

# **MINUTES**

**of the Annual General Meeting  
of Východočeská plynárenská, a.s.,  
with its registered office at  
Hradec Králové 4, Pražská 702,  
Postal Code: 500 04  
ID No.: 60108789**

**held  
at the Hotel U královny Elišky parlour,  
Malé náměstí 117, 500 03 Hradec Králové**

**on  
11 May 2010**

**MINUTES**  
**of the Annual General Meeting of**  
**Východočeská plynárenská, a.s.**

**Registered office:** Hradec Králové 4, Pražská 702,  
Postal Code: 500 04  
**ID No.:** 60108789  
**Held on:** 11 May 2010 from 10:01 a.m. until 11:09 a.m.  
**Venue:** Hotel U královny Elišky parlour,  
Malé náměstí 117, 500 03 Hradec Králové

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**Present:** 1) **Shareholders**  
7 shareholders having shares with the nominal value of 917,060,000 CZK, representing 95.47% of the Company's shares entitled to vote, were present at the general meeting in person, through their statutory body or by a proxy upon a power of attorney. Attendance - (*see Annex No. 1 to these minutes*).

2) **Notary**  
JUDr. Petr Hochman

The following members of the Company's statutory bodies were present:

3) **Board of directors**  
Chairman: Ing. Jindřich Broukal  
Deputy chairman: Ing. Lukáš Roubíček, Ph.D.  
Member: Ing. David Konvalina

4) **Supervisory board**  
Chairman: Martin Herrmann  
Deputy chairman: Ing. Vladimír Vurm, CSc.  
Members: Ing. Alena Rozsypalová  
Ing. Klára Stojanová  
Ing. Tomáš Varcop

**Agenda of the general meeting:**

1. **Opening of the General Meeting.**
2. **Report of the board of directors on the Company's business and balance of assets for 2009, proposal for the profit distribution including the determination of the amount and the manner of payment of the dividends and the director's fees and the allocation to individual funds; a report relating to matters under Section 118(5)(a) to (k) of Act No 256/2004 on Business on the Capital Market, as amended.**
3. **Comments of the Supervisory Board on the annual financial statements and consolidated financial statements for 2009, including the auditor's report and proposal for the profit distribution, on the determination of the amount and the**



*the scrutineers:*

*Milan Vácha,  
Kristina Pišteková,  
Lucie Pokorná,  
Tereza Stehlíková,  
Šárka Tůmová.”*

Ing. Jindřich Broukal announced that details concerning the attendance, voting and submission of requests for explanation, proposals, counterproposals and protests are regulated by Articles 13 and 14 of the current Articles of Association of the Company and invited the present shareholders to submit their requests for explanation, proposals, counterproposals and protests (if any) to the bodies of the General Meeting. No requests for explanation, proposals, counterproposals and protests were submitted.

The proposed bodies of the General Meeting were approved by means of ballots no. 1.

At the time of voting, there were present in person, through their statutory body or by a proxy upon a power of attorney 7 shareholders having shares with the nominal value of 917,060,000 CZK, representing 95.47% of the Company's shares entitled to vote.

Based on counting of votes, Ing. Jindřich Broukal stated that the chairman of the general Meeting **was elected** by a majority of votes of the present shareholders, the minutes clerk **was elected** by a majority of votes of the present shareholders, the verifiers of the minutes **were elected** by a majority of votes of the present shareholders and the scrutineers **were elected** by a majority of votes of the present shareholders.

*Final results of voting on ballots no. 1:*

*Election of the chairman of the General Meeting*

*During this voting, a total of 917,008 valid votes (attached to 917,008 shares of the Company), equal to a 95.46% share in the Company's registered capital, were cast.*

	<u>No. of votes</u>	<u>% of votes present at the general meeting</u>
FOR	917,006	99.994112
AGAINST	0	0.000000
ABSTAINED	0	0.000000
Not participating and invalid votes	54	0.005888

*Election of the minutes clerk of the General Meeting*

*During this voting, a total of 917,008 valid votes (attached to 917,008 shares of the Company), equal to a 95.46% share in the Company's registered capital, were cast.*

	<u>No. of votes</u>	<u>% of votes present at the general meeting</u>
FOR	917,006	99.994112
AGAINST	0	0.000000
ABSTAINED	2	0.000218
Not participating and invalid votes	52	0.005670

*Election of the verifiers of the minutes of the General Meeting*

*During this voting, a total of 917,008 valid votes (attached to 917,008 shares of the Company), equal to a 95.46% share in the Company's registered capital, were cast.*

	<u>No. of votes</u>	<u>% of votes present at the general meeting</u>
FOR	917,006	99.994112
AGAINST	2	0.000218

ABSTAINED	0	0.000000
Not participating and invalid votes	52	0.005670

Election of the persons authorised to count the votes (scrutineers) of the General Meeting  
*During this voting, a total of 917,008 valid votes (attached to 917,008 shares of the Company), equal to a 95.46% share in the Company's registered capital, were cast.*

	<u>No. of votes</u>	<u>% of votes present at the general meeting</u>
FOR	917,008	99.994330
AGAINST	0	0.000000
ABSTAINED	0	0.000000
Not participating and invalid votes	52	0.005670

Thereafter, the newly elected chairman of the General Meeting, Ing. Martin Hlaváček, assumed the office of the chairman of the General Meeting and announced that an audio and a video recording of this General Meeting was being made for the purposes of preparation of accurate and complete minutes of the General Meeting. Furthermore, the chairman of the General Meeting reminded that written submissions to all remaining points of the agenda of the General Meeting may be filed now at the information centre in the conference room.

**Ad Point No. 2 of the Agenda**

The chairman of the General Meeting stated that all present shareholders have in their possession the “Documents for the Annual General Meeting and proposed resolutions or standpoint of the Board of Directors to individual points on the agenda” (*see Annex No. 2 hereto*) and the “Management Report for 2009“ (*see Annex No. 3 hereto*), which also includes a report of the board of directors on the Company's business and balance of assets for 2009, proposal for the profit distribution including the determination of the amount and the manner of payment of the dividends and the director's fees and the allocation to individual funds; and a report relating to matters under Section 118(5)(a) to (k) of Act No 256/2004 on Business on the Capital Market, as amended (the Management Report of the Company).

Ing. Jindřich Broukal presented key data of the Report of the board of directors on the Company's business and balance of assets for 2009.

The chairman of the board of directors presented the proposal for distribution of profit including the determination of the amount and the manner of payment of the dividends and the director's fees and the allocation to individual funds.

**Ad Point No. 3 of the Agenda**

The comments of the board of directors on the annual financial statements and consolidated financial statements for 2009, including the auditor's report and proposal for the profit distribution, the determination of the amount and the manner of payment of the dividends and the directors' fees and the allocation to individual funds and of the report on the relations between related parties pursuant to Section 66a(10) of the Commercial Code (*see the relevant part of Annex No. 2 hereto*) was presented by Martin Herrmann.

**Ad Point No. 4 of the Agenda**

The next point on the agenda was the approval of the annual financial statements and consolidated financial statements for 2009, including the auditor's report and proposal for the profit distribution, the determination of the amount and the manner of payment of the dividends and the directors' fees and the allocation to individual funds.

The chairman of the General Meeting presented the following proposal of the resolution prepared by the board of directors:

*“The General Meeting of Východočeská plynárenská, a.s. approves the annual financial statements of Východočeská plynárenská, a.s. for 2009.*

*The General Meeting of Východočeská plynárenská, a.s. approves the consolidated financial statements of Východočeská plynárenská, a.s. for 2009.*

*The General Meeting of Východočeská plynárenská, a.s. approves the proposal for the profit distribution, including the determination of the amount and the manner of payment of the dividends and the directors' fees and the allocation to individual funds of Východočeská plynárenská, a.s. for 2009, in the wording submitted by the Company's Board of Directors, which forms an annex to this resolution.”*

The annual financial statements and consolidated financial statements for 2009 form a part of Annex No. 3 hereto. The proposal for the profit distribution, including the determination of the amount and the manner of payment of the dividends and the directors' fees and the allocation to individual funds forms a part of Annex No. 2 hereto.

The chairman of the General Meeting invited the present shareholders to submit their requests for explanation, proposals, counterproposals and protests (if any). No requests for explanation, proposals, counterproposals and protests were submitted.

The annual financial statements and consolidated financial statements for 2009, including the auditor's report and proposal for the profit distribution, the determination of the amount and the manner of payment of the dividends and the directors' fees and the allocation to individual funds were approved by means of ballots no. 2.

At the time of voting, there were present in person, through their statutory body or by a proxy upon a power of attorney 7 shareholders having shares with the nominal value of 917,060,000 CZK, representing 95.47% of the Company's shares entitled to vote.

Based on counting of votes, the chairman of the General Meeting stated that the annual financial statement for 2009 **was approved** by a majority of votes of the present shareholders, the consolidated financial statement **was approved** by a majority of votes of the present shareholders and the proposal for the profit distribution, including the determination of the amount and the manner of payment of the dividends and the directors' fees and the allocation to individual funds **was approved** by a majority of votes of the present shareholders.

Final results of voting on ballots no. 2:

*During voting on ballots no. 2, a total of 917,008 valid votes (attached to 917,008 shares of the Company), equal to a 95.46% share in the Company's registered capital, were cast.*

Approval of the annual financial statements for 2009

	<u>No. of votes</u>	<u>% of votes present at the general meeting</u>
FOR	917,006	99.994112
AGAINST	2	0.000218
ABSTAINED	0	0.000000
Not participating and invalid votes	52	0.005670

Approval of the consolidated financial statements for 2009

	<u>No. of votes</u>	<u>% of votes present at the general meeting</u>
FOR	917,008	99.994330
AGAINST	0	0.000000
ABSTAINED	0	0.000000
Not participating and invalid votes	52	0.005670

Approval of the proposal for the profit distribution, the determination of the amount and the manner of payment of the dividends and the directors' fees and the allocation to individual funds

	<u>No. of votes</u>	<u>% of votes present at the general meeting</u>
FOR	917,006	99.994112
AGAINST	0	0.000000
ABSTAINED	2	0.000218
Not participating and invalid votes	52	0.005670

Ad Point No. 5 of the Agenda

The next point of the agenda was the designation of an auditor to audit the 2010 financial statements. The chairman of the General Meeting presented the following proposal of the resolution:

*“The General Meeting of Východočeská plynárenská, a.s. designates PricewaterhouseCoopers Audit, s.r.o., registered office at Kateřinská 40/466, 120 00 Prague 2, ID Number: 407 65 521, recorded in the Commercial Register administered by the Municipal Court in Prague, Section C, File 3637, as the auditor to verify the 2010 financial statements of Východočeská plynárenská, a.s.”*

The chairman of the General Meeting invited the present shareholders to submit their requests for explanation, proposals, counterproposals and protests (if any). No requests for explanation, proposals, counterproposals and protests were submitted.

Voting for designation of the auditor to audit the 2010 financial statements was carried out by ballots no. 3.

At the time of voting, there were present in person, through their statutory body or by a proxy upon a power of attorney 7 shareholders having shares with the nominal value of 917,060,000 CZK, representing 95.47% of the Company's shares entitled to vote.

Based on counting of votes, the chairman of the General Meeting stated that the auditor to audit the 2010 financial statements **was designated** by a majority of votes of the present shareholders.

Final results of voting on ballots no. 3:

*During voting on ballots no. 3, a total of 917,008 valid votes (attached to 917,008 shares of the Company), equal to a 95.46% share in the Company's registered capital, were cast.*

Designation of the auditor to audit the 2010 financial statements

	<u>No. of votes</u>	<u>% of votes present at the general meeting</u>
FOR	917,008	99.994330
AGAINST	0	0.000000
ABSTAINED	0	0.000000
Not participating and invalid votes	52	0.005670

Ad Point No. 6 of the Agenda

The next point of the agenda was the decision on the alteration of the Company's Articles of Association. The chairman of the General Meeting stated that all shareholders present at the general meeting were in possession of the written form of the proposal submitted by the board of directors (see the relevant part of Annex No. 2 hereto) and had an opportunity to familiarize themselves with such proposal. Furthermore, the chairman of the General Meeting announced that this proposal had been also made available at the Company's registered office prior to this general meeting, where the shareholders could also request that the proposal is sent to them.

Furthermore, the chairman of the General Meeting asked whether any of the presented shareholders wished to have this proposal read aloud.

None of the shareholders asked for having this proposal read aloud and the chairman of the General Meeting stated that the General Meeting had been familiarized with the full wording of the proposal of the board of directors for alteration of the Articles of Association.

The chairman of the General Meeting presented the following proposal of the board of directors for resolution:

*“The General Meeting of Východočeská plynárenská, a.s. approves the amendments to the Company’s Articles of Association according to the Board of Directors’ proposal, which was submitted to the General Meeting and forms an annex to this resolution.”*

The chairman of the General Meeting stated that, according to the procedure stipulated in Section 180(6) of the Commercial Code, one proposal of a shareholder regarding this point of the agenda had been delivered to the Company.

The chairman of the General Meeting stated that all shareholders present at the General Meeting have in their possession in written form the proposal of the shareholder Slovenský plynárenský priemysel a.s., including a standpoint of the Company's board of directors to this proposal (*see the relevant part of Annex No. 2 hereto*) and had an opportunity to familiarize themselves with it. Furthermore, the chairman of the General Meeting asked whether any of the presented shareholders wished to have this proposal read aloud.

None of the shareholders asked for having this proposal read aloud and the chairman of the General Meeting stated that the General Meeting had been familiarized with the full wording of the proposal of the shareholder Slovenský plynárenský priemysel a.s. for alteration of the Articles of Association.

The chairman of the general meeting announced that, in accordance with the Articles of Association, the proposal of the board of directors would be the first to be put to vote and if not approved, the shareholder's proposal would be put to vote.

The voting on the alternation of the Company's Articles of Association in accordance with the proposal of the board of directors was carried out by ballots no. 4A.

At the time of voting, there were present in person, through their statutory body or by a proxy upon a power of attorney 7 shareholders having shares with the nominal value of 917,060,000 CZK, representing 95.47% of the Company's shares entitled to vote.

Prior to voting, the chairman of the General Meeting invited the present shareholders to submit their requests for explanation, proposals, counterproposals and protests (if any). No requests for explanation, proposals, counterproposals and protests were submitted and the General Meeting proceeded to voting.

Based on counting of votes, the chairman of the General Meeting stated that the proposal of the board of directors for alteration of the Company's Articles of Association **was approved** by a two thirds' majority of votes of the present shareholders.

Final results of voting on ballots no. 4A:

*During voting on ballots no. 4A, a total of 917,060 valid votes (attached to 917,060 shares of the Company), equal to a 95.47% share in the Company's registered capital, were cast.*

Approval of alteration of the Company's Articles of Association (according to the proposal of the board of directors)

	<u>No. of votes</u>	<u>% of votes present at the general meeting</u>
FOR	820,997	89.524895
AGAINST	0	0.000000
ABSTAINED	96,063	10.475105

Not participating and invalid votes

0

0.000000

Since the proposal of the board of directors was approved, the shareholder's proposal was not put to vote.

**Ad Point No. 7 of the Agenda**

The next point of the agenda was the removal and election of members of the supervisory board. The chairman of the General Meeting announced that the office term of the current members of the supervisory board, namely of Mr. Tomáš Varcop and Mr. Vladimír Vurm, expires on 17 May 2010. With regard to this fact, the Company's board of directors included this point into the agenda to allow shareholders to elect new members of the supervisory board effective from 18 May 2010.

The chairman of the General Meeting further announced that the board of directors does not present any proposal for resolution in respect of this point and invited the shareholders to submit their requests for explanation, proposals, counterproposals and protests (if any). A proposal was submitted by the shareholder RWE Transgas a.s. and was read by the chairman of the General Meeting (*see Annex No. 4 hereto*). The contents of this proposal are as follows:

*“The General Meeting of Východočeská plynárenská, a.s. elects as member of the supervisory board:*

*Martin Friedrich Herrmann, born on 3 July 1967, birth no. 670703/2541, residing at Pod Rozvodnou 242, 149 00 Praha 4, Šeberov, Czech Republic, effective from 18 May 2010.*

*The General Meeting of Východočeská plynárenská, a.s. elects as member of the supervisory board:*

*Ing. Vladimír Vurm, CSc., born on 19 September 1946, birth no. 460919/032, residing at Nad Okrouhlikem 2372/14, 182 00 Praha 8, Libeň, Czech Republic, effective from 18 May 2010.*

*The General Meeting of Východočeská plynárenská, a.s. elects as member of the supervisory board:*

*Ing. Tomáš Varcop, born on 15 April 1965, birth no. 650415/1203, residing at Riegrova 812, 73801 Frýdek Místek, Czech Republic, effective from 18 May 2010.”*

The chairman of the General Meeting announced that since no proposal for removal had been submitted, the ballots no. 5 would not be used and the ballots no. 6 would be used for voting for item no. 1 – election of Martin Friedrich Herrmann as member of the Company's supervisory board, item no. 2 – election of Ing. Vladimír Vurm, CSc. as member of the Company's supervisory board, and item no. 3 – election of Ing. Tomáš Varcop as member of the Company's supervisory board.

At the time of voting, there were present in person, through their statutory body or by a proxy upon a power of attorney 7 shareholders having shares with the nominal value of 917,060,000 CZK, representing 95.47% of the Company's shares entitled to vote.

Based on counting of votes, the chairman of the General Meeting stated that the election of Martin Friedrich Herrmann as member of the Company's supervisory board **was approved** by a majority of votes of the present shareholders, the election of Ing. Vladimír Vurm, CSc. as member of the Company's supervisory board **was approved** by a majority of votes of the present shareholders and the election of Ing. Tomáš Varcop as member of the Company's supervisory board **was approved** by a majority of votes of the present shareholders.

**Final results of voting on ballots no. 6:**

*During voting on ballots no. 6, a total of 917,008 valid votes (attached to 917,008 shares of the Company), equal to a 95.46% share in the Company's registered capital, were cast.*

**Election of Martin Friedrich Herrmann as member of the Company's supervisory board**

	<u>No. of votes</u>	<u>% of votes present at the general meeting</u>
FOR	917,006	99.994112
AGAINST	2	0.000218
ABSTAINED	0	0.000000
Not participating and invalid votes	52	0.005670

Election of Ing. Vladimír Vurm, CSc. as member of the Company's supervisory board

	<u>No. of votes</u>	<u>% of votes present at the general meeting</u>
FOR	917,006	99.994112
AGAINST	0	0.000000
ABSTAINED	2	0.000218
Not participating and invalid votes	52	0.005670

Election of Ing. Tomáš Varcop as member of the Company's supervisory board

	<u>No. of votes</u>	<u>% of votes present at the general meeting</u>
FOR	917,008	99.994330
AGAINST	0	0.000000
ABSTAINED	0	0.000000
Not participating and invalid votes	52	0.005670

**Ad Point No. 8 of the Agenda**

The next point of the agenda was the approval of agreements on performance of the office of members of the supervisory board.

The chairman of the General Meeting declared a short break, which lasted from 10:55 a.m. until 11:00 a.m. in order to make technical arrangements for the execution of the agreements on performance of the office of members of the supervisory board.

The chairman of the General Meeting stated that all shareholders present at the General Meeting have in their possession a written form of the standard agreement on performance of the office of member of the supervisory board (see the relevant part of Annex No. 2 hereto) and had an opportunity to familiarize themselves with it. Furthermore, the chairman of the General Meeting asked whether any of the presented shareholders wished to have this proposal read aloud.

None of the shareholders asked for having this standard agreement read aloud and the chairman of the General Meeting stated that the General Meeting had been familiarized with the full wording of the standard agreement on performance of the office of member of the supervisory board.

The chairman of the General Meeting presented the proposal of the board of directors for resolution on this point of the agenda:

*“The General Meeting approves the agreement on performance of the office of member of the supervisory board concluded between the Company and Martin Friedrich Herrmann on 11 May 2010.*

*The General Meeting approves the agreement on performance of the office of member of the supervisory board concluded between the Company and Ing. Vladimír Vurm, CSc., on 11 May 2010.*

*The General Meeting approves the agreement on performance of the office of member of the supervisory board concluded between the Company and Ing. Tomáš Varcop on 11 May 2010.”*

The chairman of the General Meeting invited the present shareholders to submit their requests for explanation, proposals, counterproposals and protests (if any). A counterproposal was filed by the shareholder Slovenský plynárenský priemysel a.s. (*see Annex No. 5 hereto*), which was presented by the chairman of the General Meeting.

The chairman of the general meeting announced that, in accordance with the Articles of Association, the proposal of the board of directors would be the first to be put to vote and if not approved, the shareholder's proposal would be put to vote.

The voting on the approval of the agreements on performance of the office of member of the supervisory board was carried out by ballots no. 7.

At the time of voting, there were present in person, through their statutory body or by a proxy upon a power of attorney 7 shareholders having shares with the nominal value of 917,060,000 CZK, representing 95.47% of the Company's shares entitled to vote.

Based on counting of votes, the chairman of the General Meeting stated that the agreements on performance of the office of members of the supervisory board as proposed by the board of directors **were approved** by a majority of votes of the present shareholders.

Final results of voting on ballots no. 7:

*During voting on ballots no. 7, a total of 917,008 valid votes (attached to 917,008 shares of the Company), equal to a 95.46% share in the Company's registered capital, were cast.*

Approval the agreements on performance of the office of members of the supervisory board (according to the proposal of the board of directors)

	<u>No. of votes</u>	<u>% of votes present at the general meeting</u>
FOR	820,945	89.519224
AGAINST	2	0.000218
ABSTAINED	96,061	10.474887
Not participating and invalid votes	52	0.005670

Since the proposal of the board of directors was approved, the shareholder's counterproposal was not put to vote.

Ad Point No. 9 of the Agenda

The chairman of the General Meeting closed the deliberations of the General Meeting at 11:09 a.m.

These minutes were made by the elected minutes clerk and after being read, they were signed by the chairman of the General Meeting, the minutes clerk and by two verifiers of the minutes.

Ing. Martin Hlaváček (Sgd.)  
Chairman of the General Meeting

Veronika Svobodová (Sgd.)  
Minutes clerk

Magda Brantová (Sgd.)  
Verifier of the minutes

Mgr. Přemysl Dub (Sgd.)  
Verifier of the minutes

Annexes:

- Annexes No. 1 – 5