

ANNUAL REPORT 2005
ELTODO EG, a.s.



ELTODO

– 14-YEARS-LONG WAY TO PROSPERITY



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Introduction



The Company ELTODO EG, a.s., has been continued - since its establishment in the year 1991 – the best Czech traditions in the provision of electrical installations. This sphere of activity is not only developed continuously in accordance with scientific and technological progress but also extended systematically by areas related and connected thereto.

By virtue of this, the Company ELTODO EG, a.s., is today a modern engineering, manufacturing, installation and supplying organization the broad portfolio of which includes all segments of energetics, transportation, public lighting, equipment of industrial as well as administration buildings, air ports and heliports.

In the year 2005, the Company ELTODO EG, a.s., consolidated its position in the traditional branches of business as well as confirmed its readiness to continue in extending its spectrum of activities further. The Company has inter alia significantly increased its interest in the area of developer projects, obtained several interesting foreign contracts and consolidated its position as the leader on the Czech market in the area of delegated management of public lighting.

Due to the investments into research and development, experience and knowledge of its staff at all levels as well as willingness to tackle brand new projects and branches, the Company ELTODO EG, a.s., enters the year 2006 as an economically strong and self-confident enterprise.

Ing. Libor Hájek

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

President and Chairman
of the Board of Directors
of ELTODO EG, a.s.

Basic information about the Company

Name and registered office of the Company

ELTODO EG, a.s.

Novodvorská 1010/14, 142 01 Prgue 4

Company ID No.: 45274517

Tax ID No.: CZ45274517

Board of Directors

Chairman: Ing. Libor Hájek

Vice-chairman: Ing. Jaroslav Laňka

Vice-chairman: Prof. Ing. Pavel Příbyl, CSc.

Vice-chairman: Ing. Jindřich Hess

Member: Ing. Antonín Havlíček

Member: František Peringer

Supervisory Board

Chairman: PaedDr. Jan Rafaj

Member: Monika Jedličková

Member: Miroslav Povejšil

Called-up share capital

CZK 199 232 400,-



Organization of the Company

The Company ELTODO EG, a.s. is a parent company of the whole ELTODO Group. Its role is reflected in the portfolio of services provided within framework of this Group. Modern and flexible organizational structure provides space as necessary for successful team work both in the Company and in the whole Group. The intra-Company organization is characterized in particular by short communication channels and a flat decision-making structure.

The Company's President is top representative of the Company. He is supported by the Vice-president section of Research and Development, President and Board of Directors Bureau, Legal Department, Strategy Department, Supervisory Department, and Quality Management, Safety and Hygiene at Work and Environment Department.

Other sections fall under the authority of the General Director of the Company. It concerns following sections:

- Commercial Section
- Operations Section
- Foreign Trade Section
- Economic Section
- Financial Section
- Administration Section
- Installations and Project Design Section

The next management level is made up by specialized divisions and departments.

Company's focus on services and products

Activities of the Company ELTODO EG, a.s. as well as of the whole ELTODO Group are focused in three key areas:

- Provision of services in the area of electrical installations and delivery of control systems which represent key line of business of the Company from its establishment;
- Traffic systems and telematics as the first of the branches that the ELTODO Group began to dedicate to in the early 1990's;
- Public lighting as an area in which the ELTODO occupies an exclusive position within the Czech Republic.

Other important fields of activities included in the broad spectrum of services provided by the Company ELTODO EG, a.s., are as follows:

- Developer activity connected with complete construction and lease of office spaces which grew significantly up in the year 2005;
- Engineering and real estate activity, lease of advertisement spaces;
- Activities in the research and development with an important supportive role in the Company's and Group's development since Company's foundation;
- Trading in electricity.

Main objectives of the Company for the year 2006

- To increase the market share in the area of the key products and services
- To increase further the turnover on the foreign markets
- To continue optimization of processes in the Company with the aim to enhance effectiveness
- To consolidate Company's position in the area of developer activity
- To maintain high standard of provided customer services with stress being put on quality, class, and safety
- To boost the position of the technological guarantor with regard to whole complexes
- To participate in implementation of the project with regard to imposition of the performance fee on the selected roads in the Czech Republic



Certificate ČSN EN ISO 9001:2001

**VÝZKUMNÝ ÚSTAV POZEMNÍCH STAVEB
CERTIFIKAČNÍ SPOLEČNOST, s.r.o.**
CERTIFIKAČNÍ ORGÁN PRO SYSTÉMY JAKOSTI

CERTIFIKÁT

č. 3009/229-03/SMJ

ELTODO EG, a.s.
Účet: Novoborská 1013/14, 142 01 Praha 4 IČO: 45274517

Organizace zavedla a udržuje systém managementu jakosti
spĺňující požadavky

ČSN EN ISO 9001:2001

**vyznamenání
získanost:** Výstavba, údržba, provoz a rekonstrukce veřejného a slavnostního osvětlení, veřejných a věžních hodin; výstavba, údržba, provoz a rekonstrukce světelné dopravní signalizace, světelných dopravních značek a dalšího komunikačního zařízení; výroba, dodávky, montáž a údržba světelných zabezpečovacích zařízení pro letiště a heliporty; dopravní řídicí systémy, řídicí dopravní ústředny, dálkové přenosy dat; kompletní dodávky technologií pro automobilové tunely; projekční, inženýrská a elektromontážní činnost nn, vn a vvn; pronájem kancelářských prostorů a zajištění komplexních služeb podnikatelského zázemí; autodoprava a pronájem dopravních prostředků.

Platnost certifikátu prokázána dnem 15.12.2005 a je vázána na podmínky stanovených v smluvních podmínkách a certifikaci P-3009/229-03/SMJ ze dne 12.12.2005.
v Praze dne: 15.12.2005



5 3009



Ing. Vladimira Beranová, CSc.
výkonný certifikační orgán č. 3009
akreditovaný ČIA



Praha 15, 10131 Praha 4, Novoborská 142 01 IČO: 45274517

Certificate of the Czech National Security Office

Národní bezpečnostní úřad
POTVRZENÍ

Číslo: **000265**

*Národní bezpečnostní úřad vydává toto potvrzení podle § 82 odst. 1 zákona č. 140/1998 Sb.,
o ochraně státních tajemství a v souladu s některými články,
pro*

právníckou osobu

1. *Název* **ELTODO EG, a.s.**

Právní forma **Aktivní společnost**

2. *Obchodní jméno* **Hírma ELTODO EG, a.s.**

IČO **452 74 817**

3. *Město - obec* **Praha 4**

okres **Praha**

ulice **Novoborská**

4. *postupná (zviditelnění)* **1010** *řada (zviditelnění)* **14** *kód státu* **203**

5. *Město poskytkáře* **ČR** *kód státu* **203**

Na základě tohoto potvrzení

- organizací mohou být poskytovány nebo si mohou varikar státní tajemství

do a včetně stupně tajnosti **DŮVĚRNĚ**

- organizace se může seznamovat s státními tajemstvími

do a včetně stupně tajnosti **DŮVĚRNĚ**



Podpis: 

V Praze dne **13. 1. 2004**

Certificate OHSAS 18001



Certificate
 ČSN EN ISO 14001:2005





ELTODO GROUP IN 2005

Pursuant to the Merger Agreement of 17.05.2005, the companies ACTUAL Plus Praha, a.s., ELEXA spol. s r.o., ELTODO Parking, s.r.o. and KATES spol. s r.o. ceased to exist as of 30.06.2005. Capital of these companies terminating their activities has been transferred to the Company ELTODO EG, a.s.

During the year 2005, a branch of the Company ELTODO EG, a.s., has been created in the Slovakia (ELTODO EG, a.s., odštěpný závod Slovensko (branch Slovakia), with registered office in Bratislava).

ELTODO EG, a.s.

ELTODO-CITELUM, s.r.o.

ELTODO dopravní systémy s.r.o.

ELTODO Power, s.r.o.

ELTODO MIS-ELEKTROTECHNIKA, s.r.o.

Českomoravská energetická, a.s.

ENEST, s.r.o.

KMET Handlová, a.s.

Slévárna a strojírna, a.s.

SPOLEČNOST INVESTIČNÍHO ROZVOJE a.s.

Střední odborné učiliště ELTODO, s.r.o.

ELTODO Slovakia, s.r.o.

Elektrovod OSVETLENIE, s.r.o.

ELTODO BULGARIA o.o.d.

Significant changes in the Group

Companies in the ELTO- DO Group



Significant activities in the year 2005

In 2005, the ELTODO Group realized contracts successfully in all its areas of activity. It concerns energetics (electrical supplies, electrical installations, engineering, energy audits, inspections, etc.), traffic (tunnel technologies, traffic control centres, traffic light signalling systems, garages and parking systems, etc.), public lighting (delegated management, reconstruction, new constructions etc.), developer activity (projects, engineering, financing, turnkey construction works etc.), renting (office spaces, parking and advertisement spaces), trade in electricity (purchase, sale), manufacturing (switchboards, pylons, traffic signs and signboards, lighting devices, municipal movable chattels etc.) as well as many other activities.

Significant activities of the ELTODO Group which were commenced, implemented or completed in the year 2005 are for example:

Project name	Management, maintenance, and operation of public lighting
Work description	Lease, repairs, gradual restoration and operation of public lighting and festive illumination on the territory of the city of Ústí nad Labem.
Location	Ústí nad Labem
Commencement/termination date	1. 7. 2005 - 31. 12. 2020
Investor/Employer	ELTODO-CITELUM, s.r.o.
Contract volume	Yearly contractual price CZK 22 400 000,- Company's share in the restoration of the equipment during contract duration in the amount of CZK 110 000 000,-
Project name	Municipal stadium in Liberec
Work description	Delivery and installation of heavy current equipment including switchboards and UPS source
Location	Liberec
Commencement/termination date	06/2004 - 10/2005
Investor/Employer	Aréna SYNER, s.r.o.
Contract volume	CZK 18 955 000,-
Project name	Gas lighting in Celetná Str., Prague 1
Work description	Complete realization of the gas lighting in the Celetná Str., Prague 1
Location	Prague
Commencement/termination date	10/2005 - 12/2005
Investor/Objednatel	Capital Prague
Contract volume	CZK 13 865 000,-
Project name	Reconstruction of own electricity consumption and reconstruction of the distribution plant R 22 kV SME, Heating plant Přívoz
Work description	Complete reconstruction of distribution plants for own consumption and distribution plant R 22 kV of the Severomoravská energetika as a "turnkey" delivery. The reconstruction concerned delivery of a new technology and control system, incl. preparation of the realization project documentation and building conversions.
Location	Ostrava – Heating plant Přívoz
Commencement/termination date	01/2005 - 12/2005
Investor/Employer	Dalkia Česká republika, a.s.
Contract volume	CZK 42 000 000,-

Significant activities
in the year 2005

Project name	Strahov tunnel - building 9524, the 3. project, the 4. stage
Work description	Complete reconstruction and completion of the light signalling equipment incl. replacement of the controllers, cable lines and repairs of road surfaces on 19 crossroads in Prague 5 and 6.
Location	Prague
Commencement/termination date	11/2004 - 06/2006
Investor/Employer	Pražské silniční a vodohospodářské stavby, a.s.
Contract volume	CZK 107 641 000,-

Project name	Construction of the ZANINI production hall
Work description	Complete "turnkey" delivery of the whole construction of the industrial production hall in the extent of the project, realization of the construction, engineering and approval of the construction work. Complete construction included: delivery of earthwork and construction works, all technological units: (HV, LV, light-current installations – EPS, SSK, telephone exchange, MaR), air conditioning, heating, conditioning, water distribution, drainage, and compressed air.
Location	"Královský vrch" industrial zone in Kadaň
Commencement/termination date	08/2005 – 05/2006
Investor – trade name	Zanini CZ, s.r.o.
Financial volume	CZK 94 000 000,-

Project name	Construction of the Arla Plast production hall
Work description	Complete "turnkey" delivery of the whole construction of the industrial production hall in the extent of the project, realization of the construction, engineering and approval of the construction work. Complete construction included: delivery of earthwork and construction works, all technological units: (HV, LV, light-current installations – EPS, SSK, telephone exchange, MaR), air conditioning, heating, conditioning, water distribution, drainage, and compressed air.
Location	"Královský vrch" industrial zone in Kadaň
Commencement/termination date	05/2005 – 12/2005
Investor – trade name	Arla Plast s.r.o.
Financial volume	CZK 75 000 000,-

Project name	Dynamic guidance system for Centrum Praha JIH Chodov
Work description	System which informs the drivers about free parking lots
Location	Prague Chodov
Commencement/termination date	2005
Investor – trade name	Centrum Praha Jih - Chodov s.r.o.
Financial volume	CZK 14 700 000,-

Project name	SAT the 3. project, the 4. stage, the realization III
Work description	PS 122,123,145-155,159,163,166,207,714,715
Location	Prague
Commencement/termination date	Under construction
Investor – trade name	Metrostav
Financial volume	CZK 91 700 000,- 2005 CZK 73 800 000,-

Project name	Realization of the electrical installations in the parking house KOMA
Work description	Complete delivery of the electrical equipment for the parking system KOMA, incl. designing, supplies, installations, putting into operation, training of the operators, and test operation.
Location	KOMA – SYSTEM.CZ, Parking house Ostrava-Svinov
Commencement/termination date	2004 - 2005
Contract volume	CZK 10 000 000,-
Investor	ELTODO EG, a.s.

Activities in the area of research and development

During the year 2005, many important milestones were reached in the ongoing ministerial projects in the area of research and development; furthermore, work was commenced on new projects of commercial character. Some projects were completed. Methodology for management of the Company's technical development was implemented. On the authorization of the Ministry of Transport, the section manages - at the national level - standardization process for the traffic telematics and intelligent traffic systems within the European Commission CEN/TC278 as well as world organization ISO/TC204.

It concerns in particular following projects:

Truck weighting concept in the Czech Republic (KONVAZ) – collection and analysis of data for determination of the conceptual solution of the national truck weighting system with main aspects concentrated on enforcement and integration into the Integrated Traffic Information System (ITIS) in the Czech Republic.

Optimization of road tunnels operations (OPTUN) – it is a project which builds up on the project "Analysis and management of risks on roads". The OPTUN project continues the work connected with optimization of equipment and operation of road tunnels and their safety.

Optimization of road traffic control using the satellite system (GALILEO) – the aim is to analyse possibilities as concerns utilization of the satellite navigation GALILEO in the road traffic applications. The research is performed both with regard to theory and praxis.

Introduction of road fee collection in the cities under the conditions of the Czech Republic – the aim is to verify and recommend feasible approaches as concerns introduction of the road fee collection in the cities in the Czech Republic. The part of this project is also analysis and potential solutions for road fee collection in particular cities - for example in Prague.

Traffic control in the historical cores of the cities – this project addresses optimal solution with regard to the traffic situation in a complicated municipal traffic system, incl. solution of critical situations.

Traffic information center of the Liberec Region – a concept concerning provision of traffic information for the city of Liberec and for the whole Liberec Region. The project was focused on definition of resources and flows for collection, processing and distribution of traffic and travelling information within the whole region with a link to the national traffic information center (ITIS).

Traffic information and control center Ostrava – continuation of the study DIC Ostrava from the year 2004; in cooperation with ELTODO Traffic Systems, an evaluation was performed and documentation prepared for the building permit as concerns realization of the traffic information centre of the city of Ostrava as well as connection of selected SSZ to the supervisory center of the city.

Green paper P5-P6 P6 – a concept concerning development of the traffic telematic systems in the area of Prague 5 and Prague 6, as a part of the comprehensive traffic telematic system of the capital Prague.

Risk of road tunnels according to the EU directive - ISPROFOND 5006210025 5006210025 – analysis of the methods for tunnel risks assessment – applied approaches, proposal of a SW package IDET – identifier of the safety solution of a tunnel, comparative analysis of regulations and standards valid in the Czech Republic with directives and regulations of the EU and selected European countries.

Technical conditions:

- Traffic telematics – Roads and highways
- Traffic telematics – Local roads

Abroad:

Traffic concept in the city of Beograd – a study of basic conceptual approaches to the optimization of the traffic control as well as development of the traffic telematics in the capital of the Serbia and Montenegro – Beograd (completion of the project).

Study “Preference of the mass urban transportation in the city of Sarajevo” – – the section had an opportunity to prepare – as a subcontractor – a chapter for the concept of the development of the urban transportation in the city of Sarajevo (Bosnia and Herzegovina) dealing with solution of the preference of the tram system. For this project, a simulation tool has been used.

In the area of lighting systems:

Revision of the work standard PN 01 – preparation of comprehensive and uniform rules for construction and interventions into existing public light equipment on the base of new knowledge and new regulations.

Preparation of the gas public lighting in Prague – technical assistance for dimensioning of the gas lighting in the selected localities in the center of the city of Prague (classification and technical calculations).

EU project E-Street – participation in the European project concentrated on the future of creation and utilization of intelligent lighting systems for public lighting. This project is managed by the Norwegian company Norconsult AS in the period of 2006-2008.

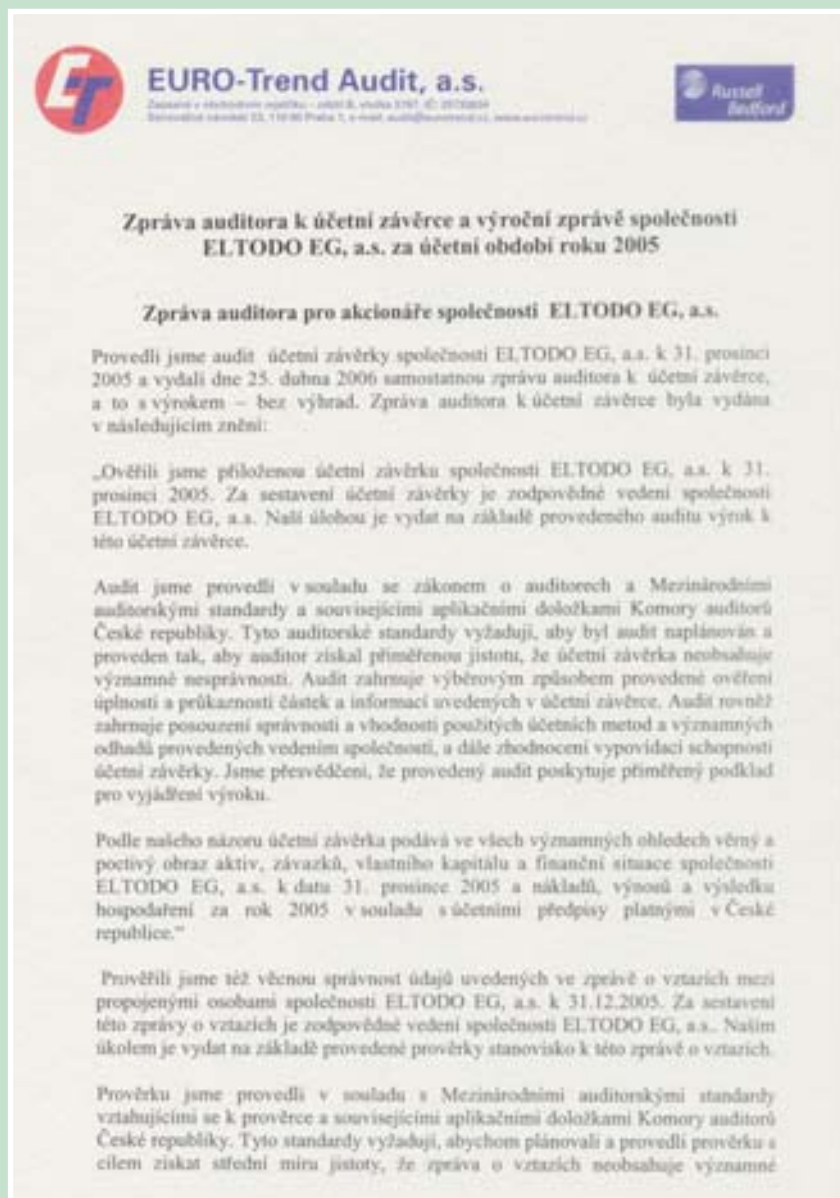
FINANCIAL PART



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Auditor's report on Financial Statements and Annual Report of the Company ELTODO EG, a.s. for the accounting period 2005



Auditor's report on Financial Statements and Annual Report of the Company ELTODO EG, a.s. for the accounting period 2005

nesprávnosti. Prověrka je omezena především na dotazování pracovníků společnosti a na analytické postupy a výběrovým způsobem provedené prověření věcné správnosti údajů. Proto prověrka poskytuje nižší stupeň jistoty než audit. Audit zprávy o vztazích jsme neprováděli, a proto nevyjadřujeme výrok auditora.

Na základě naší prověrky jsme nezjistili žádné významné věcné nesprávnosti údajů uvedených ve zprávě o vztazích mezi propojenými osobami společnosti ELTODO EG, a.s. k 31.12.2005.

Ověřili jsme též soulad výroční zprávy s výše uvedenou účetní závěrkou. Za správnost výroční zprávy je zodpovědné vedení společnosti. Naším úkolem je vydat na základě provedeného ověření stanovisko o souladu výroční zprávy s účetní závěrkou.

Ověření jsme provedli v souladu s Mezinárodními auditorskými standardy a souvisejícími aplikačními doložkami Komory auditorů České republiky. Tyto standardy vyžadují, aby auditor naplánoval a provedl ověření tak, aby získal přiměřenou jistotu, že informace uvedené ve výroční zprávě, které byly převzaty z účetní závěrky či z ní použity, jsou ve všech významných ohledech v souladu s touto účetní závěrkou. Jsme přesvědčeni, že provedené ověření poskytuje přiměřený podklad pro vyjádření výroku auditora.

Podle našeho názoru jsou informace uvedené ve výroční zprávě ve všech významných ohledech v souladu s výše uvedenou účetní závěrkou.

V Praze dne 13. května 2006

Auditorská firma:
EURO-Trend Audit, a.s.
Osvědčení č. 317

Za společnost:
Ing. Petr Ryněš, předseda představenstva



Petr Ryněš

Odpovědný auditor:
Ing. Petr Ryněš
Osvědčení číslo 1299

Balance Sheet - Assets, ELTODO EG, a.s.

CZK '000		k 31.12. 2005	k 31.12. 2004
TOTAL ASSETS	001	838 274	887 676
A. Receivables for called-up share capital	002		
B. Fixed assets	003	503 577	564 355
B.I. Intangible fixed assets	004	1 611	1 070
B.I.1. Incorporation costs	005		
B.I.2. Intangible results of research and development	006		
B.I.3. Software	007	1 432	1 070
B.I.4. Valuable rights	008	179	
B.I.5. Goodwill	009		
B.I.6. Other intangible fixed assets	010		
B.I.7. Intangible fixed assets in progress	011		
B.I.8. Prepayments on intangible fixed assets	012		
B.II. Tangible fixed assets	013	404 161	385 513
B.II.1. Land	014	33 976	31 426
B.II.2. Buildings	015	310 032	284 514
B.II.3. Separate movable items and sets of movable items	016	10 842	10 837
B.II.4. Perennial crops	017		
B.II.5. Breeding and draught animals	018		
B.II.6. Other tangible fixed assets	019	1 744	1 769
B.II.7. Tangible fixed assets in progress	020	5 918	7 443
B.II.8. Prepayments on tangible fixed assets	021	9 165	14 400
B.II.9. Valuation adjustment to acquired assets	022	32 485	35 122
B.III. Long-term financial assets (investments)	023	97 806	177 772
B.III.1. Shares in controlled and managed entities	024	46 224	102 218
B.III.2. Shares in accounting units under substantial influence	025	16 116	21 496
B.III.3. Other long-term securities and shares	026	14	8
B.III.4. Loans & credits – controlling & managing entity, substantial influence	027	21 078	40 893
B.III.5. Other long-term investments	028	14 374	13 156
B.III.6. Long-term investments in progress	029		
B.III.7. Prepayments on long-term investments	030		
C. Current assets	031	333 046	321 858
C.I. Stocks	032	52 432	31 917
C.I.1. Material	033	20 358	14 442
C.I.2. Work in progress and semi-finished products	034	31 489	17 356
C.I.3. Finished products	035		
C.I.4. Animals	036		
C.I.5. Goods for resale	037		
C.I.6. Prepayments on inventory	038	586	119

Balance Sheet - Assets,
ELTODO EG, a.s.

CZK '000		k 31.12. 2005	k 31.12. 2004
C.II.	Long-term debtors	039	
C.II.1.	Trade debtors	040	
C.II.2.	Debtors – controlling and managing entity	041	
C.II.3.	Debtors – substantial influence	042	
C.II.4.	Debtors - partners and association members	043	
C.II.5.	Long-term prepayments	044	
C.II.6.	Estimated debtors	045	
C.II.7.	Other debtors	046	
C.II.8.	Deferred tax receivables	047	
C.III.	Short-term debtors	048	275 707
C.III.1.	Trade debtors	049	243 796
C.III.2.	Debtors – controlling and managing entity	050	1 000
C.III.3.	Debtors – substantial influence	051	
C.III.4.	Debtors - partners and association members	052	
C.III.5.	Social security and health insurance	053	
C.III.6.	Due from the state – tax receivables	054	
C.III.7.	Short-term prepayments	055	11 510
C.III.8.	Estimated debtors	056	465
C.III.9.	Other debtorsy	057	19 400
C.IV.	Short-term financial assets	058	4 907
C.IV.1.	Cash on hand	059	1 128
C.IV.2.	Bank accounts	060	3 779
C.IV.3.	Short-term securities and interests	061	
C.IV.4.	Short-term financial investments in progress	062	
D.I.	Accruals and deferrals	063	1 652
D.I.1.	Deferred expenses	064	1 570
D.I.2.	Complex deferred expenses	065	
D.I.3.	Accrued revenues	066	81

Balance Sheet - Liabilities, ELTODO EG, a.s.

CZK '000		k 31.12. 2005	k 31.12. 2004
	TOTAL LIABILITIES	067	838 274
A.	Capital and reserves	068	455 951
A.I.	Called-up share capital	069	199 232
A.I.1.	Called-up share capital	070	199 232
A.I.2.	Own shares and ownership interests	071	
A.I.3.	Changes in registered capital	072	
A.II.	Capital funds	073	315
A.II.1.	Share premium	074	
A.II.2.	Other capital funds	075	
A.II.3.	Gains or losses from revaluation of assets and liabilities	076	315
A.II.4.	Gains or losses from transformation revaluation	077	
A.III.	Reserve funds, non-distributable fund, and other funds from profit	078	50 452
A.III.1.	Obligatory reserve fund / Non-distributable fund	079	50 000
A.III.2.	Statutory and other funds	080	452
A.IV.	Profit and loss from previous years	081	172 201
A.IV.1.	Retained earnings from previous years	082	172 201
A.IV.2.	Accumulated loss from previous years	083	
A.V.	Profit and loss for the current accounting period	084	33 751
B.	External funds	085	379 627
B.I.	Reserves	086	32 381
B.I.1.	Reserves according to special legislation	087	19 600
B.I.2.	Reserve for pensions and similar liabilities	088	
B.I.3.	Reserve for income tax	089	
B.I.4.	Other reserves	090	12 781
B.II.	Long-term liabilities	091	
B.II.1.	Trade creditors	092	
B.II.2.	Creditors – controlling and managing entity	093	
B.II.3.	Creditors – substantial influence	094	
B.II.4.	Creditors – partners and association members	095	
B.II.5.	Long-term prepayments received	096	
B.II.6.	Debenture and bonds issued	097	
B.II.7.	Long-term notes payable	098	
B.II.8.	Estimated creditors	099	
B.II.9.	Other liabilities	100	
B.II.10.	Deferred tax liability	101	

Balance Sheet - Liabilities,
ELTODO EG, a.s.

CZK '000		k 31.12. 2005	k 31.12. 2004
B.III. Short-term liabilities	102	187 855	214 462
B.III.1. Trade creditors	103	135 864	135 740
B.III.2. Creditors – controlling and managing entity	104	4 697	13 035
B.III.3. Creditors – substantial influence	105		
B.III.4. Creditors – partners and association members	106	4 774	15 306
B.III.5. Creditors – employees	107	5 420	5 257
B.III.6. Creditors – social security and health insurance	108	3 882	3 433
B.III.7. Taxes and state subsidies payable	109	4 469	6 661
B.III.8. Short-term prepayments received	110	28 749	15 097
B.III.9. Debentures and bonds issued	111		
B.II.10. Estimated creditors	112		19 933
B.III.11. Other liabilities	113		
B.IV. Bank loans and overdrafts	114	159 390	178 075
B.IV.1. Long-term bank loans	115	61 777	86 884
B.IV.2. Current bank loans	116	97 606	83 184
B.IV.3. Short-term financial assistance	117	7	8 007
C.I. Accruals and deferrals	118	2 697	3 867
C.I.1. Accrued expenses	119	904	3 867
C.I.2. Deferred revenues	120	1 792	

Profit and Loss Account (full extent), ELTODO EG, a.s.

	CZK '000	r. 2005	r. 2004
I. Revenues from goods sold	01	50 885	152 324
A. Costs of goods sold	02	45 729	135 350
+ Gross margin	03	5 156	16 974
II. Production	04	869 108	840 947
II.1. Revenues from own products and services sold	05	857 622	865 436
II.2. Change in stocks (self-produced)	06	11 131	- 24 490
II.3. Capitalization	07	355	
B. Cost of production	08	713 503	656 080
B.1. Material and energy consumed	09	119 804	148 567
B.2. Services	10	593 698	507 513
+ Value added	11	160 761	201 841
C. Personnel costs	12	135 330	126 116
C.1. Wages and salaries	13	98 883	92 242
C.2. Remuneration of corporate body members	14	200	
C.3. Social security and health insurance expenses	15	34 451	32 169
C.4. Social expenses	16	1 797	1 705
D. Taxes and charges	17	2 887	1 908
E. Depreciation of fixed assets and material	18	16 437	19 124
III. Sale of fixed assets and material	19	1 611	14 671
III.1. Sale of fixed assets	20	1 738	14 671
III.2. Sale of material	21	- 126	
F. Net book value of fixed assets and material sold	22	476	7 080
F.1. Net book value of fixed assets sold	23	476	7 080
F.2. Material sold	24		
G. Change in operating reserves and adjustments	25	- 55 874	10 242
IV. Other operating revenues	26	43 756	33 623
H. Other operating expenses	27	103 033	29 050
V. Transfer of operating revenues	28		
I. Transfer of operating expenses	29		
* Operating profit	30	3 839	56 615
VI. Sale of security and interests	31		1 500
J. Securities and interests sold	32		3 320
VII. Revenues from long-term financial assets	33	26 944	27 228
VII.1. Revenues from investments in controlled and managed entities	34	26 944	27 228
VII.2. Revenues from other securities and interests	35		
VII.3. Revenues from other long-term investments	36		

Profit and Loss Account (full extent), ELTODO EG, a.s.

CZK '000		r. 2005	r. 2004
VIII.	Revenues from short-term financial assets	37	
K.	Cost of financial assets	38	
IX.	Revenues from revaluation of securities and derivatives	39	16 998
L.	Cost of revaluation of securities and derivatives	40	10 902
M.	Change in reserves and adjustments to financial items	41	- 68
X.	Interests received	42	2 769
N.	Interests paid	43	7 834
XI.	Other financial revenues	44	5 144
O.	Other financial expenses	45	3 298
XII.	Transfer of financial revenues	46	
P.	Transfer of financial expenses	47	
*	Profit from financial operations	48	29 890
Q.	Income tax on ordinary operations	49	- 22
Q.1.	- due	50	- 22
Q.2.	- deferred	51	
**	Profit from ordinary operations	52	33 751
XIII.	Extraordinary income	53	
R.	Extraordinary expenses	54	
S.	Income tax on extraordinary income	55	
S.1.	- due	56	
S.2.	- deferred	57	
*	Extraordinary profit	58	
T.	Transfer of share on profit to partners (+/-)	59	
***	Profit from the current accounting period (+/-)	60	33 751
****	Profit before tax (+/-)	61	33 729
			75 289

Cash Flow Statement, ELTODÓ EG, a.s.

CZK '000		r. 2005	r. 2004	r. 2003
P.	Cash and cash equivalents as of 01. 01. 2005	9 295	6 351	12 275
Cash flow from operations				
Z.	Operating profit before interest and tax	38 838	81 633	69 303
A.1	Adjustment by non-cash operations			0
A.1.1.	Depreciation of fixed assets including adjustments to acquired assets	16 437	19 124	19 036
A.1.2.	Change in adjustments and reserves	4 560	21 529	-45 530
A.1.3.	Profit (loss) from sale of fixed assets (+/-)	-1 262	-5 771	3 809
A.1.4.	Revenues from long-term financial assets	-26 944	-27 228	-14 258
A*	Adjustment by non-cash operations - total	-7 209	7 654	-36 943
A.2.	Change in working capital			
A.2.1.	Change in accruals	-1 359	-4 952	5 144
A.2.2.	Change in receivables from operations	4 938	-62 209	-45 773
A.2.3.	Change in liabilities from operations	32 639	21 833	36 771
A.2.4.	Change in inventory	-20 515	33 251	5 732
A.2.5.	Change in short-term financial assets		0	
A**	Change in working capital - total	15 703	-12 077	1 874
AA*	CF from operations including extraordinary items	47 332	77 210	34 234
A.3.	Extraordinary income	0	0	62
A.4.	Extraordinary expenses	0	0	-46
A.5.	Income tax paid	-11 547	0	0
A.6.	Interest paid	-7 732	-8 281	-9 028
A.7.	Interest received	722	131	876
A.8.	Profit shares received	26 944	27 228	12 009
A***	Extraordinary items – total	8 387	19 078	3 873
AA**	CF from operations	55 719	96 288	38 107
Cash flow from investment				
B.1.	Expenses on acquisition of tangible and intangible investments	-24 815	-19 398	-27 881
B.2.	Expenses on acquisition of financial investments	-18 818	-41 280	-7 686
B.3.	Change in loans and prepayments for acquisition of fixed assets	9 432	-48 523	-17 814
B.4.	Revenues from sale of fixed assets	1 738	16 171	6 359
B*	CF from investment	-32 463	-92 030	-47 022
Cash flow from financing activities				
C.1.	Change in long-term liabilities and loans	-18 685	9 063	13 255
C.2.	Disbursements from social fund	0	-28	-16
C.3.	Dividends paid and remuneration to statutory bodies	-8 959	-10 349	-10 248
C*	CF from financing activities	-27 644	-1 314	2 991
Net increase of cash and cash equivalents		-4 388	2 944	-5 924
Cash and cash equivalents as of 31. 12.		4 907	9 265	6 351

Report on Related Parties for the year 2005

Zpráva o vztazích mezi propojenými osobami za rok 2005
zpracovaná představenstvem ELTODO EG, a.s. v souladu s § 66a obchodního zákonníku

Ovládaná osoba: ELTODO EG, a.s.
Novodvorská 1010/14, 142 01 Praha 4
IČ: 45274517

Ovládající osoby: Ing. Libor Hájek, 148 00 Praha 4, Fadršjevova 1178/4
Zdeňka Molnárová, 148 00 Praha4, Fadršjevova 1178/4

1. Smlouvy uzavřené mezi ELTODO EG, a.s. a ovládajícími osobami v roce 2005:

Ing. Libor Hájek

V roce 2005 nebyly uzavřeny nové smlouvy s tím, že pokračují smlouvy a dodatky uzavřené v předchozích letech.

Zdeňka Molnárová

V roce 2005 byla uzavřena Dohoda o zvýšení kvalifikace (1.9.2005) s tím, že nadále platí smlouvy a dodatky uzavřené v předchozích letech.

Představenstvo konstatuje, že z uzavřených smluv nevyplynula společnosti žádná újma a smlouvy jsou uzavřeny v obvyklé výši.

2. Jiné právní úkony učiněné v zájmu ovládajících osob v roce 2005:

V souladu s rozhodnutím řádné valné hromady ELTODO EG, a.s. dne 21.6.2005 byla ovládajícím osobám vyplacena dividenda za účetní období roku 2004 postupně ve čtyřech splátkách. Vždy dle finančních možností společnosti.

3. Ostatní opatření, která byla v zájmu nebo na popud ovládajících osob přijata nebo uskutečněna ovládanou osobou:

Žádná ostatní výše neuvedená opatření nebyla ovládanou osobou v zájmu nebo na popud ovládajících osob přijata nebo uskutečněna.

Prohlášení představenstva ovládané osoby:

Představenstvo společnosti ELTODO EG, a.s. prohlašuje, že kromě v této zprávě uvedených smluvních vztahů k propojeným osobám neuzavřela ovládaná osoba v roce 2005 jiné smlouvy s ovládajícími osobami. Dále prohlašuje, že ovládaná osoba nečinila ve prospěch ovládajících osob jiné právní úkony, než jsou uvedené v této zprávě a že nepřijala a neuskutečnila v zájmu propojených osob jiná opatření, než jsou uvedena v této zprávě.

Představenstvo prohlašuje, že ovládané osobě nevznikla z titulu ovládnutí majetková újma.

V Praze dne 29. 3. 2006



Za představenstvo ELTODO EG, a.s.:
Ing. Jindřich Heřman, místopředseda



ANNEX TO THE FINANCIAL STATEMENTS FOR ENTREPRENEURS IN FULL EXTENT

The data mentioned herein refer to the accounting period of the year 2005

Novodvorská 1010/14, 142 01 Prague 4

Company ID No.: 45274517

Date of incorporation: 6. 5. 1992

Balance sheet date: 31. 12. 2004

I. General data of
ELTODO EG, a.s.

Main object of the business:

- Project design of electrical equipment
- Project construction design
- Assembly, repairs and revisions of special electrical equipment within the scope of the valid "Licence"
- Manufacturing of LV switchboards, batteries, cables, and wires
- Manufacturing, installation, and repairs of electronic equipment
- Maintenance and repairs of aviation technology

As well as other activities according to the copy of the entry in the Commercial Register

Called-up share capital:

The called-up share capital of the Company amounts CZK 199 232 400.-.

It is fully paid in.

Shares:

996 162 pieces of ordinary bearer shares in the nominal value of CZK 200.-.

Stock certificates

Persons who share at least 20% and more in the called-up share capital of the accounting unit:

Name: Ing. Libor Hájek

Zdeňka Molnárová

Prof. Ing. Pavel Příbyl, Csc.

Description of changes and supplements entered into the Commercial Register in the elapsed accounting period:

Merger Agreement

By virtue of the Merger Agreement of 17.05.2005, assets including all rights and liabilities of the companies ACTUAL Plus Praha, a.s., ELTODO Parking, s.r.o., KATES spol. s r.o. and ELEXA spol. s r.o. which ceased to exist was transferred to the successor company ELTODO EG, a.s. The specified date of the merger is 1st January 2005.

Other changes in the Commercial Register:

Record concerning new proctor: Jan Crdlík (Recorded on: 7th January 2005)

Establishment of the structural unit in the Slovakia

ELTODO EG, a.s.- odštěpný závod Slovensko (branch Slovakia), structural unit

Registered office: Bratislava, Čulenova 5, post code 816 46

Recorded into the Commercial Register on 04. 05. 2005

Slovakian ID-No.: 35 953 195

Head of the structural unit: JUDr. Ivan Hejtmánek

I. General data of ELTODO EG, a.s.

Companies of the ELTODO EG, a.s. as of 31. 12. 2005

(CC = called-up share capital)

Name of company	Legal form	Registered office	Share in CC (CZK/curren.)	Share in CC (%)	Note
ELTODO Power	s.r.o.	Prague	25 000 000	100	
ELTODO-CITELUM	s.r.o.	Prague	50 000 000	50	
ELTODO dopravní systémy	s.r.o.	Prague	9 800 000	49	
ELTODO MIS					
-ELEKTROTECHNIKA	s.r.o.	Ostrava	3 525 000	75	
Českomoravská energetická	a.s.	Prague	340 000	34	
ENEST	s.r.o.	Prague	15 600 000	100	
SPŠ a SOU ELTODO	s.r.o.	Prague	200 000	100	
ELTODO Slovakia	s.r.o.	Skalica	150 000,- SK	50	
ENERGOVOD - Slovakia	a.s.	Banská Bystrica	650 000,- SK	65	1.)
SPOLEČNOST INVESTIČNÍHO ROZVOJE	a.s.	Kadaň	1 530 000	51	
KMET Handlová	a.s.	Handlová	510 000,- SK	51	
Zónapark	a.s.	Praha	1 000 000	50	
Elektrovod OSVETLENIE	s.r.o.	Košice	12 100 000,- SK	50	
ELTODO Bulgaria	s.r.o.	Sofia	10 000,- LEV	100	
ELTODO Národní dům	s.r.o.	Karlovy Vary	200 000	100	

1) ENERGOVOD Slovakia a.s. - since 31.03.1998 the company EG Slovakia has been not showing any activity. As of the date of the financial statements, the company was not dissolved.

Names and surnames of members of statutory and supervisory bodies as of the date of the financial statements:

Board of Directors:

Chairman of Board of Directors: Ing. Libor Hájek

Vice-chairman of Board of Directors: Prof. Ing. Pavel Příbyl, CSc.

Ing. Jindřich Hess

Ing. Jaroslav Laňka

Members of Board of Directors Ing. Antonín Havlíček

František Peringer

Supervisory Board:

Chairman of Supervisory Board: PaedDr. Jan Rafaj

Members of Supervisory Board: Miroslav Povejšil

Monika Jedličková

Proctor:

Zdeňka Molnárová

JUDr. Stanislav Kabele

Jan Crdlík

Average staff in the accounting period:Total headcount: **313**of which: **25** managersI. General data of
ELTODO EG, a.s.**Personnel costs per employee:**

Total amount in CZK '000 structured according to the Profit and Loss Account items:

	Current period 2005	Previous period 2004
Personnel costs	135 330	126 116
Wages and salaries	98 883	92 242
Remuneration of corporate body members	200	
Social security expenses	34 451	32 169
Social expenses	1 797	1 705
<i>Of which for the management</i>		
Personnel costs	28 986	30 488
Wages and salaries	21 369	22 438
Remuneration of corporate body members		
Social security expenses	7 479	7 853
Social expenses	138	197

The attached Financial Statements have been elaborated in accordance with the Act No. 563/91 Coll., Accounting Act, and related regulations for the bookkeeping of entrepreneurs. A foreign reader should verify whether the requirements of the Czech Accounting Act are similar to his / her common accounting rules or not.

The Financial Statements have been elaborated based on the principle of historical prices.

The valuation and depreciation methods applied by the Company when elaborating the Financial Statements for the year 2005 are as follows:

III.1. Intangible and tangible fixed assets

Intangible and tangible fixed assets are evaluated in acquisition prices, which consist of acquisition costs including customs duty, transport costs and other costs related to an acquisition. Intangible and tangible fixed assets produced within the company, if capitalized, are evaluated in product costs which include direct material, labour costs and production overhead related to the production of the relevant intangible and tangible fixed assets.

Expenses on technical improvement of intangible and tangible fixed assets increase the acquisition price. Repairs and maintenance are charged to the costs.

The category of low-value tangible fixed assets is posted to the account No. 022. Tangible assets of a lifetime period exceeding one year and price from CZK 5,000.- to CZK 40,000.- are evaluated in acquisition prices and depreciated for the period of 15 months. Low-value tangible assets of a lifetime period exceeding one year and price up to CZK 5,000.- are charged to expenses at the moment of entry

II. Baseline for elaboration
of the Financial
StatementsIII. Valuation and
depreciation methods

III. Valuation and depreciation methods

into assets records. Intangible assets of a lifetime period exceeding one year and price up to CZK 60,000.- are evaluated in acquisition prices and depreciated for the period of 15 months.

Accounting depreciation charges of tangible fixed assets are calculated according to the acquisition price and estimated lifetime period of the relevant asset. The lifetime period is derived from tax depreciation classes according to the Income Tax Act. The Company applies the straight-line and monthly depreciation method. Upon recording a new asset, the accounting depreciation expense is charged in the month following the month of initial recording. Upon liquidation of an asset, the depreciation expense is no longer charged in the month of liquidation. Land and fixed assets under construction are not written-off.

Intangible fixed assets are charged to expenses according to the estimated lifetime term.

Write-off period	Number of years of write-off
Buildings and structures	50
Machinery and equipment	4 - 15
Vehicles	4 - 8
Furniture and fixtures	8

Land and investments in progress are not written-off.

III.2. Stocks

Purchased stock items are evaluated in real acquisition cost using the FIFO method. The acquisition price includes acquisition costs with expenses related to the acquisition (transport costs and customs duty).

Products and production in progress are evaluated in own product costs, which include direct costs and a proportional overhead. Contracts (projects) are evaluated in direct material costs, direct payroll expenses, other direct expenses and production overhead.

As of the date of the financial statements, the acquisition price (production costs) is, in the case of a decrease of the asset value, adjusted according to an individual assessment by adjustments stated in the correction column of the balance sheet.

III.3. Long-term financial assets (financial investments)

Securities and ownership interests are evaluated upon the acquisition in acquisition price, including the share premium. As of the date of the financial statements, the acquisition price is, in the case of a decrease of the asset value, adjusted according to individual assessment by adjustments stated in the correction column of the balance sheet. Adjustments to shares and interests in companies of the Group are derived particularly from the amount of equity of owned companies.

III.4. Debtors

Debtors are charged at their nominal values and assigned debtors at acquisition prices. As of the date of the financial statements, the value of bad debts is reduced by adjustments charged to expenses in the correction column of the balance sheet.

III. Valuation and depreciation methods

Calculation of adjustments to trade debtors:

Debtors after maturity for more than 180 days	50 % adjustment
Debtors after maturity for more than 365 days	100 % adjustment

For selected debtors, adjustments are made according to individual assessment.

In subsidiary accounts, adjustments are broken down to adjustments created in accordance with the Act No. 593/92 Coll., on reserves, and adjustments according to the Act No. 563/91 Coll., Accounting Act (non-deductible tax).

III.5. Received loans

Short-term and long-term loans are recorded at their nominal values upon receipt.

III.6. Foreign exchange operations

In foreign currency conversions of assets and liabilities, the Company applies current and fixed exchange rates valid at the moment of acquisition of the asset or initiation of the liability (according to the internal directive).

Realized foreign exchange rate gains and losses are charged to revenues or expenses in the current accounting period and unrealized foreign exchange rate gains and losses are not charged in the accounting period.

As of the date of the financial statements, the assets and liabilities in foreign currency are converted into the Czech currency at the exchange rate valid on the 31st December and declared by the Czech National Bank, and the exchange differences are posted as realized ones to expenses or revenues of account classes No. 21, 22, 25, and 26. Unrealized exchange rate gains and losses, and particularly those originated from conversions of foreign currency debtors and creditors as of the 31st December, are stated in the P&L. The exchange differences resulted from conversion of foreign currency securities and shares are posted to the account No. 414.

III. 7. Deferred tax

The Company accounts for a deferred tax item provided the conditions of its origination are met. A deferred tax is calculated from temporary differences between accounting and tax book residual values of intangible and tangible fixed assets and from other differences between accounting and tax values of assets (e.g. as a result of adjustments to debtors, stocks resulting from creation and use of reserves) adjusted by the income tax rate valid for the following accounting period. A deferred tax debtor is accounted for only in the case of its highly probable set-off against future tax gains.

III.8. Financial leasing

Financial leases are accounted for in accordance with accounting regulations, i.e. costs accrued through the account No. 381.

III. 9. Accounting for expenses and revenues

Expenses and revenues are accounted for in accrued terms, i.e. to the period they are related to in respect of time and substance. In accordance with the prudence principle, the company is accounting for a creation of reserves and adjustments in order to cover all the risks, losses, and depreciations which are known as of the date of the financial statements to the costs.

IV. Additional information to the Balance Sheet and P&L Account

The profits resulted from long-term production orders are accounted for not until the moment of the order completion and delivery in compliance with the made contract.

IV.1. Breakdown of tangible and intangible fixed assets

Note: The following items are not stated in the table

1. Adjustment item "Slovan Garages" in the amount of CZK 37 136 thous. The adjustment is charged regularly to revenues on a straight line basis for a period of 15 years. This adjustment shall be dissolved in the course of 15 years (starting from 2003). As of 31.12.2005, the accumulated depreciation amounted to CZK 2 476 thous.
2. Adjustment to the acquired IPO, s.r.o., Kopernikova Str., Plzeň, that resulted from a purchase of a part of the enterprise. This adjustment shall be dissolved in the course of 15 years (starting from 15.07.2000). As of 31.12.2005, the accumulated depreciation amounted to CZK 161 thous.

Fixed assets		Intangible fixed assets			Tangible fixed assets							Total
		software	Low-value IFA	Valuable rights	Buildings	Movable items		Land	Pieces of art	Advances for FA	Investments in progress	Aggregate
						Machinery	Low-value IFA					
Acquisition price	Balance as of 1. 1. 05	18 480	4 139	10	351 134	35 162	19 738	31 428	1 769	18 000	7 443	487 302
	Total increments	1 590	1 175	367	48 595	6 713	3 270	2 548	0	9 165	-1 525	71 897
	Of which											
	Purchase	536	606	200	74	2 629	2 208	600	0	9 165	30 488	46 506
	Contribution or merger	676	322	167	26 720	4 040	885	1 948	0	0	0	34 757
	Other	0	0	0	10 245	0	0	0	0	0	0	10 245
	Transfers	378	246	0	11 556	45	177	0	0	0	-32 014	-19 610
	Total decrements	11 093	428	10	13 080	5 716	3 409	0	25	18 000	0	51 761
	Of which											
	Sale	0	8	0	22	1 944	384	0	25	0	0	2 383
	Liquidation	10 715	174	10	1 501	3 434	2 885	0	0	0	0	18 720
	Other - gifts, losses, ...	0	0	0	0	338	26	0	0	18 000	0	18 364
	Transfers	378	246	0	11 556	0	114	0	0	0	0	12 294
	Balance as of 31. 12. 05	8 977	4 885	367	386 649	36 160	19 599	33 976	1 744	9 156	5 918	507 438
	Depreciation amount	Balance as of 1. 1. 05	17 561	3 988	10	66 619	26 233	17 829	0	0	0	0
Annual accounting depreciation												
* regular (551)		675	327	28	6 833	3 239	2 699	0	0	0	0	13 800
* write-off (551)		0	0	0	0	0	0	0	0	0	0	0
Other changes due to merger		488	287	150	4 680	2 865	85	0	0	0	0	8 554
Other decrmnts (541, 543, ...)		0	0	0	9	347	631	0	25	0	0	1 013
Retirement		10 715	182	0	1 524	5 716	3 295	0	25	0	0	21 457
Transfers												0
Balance as of 31. 12. 05	8 009	4 420	187	76 617	26 968	17 948	0	0	0	0	134 150	
Book value of assets	968	465	179	310 032	9 191	1 651	33 976	1 744	9 165	5 918	373 288	

IV. Additional information to the Balance Sheet and P&L Account

IV.2. Debtors

1. Debtors by maturity term

Total trade debtors and debtors acquired by assignment	CZK 281 524 thous.
Customers – trade debtors	CZK 247 857 thous.
• within a maturity term	CZK 137 744 thous.
• within 180 days after maturity	CZK 75 596 thous.
• over 180 days after maturity	CZK 34 516 thous.
• assigned debtors	CZK 26 468 thous.
• collectable notes	CZK 234 thous.
• other debtors	CZK 6 965 thous.

2. Debtors of companies in the Group

Company	Trade debtors	Other debtors	From long-term financial assets – credit, loans
ELTODO Power	533	1 000	0
ELTODO dopravní systémy	7 365	0	0
ELTODO-CITELUM	8 941	0	0
SPŠ a SOU ELTODO	18	20	0
ENEST	9	0	0
ELTODO Slovakia	53	0	488
ELEKTROVOD OSVETLENIE	0	0	0
KMET	0	0	21 078
ELTODO Bulgaria	584	0	2 975
SIR	34 448	0	10 081
ELTODO MIS-ELEKTROT.	154	0	0
Českomoravská energetická	77	90	0
Zónapark	1	0	0
ELTODO Národní dům	14 681	0	830
TOTAL	66 864	1110	35 452

3. Adjustments

CZK '000	As of 31.12.04	Creation	Clearance	As of 31.12.05
Adjustment to debtors	91 374	12 802	63 884	40 292
Litigations	1 780	664	0	2 444
Bankruptcy proceedings	26 590	1 630	130	28 091
Trade debtors	63 004	6 677	59 924	9 757
Adjustments to prepayments for acquisition				
of fixed assets	3 600	0	3 600	0
Adjustments to financial investment	4 835	0	68	4 767
Adjustments to stocks	747	0	136	611
Adjustments to production in progress	1 784	3 665	5 449	0

IV. Additional information to the Balance Sheet and P&L Account

4. Debtors secured by notes

Notes receivable by ELTODO EG, a.s. – as of 31. 12. 2005:

1. Debtor - ATLAS PRAHA s.r.o. – blank promissory note, issued on 02. 01. 2003 to the contract dated 02. 01. 2003
2. Debtor – ECON Holding, a.s. – promissory note, issued on 08. 11. 2001, due on 28. 12. 2001, amount CZK 1 500 000.- (debtor declared bankrupt).
Debtor – ECON Holding, a.s. – promissory note, issued on 08. 11. 2001, due on 10. 01. 2002, amount CZK 1 500 000.- (debtor declared bankrupt).
Debtor – ECON Holding, a.s. – promissory note, issued on 29. 11. 2001, due on 28. 02. 2002, amount CZK 1 500 000.- (debtor declared bankrupt).

5. Debt

from the company Papírna Novosedlice has been assigned to the company Petrostav, spol. s r.o., currently waiting for a sale of assets to cover creditors.

IV.3. Liabilities

1. Creditors by maturity term

Total trade creditors	CZK 135 842842 thous.
Suppliers – trade creditors	CZK 134 928842 thous.
• within a maturity term	CZK 76 656842 thous.
• within 180 days after maturity	CZK 54 316842 thous.
• over 180 days after maturity	CZK 3 957842 thous.
• other creditors (purchased creditors)	CZK 914842 thous.

2. Creditors of companies in the Group

Company / CZK '000	Trade creditors	Other creditors
ELTODO Power	3 342	
ELTODO dopravní systémy	47 114	
ENEST	4 486	
ELTODO-MIS EL.	4 907	
ELTODO-CITELUM	4 597	
SPŠ a SOU ELTODO		4 697
KMET Handlová	4	
TOTAL	64 450	4 697

3. Liabilities covered and secured by notes

Notes payable by ELTODO EG, a.s. – as of 31.12.2005: creditor

1. Živnostenská banka a.s., blank promissory note, issued on 10. 08. 2001 (to the loan agreement dated 10. 08. 2001).
2. Citibank, a.s., blank promissory note, issued on 11. 6. 2004 (to the loan agreement dated 11. 06. 2004, 33, 250 mio. CZK).
3. Citibank a.s., blank promissory note, issued on 11. 6. 2004 (revolving credit).
4. Interbanka a.s., blank promissory note, issued on 29. 4. 2004 (to the loan agreement dated 29. 04. 2004).
5. ČSOB, a.s., blank promissory note, issued on 13. 10. 2005 (bank guarantee).

IV. Additional information to the Balance Sheet and P&L Account

Surety (aval) ELTODO EG, a.s. – of 31. 12. 2005:

Promissory note – by drawer SPOLEČNOST INVESTIČNÍHO ROZVOJE, a.s. to the contract for loan of CZK 53 000 000.- dated 29. 04. 2004.

Aval of notes of ELTODO-Citelum for the credit Prague (credit limit of CZK 500 mio.) and České Budějovice (credit limit of CZK 34 mio.).

The Company is not aware of any other liability except for the above stated ones in the notes.

Guarantor's declaration of ELTODO EG, a.s. – as of 31. 12. 05:

Guarantor's declaration for VEROS s.r.o. Košice – contract to secure liabilities dated 29. 12. 2003.

Guarantor's declaration for Elektrovod OSVETLENIE, s.r.o. – contract to secure liabilities dated 29. 12. 2004.

4. Liabilities to the state

As of the date of the financial statements the Company has no liabilities resulting from taxes, social security and health insurance except for liabilities related to wages and salaries for December 2005, due in January 2006, which have been already duly paid.

5. Subsidies

In the year 2005, the Company received subsidies in the total amount of CZK 7 079 900.- from several entities (Ministry of Transport of the Czech Republic, ČVUT, Bactie, s.r.o.). The Company has no related liabilities and all the subsidies have been duly accounted for.

IV.4. Capital and reserves

A detailed description of the Company's equity is stated in the Appendix to the Financial Statements (see the last page).

The called-up share capital is described in the Chapter I.

IV.5. Financial leasing

CZK '000	Instal-ments	Paid	Due within	Due in
Financial leasing	total	31.12.05	1 year	following years
Trucks	783	776	7	0
Cars	3 621	3 219	332	0
Office and other technology	7 638	5 776	1 862	502
Total	12 042	9 771	2 201	502

The Company acquired 15 vehicles under the operating lease in 2005.

IV. Additional information to the Balance Sheet and P&L Account

IV.6. Loans and overdrafts

CZK '000	Balance as of 31. 12. 05	Balance as of 31. 12. 04
Long-term loans		
Živnostenská banka, a.s.	43 125	37 500
Všeobecná úvěrová banka, a.s.	0	21 000
Citibank, a.s.	18 652	28 384
Current bank loans incl. lines of credit		
Živnostenská banka, a.s. – open account	89 030	66 841
Citibank, a.s.	8 576	16 343

IV.7. List of tangible assets encumbered with pledge or mortgage (real estate), stating the nature and form of the security:

Pledges on assets of ELTODO EG, a.s. as of 31. 12. 2005 (mort. contract)

Pledgee (mortgagee)	Pledge (mortgage) up to:	Real estate encumbered with mortgage	Other assets pledged	Purpose
Živnostenská banka, a.s.	500 000 000	Novodvorská premises	Ownership interest of 50% ELTODO -CITELUM, s.r.o.	loan ELTODO -CITELUM, s.r.o.
Živnostenská banka, a.s.	160 000 000	Novodvorská premises		loan facility
	30 000 000			
	25 000 000			
	152 000 000			
Citibank, a.s.	33 250 000	Hvoždanská premises		
Komerční banka, a.s.	50 000 000	Čerčanská premises		business case financing of CZK 6.5 mio. guarantee line of CZK 25 mio.

Easements (easem. contract)

	Předmět věcného břemene
Hl. m. Praha	Novodvorská premises, 13th and 14th floor of the building 1010 by 19.10.2005
	Novodvorská premises, passage for administrative building C

Živnostenská banka and Citibank- securing operational loan facilities by trade debtors.

Raiffeisenbank – guaranty for Společnost investičního rozvoje, a.s.; the part thereof is pledge of shares for the benefit of the bank.

Komerční banka – guaranty for KMET a.s.; the part thereof is pledge of shares for the benefit of the bank.

IV. Additional information to the Balance Sheet and P&L Account

IV.8. Income tax

- a) **Due** - the Company has no tax liability for the accounting period.
- b) **Deferred** - due to a lack of reasonable certainty of the future set-off of a such receivable against future profits, no deferred tax was accounted for in 2005.

List of temporary differences:

CZK '000	Accounting book value as of 31.12. 2005	Tax book value as of 31.12. 2005	Temporary difference for 2005
Difference of accounting and tax			
book value of fixed assets in use	356 087	324 289	-31 798
Stocks	20 358	20 969	611
Production in progress – projects	31 489	31 489	0
Reserves	-12 781	0	12 781
Total temporary differences	0	25 000	25 000
Deferred tax receivable			6 594

IV.9. Reserves

Statutory reserves (CZK '000):

Reserves for repairs according to the Act No. 593/1992 Coll., to regulate reserves for determination of the income tax base

The company management decided to create reserves for repairs of assets amounting to **CZK 9 800 000 in 2005**.

The repairs relate to the own real estate.

Accounting reserves for business risks and losses and extra works:

CZK '000	Balance as of 31.12. 04	Creation of reserve	Use of reserve	Balance as of 31.12. 05
Reserve for outstanding works	18 021	12 781	18 021	12 781
TOTAL	18 021	12 781	18 021	12 781

The reserves were created and used in accordance with the decision of the Company. The reserve for outstanding works was established for future expenses resulting from orders in progress, which are going to be completed in 2006.

IV. Additional information to the Balance Sheet and P&L Account

IV.10. Litigations

Claimant	Defendant	Amount in CZK	USD
ELTODO EG,a.s.	EB GROUP spol. s r.o.	676 714,50	
	EUROTEC Ltd. spol. s r.o.	917 861,00	
	INTER CAPITAL CORPORATION	300 000,00	150 000
	Y.V.D.MARKETING, s.r.o.	29 280,00	
	ELPROMONT Praha	151 255,00	
	Pavel Kasal	16 672,00	
	Elektrokompekt, spol. s r.o.	7 296,00	
	EING.LIŠKA	17 000,00	
	EUROTEC Ltd.	3 600,00	
	Zdeněk Donoval –ELEKTRO	18 700,00	
	Martin Hubáček	6 575,00	
	H.& B. Junek, spol. s r.o.	52 500,00	
	Miroslav Babka	45 303,00	
	Hana Michálková	84 000,00	
	Jaroslav Pelouch	11 173,00	
	Tomáš Begera	27 885,00	
	READY, spol. s r.o.	96 415,00	
	KA & KA, spol. s r.o.	33 980,00	
	MD servis s.r.o.	16 065,00	
	Monika Remešová	30 043,00	
AVUS s.r.o.	16 672,00		
HAF Club s.r.o.	20 854,00		
SPUTNIK- M.Krajewski	59 928,00		
Diamond Ā. s.r.o.	8 054,00		
TOTAL		2 647 825,50	150 000

IV.11. Selected items of sales revenues from operating activities

CZK '000	Current period			Previous period		
	Total	Domestic	Foreign	Total	Domestic	Foreign
Goods	50 885	44 002	6 883	152 324	57 888	94 436
Services	750 445	735 259	15 186	808 915	808 915	0
Rent	107 177	106 975	202	56 521	56 450	71

In the year 2005, the Company realized profit in the amount of CZK 6 096 thous. due to revaluation of the option (financial derivative) to real value as of 31.12. 2005.

IV.12. Information to the opening balance sheet

In its Financial Statements (balance sheet, profit and loss account), the Company has showed values of the Company Eltodo EG, a.s. as of 31.12.2004 in the column Previous accounting period. In the following table, short version of the opening balance sheet of the Company Eltodo EG, a.s. after merger with following subsidiary companies: ACTUAL Plus Praha, a.s., ELTODO Parking, s.r.o., KATES spol. s r.o., ELEXA spol. s r.o. is stated.

IV. Additional information to the Balance Sheet and P&L Account

Balance Sheet - Assets		Gross	Correction	Net
TOTAL ASSETS		1 130 467	250 298	880 169
A.	Receivables for called-up share capital	0	0	0
B.	Fixed assets	674 782	152 563	522 219
B.I.	Intangible fixed assets	23 794	22 500	1 294
B.II.	Tangible fixed assets	537 821	125 228	412 593
B.III.	Long-term financial assets (investments)	113 167	4 835	108 332
C.	Current assets	453 786	97 735	356 051
C.I.	Stocks	36 581	2 531	34 050
C.II.	Long-term debtors	37	0	37
C.III.	Short-term debtors	397 850	95 204	302 646
C.IV.	Short-term financial assets	19 318	0	19 318
D.I.	Accruals and deferrals	1 899	0	1 899

Balance Sheet - Liabilities		Current accounting period
TOTAL LIABILITIES		880 169
A.	Capital and reserves	432 962
A.I.	Called-up share capital	199 232
A.I.1.	Called-up share capital	199 332
A.I.2.	Own shares and ownership interests	0
A.I.3.	Changes in registered capital	0
A.II.	Capital funds	580
A.II.1.	Share premium	0
A.II.2.	Other capital funds	0
A.II.3.	Gains or losses from revaluation of assets and liabilities	580
A.II.4.	Gains or losses from transformation revaluation	0
A.III.	Reserve funds, non-distributable fund, and other funds from profit	50 459
A.III.1.	Obligatory reserve fund / Non-distributable fund	50 000
A.III.2.	Statutory and other funds	459
A.IV.	Profit and loss from previous years	112 090
A.IV.1.	Retained earnings from previous years	112 090
A.IV.2.	Accumulated loss from previous years	0
A.V.	Profit and loss for the current accounting period	70 601
B.	External funds	441 641
B.I.	Reserves	27 821
B.II.	Long-term liabilities	0
B.III.	Short-term liabilities	225 645
B.IV.	Bank loans and overdrafts	188 175
C.I.	Accruals and deferrals	5 566

IV. Additional information to the Balance Sheet and P&L Account

The Profit and Loss Account as of 31.12.2004 is as follows (short version):

Text	KATES	ELEXA	PARKING	ACTUAL	ELTODO EG
I. Revenues from goods sold					152 324
A. Costs of goods sold					135 350
+ Gross margin					16 974
II. Production	793	49 720	18 367	65 827	840 947
II. 1. Revenues from own products and services sold		50 715	18 827	65 827	865 436
2. Change in stocks (self-produced)		-995	-460		-24 490
3. Capitalization					
B. Cost of production	181	34 129	12 232	55 002	656 080
B. 1. Material and energy consumed		30 991	1 321	3 075	148 567
B. 2. Services		3 138	10 911	51 927	507 513
+ Value added	613	15 591	6 135	10 825	201 841
C. Personnel costs		12 318	6 461	5 049	126 116
C. 1. Wages and salaries		9 053	4 715	3 777	92 242
C. 2. Remuneration of corporate body members		41			
C. 3. Social security and health insurance expenses		3 224	1 626	1 213	32 169
C. 4. Social expenses			120	59	1 705
D. Taxes and charges	7	78	15	14	1 908
E. Depreciation of fixed assets and material	138	1 480	333	265	19 124
IV. Other operating revenues		13	3	137	33 623
H. Other operating expenses		261	147	157	29 050
* Profit from operations	467	2 829	-834	5 619	56 615
XI. Financial revenues	1	770			5 731
O. Financial expenses	13	562	37	39	6 189
* Profit from financial operations	-12	-681	-37	27	18 674
Q. Income tax on ordinary operations	108	932		1 602	4 688
Q. 1. - due		932		1 602	4 688
2. - deferred					
** Profit from ordinary operations	347	1 216	-871	4 044	70 601
XIII. Extraordinary income		41			
R. Extraordinary expenses		3			
S. Income tax on extraordinary income					
S. 1. - due					
2. - deferred					
* Extraordinary profit		38			
T. Transfer of share on profit to partners (+/-)					
*** Profit from the current accounting period (+/-)	347	1 254	-871	4 044	70 601
**** Profit before tax	347	2 186	-871	5 646	75 289

Appendix**Capital and reserves**

Current accounting period - 2005

IV. Additional information
to the Balance Sheet and
P&L Account

Equity item	Opening balance	Increments	Decrements	Transfers	Changes due to merger	Closing balance
1. Called-up share capital	199 232					199 232
2. Own shares	0					0
3. Share premium	0					0
4. Reserve funds	50 000					50 000
5. Other funds from the profit (statutory funds)	459		7			452
6. Capital funds	0					0
7. Gains from revaluation not included in the profit	580		265			315
8. Retained earnings	142 579			60 219	-30 597	172 201
9. Accumulated loss	0					0
10. Profit/Loss after tax for the accounting period	70 601	33 751		-70 601		33 751
11. Transfer of profit to partners, remuneration	0		10 491	10 382	109	0
A. Capital and reserves	463 451	33 751	10 763	0	-30 489	455 951

The general meeting of the company KATES spol. s .r.o. held in January 2005 decided to disburse share in profit for the member Ing. Vohnout in the amount of CZK 109 thous.

The general meeting of ELTODO EG, a.s. held on 21.06.2005 decided to approve the financial statements as follows:

Distributable profit from 2004	70 600 942,-
Shareholder's profit shares (dividends)	9 961 620,-
Remuneration of board members (total)	420 000,-
Retained profits	60 219 322,-

Audit Report on Consolidated Financial Statements of the Group of Companies ELTODO EG, a.s. for Accounting Period 2005



Definition of the consolidation set

For the purpose of the consolidated Balance Sheet and Profit and Loss Account the consolidation set was defined as follows.

ELTODO EG, a. s.			
ELTODO Power, s.r.o.	100 %	Českomoravská energetická, a.s.	34 %
VEROS, s.r.o. KOŠICE	50 %	ELTODO-CITELUM, s.r.o.	50 %
ELTODO MIS- ELEKTROTECHNIKA, s.r.o.	75 %	Elektrovod OSVETLENIE, s.r.o.	50 %
ELTODO dopravní systémy s.r.o.	49 %	KMET Handlová, a.s.	51 %

The average headcount for the ELTODO EG, a. s. Group in the year 2005 was 873.

Method and system of consolidation

ELTODO EG, a.s.	parent company	direct
ELTODO Power, s.r.o.	full consolidation	direct
KMET, s.r.o.	full consolidation	direct
ELTODO dopravní systémy s.r.o.	equivalence method	direct
ELTODO-CITELUM, s.r.o.	equivalence method	direct
Českomoravská energetická, a.s.	equivalence method	direct
ELTODO MIS-ELEKTROTECHNIKA, s.r.o.	full consolidation	direct
Elektrovod OSVETLENIE, s.r.o.	proportionate consolidation	direct
Veros, s.r.o.	full consolidation	indirect ¹⁾

¹⁾ partial consolidation set with Elektrovod Osvetlenie, s.r.o. a Veros, s.r.o.

Accounting procedures, valuation and depreciation methods of the consolidation

All the companies included in the consolidation set use in principle identical methods for assets and liabilities valuation and assets depreciation and identical accounting procedures. The parent company either provides accounting services or performs control and audits to most of the companies integrated in the consolidation set.

All the companies integrated in the consolidated set compile their individual financial statements as of the 31st December 2004 with the exception of ELTODO dopravní systémy s.r.o. company, which closed its books and elaborated the financial statements as of the 30th September 2004 for its fiscal year.

Official statements of these companies were available at the time of compilation of the consolidated financial statements. In the case of EDS, s.r.o., the consolidation was based on official reports as of the 30th September 2004 and interim statements for the period of October till the 31st December 2004 (the statements were summarized and adjusted for the purpose of the consolidation).

Consolidated Balance Sheet of the ELTODO Group

CZK '000	Position		2005	2004
	TOTAL ASSETS	1	1 238 008	1 265 145
A.	Receivables for called-up share capital	2	0	
B.	Fixed assets	3	815 664	890 831
B.I.	DIntangible fixed assets	4	2 746	1 954
B.II.	Tangible fixed assets	5	648 854	647 925
B.III.	Long-term financial assets (investments)	6	32 108	82 038
B.IV.	Positive consolidation difference	7	0	24 263
B.V.	Securities in equivalence	8	131 956	134 653
C.	Current assets	9	408 814	359 021
C.I.	Stocks	10	75 454	49 443
C.II.	Long-term debtors	11	2 355	10
C.III.	Short term debtors	12	306 980	278 449
C.IV.	Financial assets	13	24 025	31 119
D.	Other assets – prepayments and accrued income	14	13 530	15 293
	TOTAL LIABILITIES	15	1 238 008	1 265 145
A.	Capital and reserves	16	547 872	566 512
A.I.	Called-up share capital	17	199 232	199 232
A.II.	Capital funds	18	280	580
A.III.	Funds from profit	19	50 452	50 459
A.IV.	Profit from previous years	20	172 201	142 578
A.V.	Consolidated profit from the accounting period			
	excl. minority interests (+)	21	21 209	90 127
A.V.1.	Consolidated profit from the current			
	accounting period (+)	22	-3 687	56 303
A.V.2.	Share in profit in equivalence (+)	23	24 896	33 824
A.VII.	Consolidation reserve fund	24	104 498	83 536
B.	External resources	25	692 351	693 378
B.I.	Reserves	26	33 595	27 984
B.II.	Long-term liabilities	27	21 906	41 439
B.III.	Short-term liabilities	28	225 468	217 228
B.IV.	Bank loans and overdrafts	29	411 382	406 727
C.	Other liabilities – accruals and deferred income	30	4 964	9 313
D.	Minority equity	31	-7 179	-4 058
D.I.	Minority called-up share capital	32	1 550	385
D.II.	Minority capital funds	33	2	0
D.III.	Minority funds from profit incl. the profit			
	from previous years	34	-4 228	0
D.IV.	Minority profit from the current accounting period	35	-4 503	-4 443

Consolidated Profit and Loss Account of the ELTODO Group

CZK '000	Position		2005	2004
I.	Revenues from goods sold	1	55 715	157 775
A.	Cost of goods sold	2	50 031	139 921
*	Gross margin	3	5 684	17 854
II.	Production	4	1 091 215	1 051 737
B.	Cost of production	5	856 196	802 987
*	Value added	6	240 703	266 604
C.	Personnel costs	7	185 002	175 137
D.	Taxes and charges	8	3 542	2 073
E.	Depreciation of intangible and tangible fixed assets	9	41 398	27 615
III.	Sale of fixed assets and material	10	15 460	20 730
F.	Net book value of fixed assets and material sold	11	13 607	9 419
G.	Change in operating reserves and adjustments	12	-55 259	11 845
IV.	Other operating revenues	13	45 960	34 103
H.	Other operating expenses	14	106 480	30 561
*	Consolidated operating profit	15	7 353	64 787
VI.	Sale of securities and interests	16	0	1 500
J.	Securities and interests sold	17	0	3 320
VII.	Revenues from long-term financial assets	18	0	10 241
IX.	Revenues from revaluation of securities and derivatives	19	16 998	3 361
L.	Cost of revaluation of securities and derivatives	20	10 902	3 035
M.	Change in reserves and adjustments to financial items	21	-69	258
X.	Interest received	22	3 073	2 466
N.	Interest paid	23	19 614	12 926
XI.	Other financial revenues	24	6 159	7 218
O.	Other financial expenses	25	12 316	10 991
*	Consolidated profit from financial operations	26	-16 533	-5 743
Q.	Income tax on ordinary operations	27	-733	7 222
**	Consolidated profit from ordinary operations	28	-8 447	51 822
XIII.	Extraordinary income	29	845	41
R.	Extraordinary expenses	30	588	3
*	Consolidated extraordinary profit	32	257	38
***	Consolidated profit for the accounting period excl. equivalent share	33	-8 190	51 860
	Out of which – profit from the current accounting period excl. minority interests	34	-3 687	56 303
	– minority profit from the current accounting period	35	-4 503	-4 443
	Share in profit in equivalence	36	24 896	33 824
***	Consolidated profit for the accounting period	37	16 706	85 684

COMPANIES IN THE GROUP



The Company ELTODO Power, s.r.o. is the manufacturing and technical basis for the ELTODO Group. At the same time, it directly covers customers' requirements on comprehensive services in the area of manufacturing and supply of electrical equipment dedicated to public lighting, LV and HV equipment, control and traffic systems, and airport light signalling systems including control units.

Trading

In addition to manufacturing, the company delivers a broad line of electrical installation material, power, shielded and fire resistant cables, conductors, power cords, copper cables, and components for public lighting and traffic systems.

COMPANY BODIES

Statutory body of ELTODO Power, s.r.o.

Executive officer:	Ing. Luděk Šopov
Executive officer:	Ing. Libor Hájek
Delegation of partners:	Ing. Libor Hájek
	Ing. Jaroslav Laňka
Director:	Ing. Luděk Šopov

SELECTED PROFIT AND LOSS ACCOUNT INDICATORS (CZK '000)	2005
Revenues from goods sold	4 811
Gross margin	516
Production	76 498
Value added	16 623
Operating profit	- 7 811
Profit for the current accounting period	- 6 933

BALANCE SHEET as of 31.12.2005 (CZK '000)

Assets	29 256	Liabilities	29 256
Fixed assets	3 403	Equity	2 736
Current assets	25 846	External resources	26 465
Accruals and deferrals	7	Accruals and deferrals	55

ELTODO Power, s.r.o.



ELTODO-CITELUM, s.r.o.

The main line of business of **ELTODO-CITELUM, s.r.o.** is the lease, operation, management and maintenance of public and festive lighting, public and tower clocks and power connections to the municipal movable chattels. The business is executed in the area of capital of Prague and has been gradually expanding to other Czech cities and municipalities.

ELTODO-CITELUM has elaborated a detailed concept of a project for cities and municipalities called "Delegated management", which offers an opportunity of rapid and cost-effective way of transferring public lighting to the European standard level. In addition to its core business, the company is also dealing with auxiliary use of managed facilities, for example for outdoor advertising, and also offers its own consulting and engineering services and customized methods of urban projects financing.

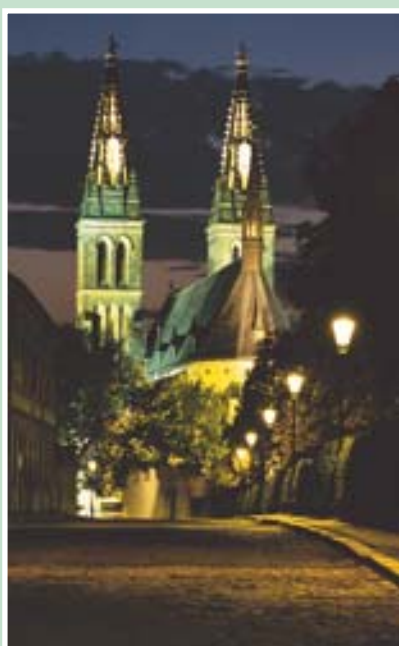
COMPANY BODIES

Statutory body of ELTODO-CITELUM, s.r.o.

Executive officer:	Ing. Libor Hájek
Executive officer:	Ing. Jaroslav Laňka
Executive officer:	Ing. Josef Beránek
Executive officer:	Ing. Daniel Litecký
Delegation of partners:	Ing. Libor Hájek
	Prof. Ing. Pavel Příbyl, CSc.
	Ing. Jindřich Hess
	Ing. Josef Beránek
	Philippe Texier
	Jean-Sébastien Decavele

Supervisory Board

Chairman:	Michel Tesconi
Member:	Zdeňka Molnářová
Member:	Ing. Lubomír Štěpán



SELECTED PROFIT AND LOSS ACCOUNT INDICATORS (CZK '000) 2005

Revenues from goods sold	
Gross margin	
Production	475 788
Value added	169 213
Operating profit	73 555
Profit for the current accounting period	36 004

BALANCE SHEET as of 31. 12. 2005 (CZK '000)

Assets	604 310	Liabilities	604 310
Fixed assets	448 200	Equity	209 113
Current assets	124 327	External resources	388 971
Accruals and deferrals	31 783	Accruals and deferrals	6 226

The Company **ELTODO dopravní systémy s.r.o.** is dealing with the field of road transport systems. It offers light traffic signalling equipment and its higher level of control, tunnel control systems, pay-and-display machines and parking systems, and intelligent traffic systems. The supplies cover the entire cycle of comprehensive service, from development and design, through construction and commissioning, to aftersale service of installed systems and equipment. The company headquarters are based in Prague. Other offices including the service back-office are located in Brno and Hradec Králové. The Company **ELTODO dopravní systémy s.r.o.** has been a holder of the ISO 9002 quality certificate since the beginning of 2001.

COMPANY BODIES

Statutory body of **ELTODO dopravní systémy s.r.o.**

Executive officer:	Ing. Libor Hájek
Executive officer:	Ing. František Lusk
Delegation of partners:	Ing. Radomír Šimek
	Ing. Radovan Holub
	Ing. Thomas Stetter
	Ing. Libor Hájek
	Prof. Ing. Pavel Příbyl, CSc.
	Ing. Jindřich Hess
Director:	Ing. František Lusk

SELECTED PROFIT AND LOSS ACCOUNT INDICATORS (CZK '000) Od 1. 10. 2004 do 30. 9. 2005

Revenues from goods sold	11 467
Gross margin	2 716
Production	297 124
Value added	122 556
Operating profit	43 348
Profit for the current accounting period	29 577

BALANCE SHEET as of 30. 09. 2005 (CZK '000)

Assets	130 255	Liabilities	130 255
Fixed assets	25 797	Equity	51 577
Current assets	104 167	External resources	78 679
Accruals and deferrals	290	Accruals and deferrals	0



ELTODO MIS-ELEKTRO- TECHNIKA, S.r.o.

The Company **ELTODO MIS-ELEKTROTECHNIKA, s.r.o.** extends the portfolio of ELTODO Group's activities in the area of industry and comprehensive maintenance. ELTODO MIS-ELEKTROTECHNIKA belongs to important suppliers of general as well as partial deliveries of electrical equipment and provider of services for all branches of industry, energetics and services. Company's business activities comprise a closed loop of activities in the area of electrotechnology within the whole life cycle of electrical equipment, from general deliveries, through revisions, service, general maintenance and repairs, to modernization and reconstruction. All business activities incl. consulting activities are concentrated primarily on deliveries with high level of reliability, optimization of maintenance cost as well as energy savings at customers.

To the major Company's activities range for example supplies of high current equipment, supplies of power and control electronics including static converters and programmable automatics, and service and full-scale maintenance of electrical equipment including SW support.

COMPANY BODIES

Statutory body of ELTODO MIS-ELEKTROTECHNIKA, s.r.o.

Executive officer: Ing. Radim Otisk

Supervisory Board

Chairman: František Peringer

Member: Ing. Petr Soural

Member: Ing. František Lusk

Director: Ing. Radim Otisk



SELECTED PROFIT AND LOSS ACCOUNT INDICATORS (CZK '000) 2005

Revenues from goods sold	
Gross margin	
Production	82 633
Value added	18 195
Operating profit	436
Profit for the current accounting period	239

BALANCE SHEET as of 31.12.2005 (CZK '000)

Assets	18 665	Liabilities	18 665
Fixed assets	3 537	Equity	3 422
Current assets	14 965	External resources	15 239
Accruals and deferrals	163	Accruals and deferrals	4

The Company Českomoravská energetická, a.s. was established in 2001 with the aim to supply electric power to authorized customers under the new conditions of deregulated and liberalized power market in the Czech Republic.

The joint-stock company Českomoravská energetická is a holder of the licence No. 140100008 for electric power trading valid from the 1st July 2001 till the 16th July 2006, which was issued by the Power Regulation Office of the Czech Republic.

Major activities of the Company are delivery of power quantities agreed upon in the made contracts, purchase of power in the Czech Republic and sale of power to the authorized power market participants as well as export and import of power.

COMPANY BODIES

Board of Directors of the Company Českomoravská energetická, a.s.

Chairman:	Ing. Jiří Švancara
Member:	Ing. Libor Hájek
Member:	Ing. Josef Jehlička

Dozorčí rada

Chairman:	Ing. Petr Zeman (od 26. května 2005)
Member:	Milan Chlapík
Member:	Ing. Jaroslav Laňka
Member:	JUDr. Stanislav Kabele (do 26. května 2005)
Director:	Ing. Jiří Švancara

SELECTED PROFIT AND LOSS ACCOUNT INDICATORS (CZK '000)	2005
Revenues from goods sold	107 305
Gross margin	2 106
Production	600
Value added	613
Operating profit	-3 618
Profit for the current accounting period	-3 563

BALANCE SHEET as of 31.12.2005 (CZK '000)

Assets	30 733	Liabilities	30 733
Fixed assets	9 734	Equity	24 849
Current assets	20 943	External resources	5 884
Accruals and deferrals	56	Accruals and deferrals	0



ENEST, s.r.o.

The Company ENEST, s.r.o. manufactures a broad line of octagonal poles, mainly for the use in the area of public lighting, for which it has a full assortment of poles, cantilevers and other accessories developed. A similar production line includes traffic signalling poles. Other poles, which are produced by ENEST, s.r.o., are flag poles, transmission towers (for lines up to 35 kV voltage), traction line poles, towers for small wind-power stations, stanchions, billboard poles, and other atypical structures as required by customers.

COMPANY BODIES

Statutory body of ENEST, s.r.o.

Executive officer:	Ing. Jaroslav Laňka
Executive officer:	Ing. Luděk Šopov

Dozorčí rada

Chairman:	Ing. Ladislav Musílek
Member:	Ing. Josef Fiala
Member:	Ing. Jiří Hrnčíř
Director:	Milan Malík



SELECTED PROFIT AND LOSS ACCOUNT INDICATORS (CZK '000) 2005

Revenues from goods sold	
Gross margin	
Production	18 952
Value added	7 706
Operating profit	2 836
Profit for the current accounting period	2 994

BALANCE SHEET as of 31.12.2005 (CZK '000)

Assets	27 438	Liabilities	27 438
Fixed assets	3 018	Equity	20 203
Current assets	24 420	External resources	7 234
Accruals and deferrals	0	Accruals and deferrals	0

Střední odborné učiliště has been profiling itself as a facility for preparing conventional trades and expert professions in the area of construction, technical development, and manufacturing within the group of “Electrical engineering” study lines, and in compliance with the founder’s interests and his needs of qualified workforce, and in accordance with pedagogical documents by the Ministry of Education, Youth and Sports of the Czech Republic. The emphasis is put on achieving an expertise and full qualification for execution of expected works and acquisition of aptitudes allowing for trainees mobility and rapid adaptability.

Střední průmyslová škola was opened on 1st September 2005 with teaching in the “Electrical engineering” study line. 54 students commenced study in the first class.

In the school year 2005/06, 227 students were being prepared in six classes of study lines “Electrician, light current”, “Mechanic of electrical equipment”, in two classes of the distance learning programme of study line “Electrical engineering” and in two classes of the Střední průmyslová škola in study line “Electrical engineering”.

Střední průmyslová škola
(Secondary industrial
school)
a Střední odborné učiliště
(Professional School)
ELTODO, s.r.o.

COMPANY BODIES

Statutory body of Střední odborné učiliště ELTODO, s.r.o.

Executive officer:	PaedDr. Jan Rafaj
Executive officer:	PaedDr. Zdeněk Hovorka
Director:	PaedDr. Zdeněk Hovorka

SELECTED PROFIT AND LOSS ACCOUNT INDICATORS (CZK '000) od 1. 9. 2004 do 31. 8. 2005

Revenues from goods sold	
Gross margin	
Production	361
Value added	-2 215
Operating profit	-1 267
Profit for the current accounting period	-1 225

BALANCE SHEET as of 31. 8. 2005 v tis. Kč

Assets	7 679	Liabilities	7 679
Fixed assets	780	Equity	5 796
Current assets	6 899	External resources	1 578
Accruals and deferrals	0	Accruals and deferrals	305



SPOLEČNOST INVESTIČNÍHO ROZVO- JE a.s.

The Společnost investičního rozvoje a.s. was founded in 2001 for the purpose of construction of the private industrial zone "Královský vrch" in Kadaň. As a result of that, its main business activities consist in the management and maintenance of properties, related real estate services, engineering and project design in capital construction, as well as construction works themselves, with a focus on the city of Kadaň and its surroundings.

COMPANY BODIES

Statutory body of SPOLEČNOST INVESTIČNÍHO ROZVOJE a.s.

Chairman of Board of Directors:	Vlastislav Hofman
Member of Board of Directors:	Jan Crdlík
Member of Board of Directors:	Michal Prunar

Supervisory Board

Chairman:	Ing. Lucie Kneprová (od 15. února 2005)
Member:	Miroslav Kabrna
Member:	JUDr. Michal Kalvoda (od 15. února 2005)
Director:	Vlastislav Hofman



SELECTED PROFIT AND LOSS ACCOUNT INDICATORS (CZK '000) 2005

Revenues from goods sold	
Gross margin	
Production	196 336
Value added	9 884
Operating profit	9 626
Profit for the current accounting period	5 555

BALANCE SHEET as of 31.12.2005 (CZK '000)

Assets	214 806	Liabilities	214 806
Fixed assets	174 788	Equity	-8 053
Current assets	40 018	External resources	222 859
Accruals and deferrals	0	Accruals and deferrals	0

The Company KMET Handlová was created as a Special Purpose Vehicle (SPV) for the purpose of the tender for a project concerning heat and hot water supply for the city of Handlová. The contract was awarded to the Company and the project was realized with utilization of the most modern technologies enabling to regulate heating and ensuring savings connected therewith.

KMET Handlová, a.s.

COMPANY BODIES

Statutory body of KMET Handlová, a.s.

Chairman of Board of Directors:	Ing. Tibor Kolorédy
Member of Board of Directors:	Teodor Boško
Member of Board of Directors:	Ivo Osvald

Supervisory Board

Chairman:	Ing. Jindřich Hess
Member:	Mgr. Alica Klementová
Member:	Tomáš Munzar
Member:	Ing. Peter Hromádka
Member:	Robert Šunik
Member:	Milan Chlapík
Director:	Ing. Tibor Kolorédy

SELECTED PROFIT AND LOSS ACCOUNT INDICATORS (SK '000)	2005
Revenues from goods sold	
Gross margin	
Production	100 308
Value added	43 932
Operating profit	8 289
Profit for the current accounting period	- 12 163

BALANCE SHEET as of 31.12.2005 (SK '000)

Assets	308 589	Liabilities	308 589
Fixed assets	260 818	Equity	- 21 417
Current assets	33 848	External resources	327 122
Accruals and deferrals	13 923	Accruals and deferrals	2 884



Elektrovod OSVETLENIE, s.r.o.

The Company **Elektrovod OSVETLENIE, s.r.o.** has been focusing on complete services in the area of both public and industrial lighting as well as lighting of other buildings. A comprehensive nature of its services lies particularly in deliveries of technical and economic audits and studies, project design of complete turnkey deliveries, material deliveries, civil construction and installation works for maintenance, reconstruction, and modernization of lighting systems, including operating and servicing, and financing of investment projects.

One of the Company's products is the project of comprehensive maintenance of public lighting, which represents a model solution of the current state of public lighting in Slovak cities and municipalities.

ORGÁNY SPOLEČNOSTI

Statutory body of Elektrovod OSVETLENIE, s.r.o.

Executive officer:	Ing. Peter Papan
Executive officer:	Andrej Jenčík

Dozorčí rada

Chairman:	Monika Jedličková
Member:	Ivan Beneš
Member:	Ing. Jozef Vido, CSc.
Director:	Ing. Peter Palmaj



SELECTED PROFIT AND LOSS ACCOUNT INDICATORS (SK '000)	2005
Revenues from goods sold	49
Gross margin	32
Production	28 280
Value added	11 176
Operating profit	5 194
Profit for the current accounting period	2 624

BALANCE SHEET as of 31.12.2005 (SK '000)

Assets	48 039	Liabilities	48 039
Fixed assets	36 978	Equity	19 158
Current assets	10 512	External resources	28 881
Accruals and deferrals	549	Accruals and deferrals	

Addresses and contacts of companies in the Group

Registered office of the Company:	ELTODO EG, a. s. Novodvorská 1010/14 142 01 Praha 4
Telephone:	+420 261 341 111 + 420 261 341 217
Fax:	+420 261 710 669
E-mail:	eltodo@eltodo.cz
Internet:	www.eltodo.cz
Company ID No.:	45274517
Tax ID No.:	CZ45274517
Bank Connection:	Živnostenská banka, a.s. Na Příkopě 20, Praha 1 Account No.: 125971003/0400
Registration:	Městský soud v Praze section B, inlet 1573 registered on 6. 5. 1992

Addresses and contacts of companies in the Group

ELTODO dopravní systémy s.r.o.

Novodvorská 1010/14
 142 01 Praha 4
 Tel.: + 420 261 343 739
 Fax: + 420 261 345 625
 e-mail: eds@eltodo.cz



ELTODO - CITELUM, s.r.o.

Novodvorská 1010/14
 142 01 Praha 4
 Tel.: + 420 261 341 150
 Fax: + 420 261 344 205
 e-mail: citelum@eltodo.cz



ELTODO Power, s.r.o.

Novodvorská 1010/14
 142 01 Praha 4
 Tel.: + 420 272 921 149
 Fax: + 420 272 934 539
 e-mail: power@eltodo.cz



ELTODO MIS - ELEKTROTECHNIKA, s.r.o.

Ruská 153/45
 706 00 Ostrava - Vítkovice
 Tel.: + 420 595 956 560
 Fax: + 420 595 956 610
 e-mail: misel@misel.cz



SPOLEČNOST INVESTIČNÍHO ROZVOJE a.s.

Boženy Němcové 1689
 432 01 Kadaň
 Tel.: + 420 474 342 356
 Fax: + 420 474 343 116
 e-mail: sir.as@sirhofman.cz
<http://www.sirhofman.cz>



ENEST, s.r.o.

Novodvorská 1010/14
 142 01 Praha 4
 Tel.: + 420 261 341 111
 Fax: + 420 261 710 669
 e-mail: enest@eltodo.cz
<http://www.enest.vyrobce.cz>



Addresses and contacts of
companies in the Group**Českomoravská energetická, a.s.**

Novodvorská 1010/14
142 01 Praha 4
Tel.: + 420 261 343 203
Fax: + 420 261 343 204
e-mail: cme@eltodo.cz

**SOU a SPŠ ELTODO, s.r.o.**

Litvínovská 500
190 00 Praha 9
Tel.: + 420 286 880 040
Fax: + 420 261 710 669
e-mail: spssou@eltodo.cz

**Slévárna a strojírna, a.s.**

Pilníkov č.p. 290
542 42 okres Trutnov
Tel.: + 420 499 898 201
Fax: + 420 499 898 204
e-mail: slevarna@slevarna-pilnikov.cz
<http://www.slevarna-pilnikov.cz>

**Elektrovod OSVETLENIE, s.r.o.**

Krmanova 14
040 01 Košice
Slovenská republika
Tel.: + 421 556 230 565
Fax: + 421 556 253 489
e-mail: elvo@elvo.sk
<http://www.elvo.sk>

**ELTODO BULGARIA EOOD**

G.S. Rakovski 100
Sofie 1000
Bulharsko
Tel.: + 359 294 302 80
Fax: + 359 294 302 81
e-mail: eltodobg@mail.bg





www.eltodo.cz