	2
	Natural Gas Purchase and Sale Agreement – One-Year with Structuring Service No. 11	1
	Natural Gas Purchase and Sale Agreement – One-Year with Structuring Service No. 12	1
	Natural Gas Purchase and Sale Agreement – One-Year with Structuring Service No. 13	1
	Natural Gas Purchase and Sale Agreement – One-Year with Structuring Service No. 14	1
	Natural Gas Purchase and Sale Agreement – One-Year with Structuring Service No. 15	1
	Natural Gas Purchase and Sale Agreement – One-Year with Structuring Service No. 16	1
Natural Gas Purchase and Sale Agreement – One-Year with Structuring Service No. 17	1	

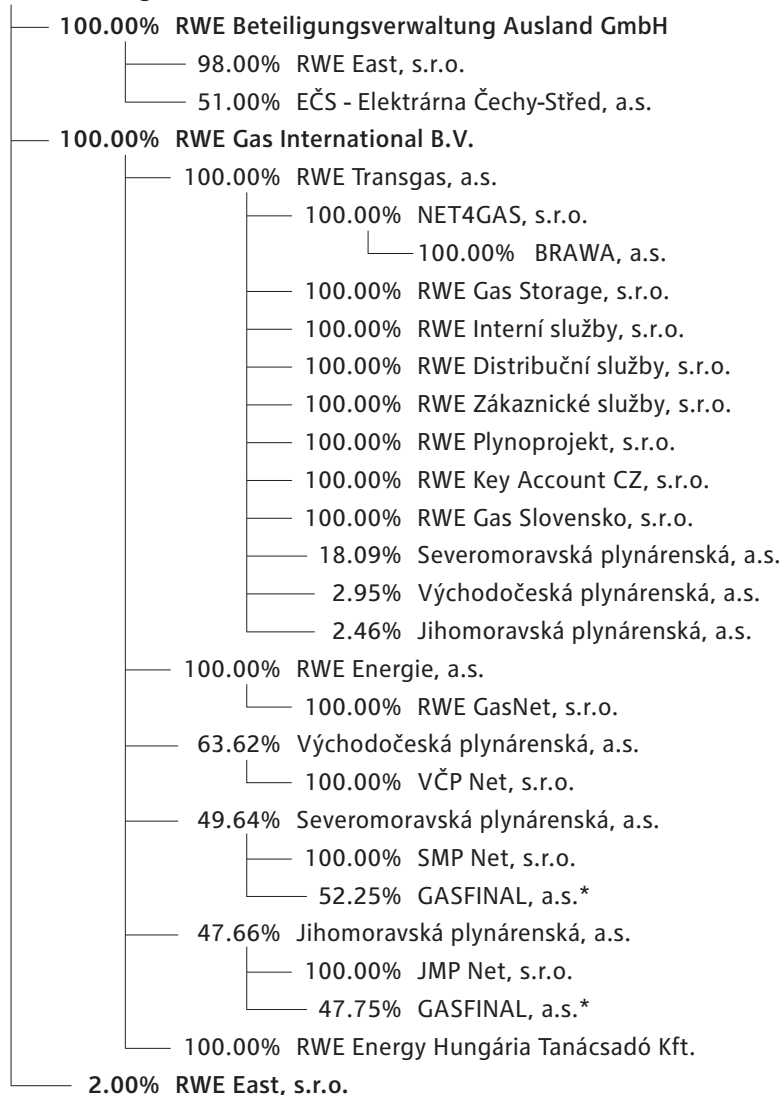
Contracting party	Contract type/subject matter	Quantity
RWE Transgas, a.s.	Natural Gas Purchase and Sale Agreement – One-Year with Structuring Service No. 18	1
	Natural Gas Purchase and Sale Agreement – One-Year with Structuring Service No. 19	1
	Termination of Natural Gas Purchase and Sale Agreement – Five-Year with Structuring Service	1
	Master Natural Gas Purchase and Sale Agreement and Annex No. 1 to this agreement	2
	Natural Gas Purchase and Sale Agreement – Baseload No. 1 and Annex No. 1 to this agreement	2
	Natural Gas Purchase and Sale Agreement – Daily Profile No. 2 and Annex No. 1 to this agreement	2
	Natural Gas Purchase and Sale Agreement – Daily Flexibility No. 3 and Annex No. 1 to this agreement	2
	Association Agreement No. 510000062, Annual Report – Paper Document Archivation	1
	Natural Gas Purchase and Sale Agreement – Standard No. 4	1
	Natural Gas Purchase and Sale Agreement – Standard No. 5 and Annex No. 1 to this agreement	2
	Natural Gas Purchase and Sale Agreement – Monthly Product No. 6	1
	Master Natural Gas Buyback Agreement	1
	RWE Natural Gas Buyback Rules	1
	Catering Services Agreement and Termination of Catering Services Agreement	2
	Annex No. 5, Annex No. 6, and Annex No. 7 to Commercial Lease Agreement	3
	NET4GAS, s.r.o.	Aggregated Gas Supply Services Agreement
RWE Interní služby, s.r.o., Východočeská plynárenská, a.s., VČP Net, s.r.o., RWE Distribuční služby, s.r.o., RWE Zákaznické služby, s.r.o., RWE GasNet, s.r.o., RWE Plynoprojekt, s.r.o., RWE Key Account CZ, s.r.o., RWE Transgas, a.s., NET4GAS, s.r.o., Jihomoravská plynárenská, a.s., JMP Net, s.r.o., RWE Gas Storage, s.r.o., RWE IT Czech s.r.o., Severomoravská plynárenská, a.s., SMP Net, s.r.o.	Association Agreement for Award of Contract for RWE Group Vehicle Fleet Operating Lease	1

Content

Contracting party	Contract type/subject matter	Quantity
RWE Interní služby, s.r.o., Východočeská plynárenská, a.s., VČP Net, s.r.o., RWE Distribuční služby, s.r.o., RWE Zákaznické služby, s.r.o., RWE GasNet, s.r.o., RWE Plynoprojekt, s.r.o., RWE Key Account CZ, s.r.o., RWE Transgas, a.s., Jihomoravská plynárenská, a.s., JMP Net, s.r.o., RWE Gas Storage, s.r.o., RWE IT Czech s.r.o., Severomoravská plynárenská, a.s., SMP Net, s.r.o.	Association Agreement for Award of Contract for RWE Paper Document Archivation	1

Scheme of the relations between and control of companies along the relevant line within the RWE Group as at 31 December 2010

RWE Aktiengesellschaft



* On 1 January 2011 the company entered into liquidation.

RWE Energie, a.s.

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