Amsterdam, 13 February 2014

Unaudited FY 2013 results

New World Resources Plc ('NWR' or the 'Company') today announces its unaudited financial results for the full year 2013.

Financial summary

- Revenues from continuing operations of EUR 850 million, down 28% on falling coal prices.
- Coking coal average price of EUR 98/t, down 22%; Thermal coal average price of EUR 56/t, down 24%.
- Cash mining unit costs[1] of EUR 78/t, up 10% on a 21% decline in production, down 14% on a stable production basis. Q4 2013 cash mining unit costs at EUR 68/t.
- Selling and administrative expenses from continuing operations down 26% to EUR 165 million.
- EBITDA from continuing operations of EUR (10) million. EUR 40 million EBITDA in Q4 2013 was positively impacted by the release of EUR 28 million provision for employee benefits.
- Impairment charges of EUR 807 million recognised on continuing operations.
- Loss from discontinued operations of EUR 56 million, including loss on disposal of EUR 65 million.
- Basic loss per A share of EUR (3.62).
- Underlying[2] basic loss from continuing operations per A share of EUR (0.86).
- Year-end net debt of EUR 625 million, including cash of EUR 184 million.
- Going concern basis of accounting applied in the expectation that capital restructuring (see below) will be successful; auditor's report likely to refer to the directors' description of the material uncertainty relating to the use of the going concern basis.

Operational summary

- LTIFR[3] of 7.41, improvement of 3%. Regrettably, 2 miners lost their lives. Drive for fatality-free operations continues.
- Coal production of 8.8Mt, and coal sales of 9.7Mt.
- Coal sales mix of 48% coking and 52% thermal coal.
- CAPEX of EUR 100 million for continuing operations, down 55%.
- Inventories down 70% to 380kt.
- Total headcount including contractors down 7%.

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1 Cash mining costs per tonne reflect the operating costs incurred in production of both coking and thermal coal. They are calculated by deducting from the segmental Cost of sales the Change in inventories and D&A, and then divided by total coal production.

2 Throughout this press release the underlying figures exclude the impact of the asset impairment charge of EUR 685 million (after tax).

3 Lost Time Injury Frequency Rate ('LTIFR') represents the number of reportable injuries in NWR's operations causing at least three days of absence per million hours worked including contractors.

NWR NEW WORLD RESOURCES

Update on liquidity and business optimisation steps

- Targeted EUR 100 million of cash-enhancing measures delivered in full by YE 2013.
- Sale of OKK for gross proceeds of EUR 95 million completed[4], EUR 7 million receipt deferred until March 2014.
- Waivers and amendments in relation to ECA facility agreed.
- Collective agreement with trade unions for 2014 – 2018 signed.
- Non-binding Memorandum of Understanding on the closure of the Paskov mine signed with the Czech government.

FY 2014 Prices[5] and targets

- Coking coal Q1 2014 average price agreed at EUR 91/t, down 7% on previous quarter.
- Thermal coal FY 2014 average price for 80% of expected production locked in at EUR 54/t, down 4% on FY 2013.
- Production and sales volume target of 9 – 9.5Mt.
- Target of 55% – 60% coking coal in sales mix.
- Maintenance CAPEX below EUR 100 million.
- Further improvement in LTIFR towards the 2015 target of below 5.
- Cash mining unit costs decreasing to the EUR 60/t run-rate by year-end, subject to Paskov's closure.

Review of NWR's capital structure

- The Board initiated a review of NWR's capital structure on 22 January 2014.
- The Company has commenced discussions with all of its stakeholders with a view to developing and implementing a capital structure that recognizes and respects the interests of all stakeholders.
- Discussions include the Company's majority shareholder, BXR, who has indicated that it and its shareholders are prepared to invest new equity capital into a revised and satisfactory capital structure.
- The Company has also commenced discussions to advisers to the Ad hoc committee of note holders, who represent holders of both the senior secured notes due 2018, senior unsecured notes due 2021 and cross-holders.

Update on review of NWR's mineral reserves and resources

- For the Czech assets, JT Boyd has reported on a preliminary basis a total of 64 million tonnes of JORC compliant saleable (proven and probable) reserves as at 31 December 2013, down 65% from the JORC saleable reserves as at 31 December 2012 of 184 million tonnes.
- For the Debiensko project in Poland, for which IMC is currently preparing a revised mineral resources and reserves report, it is probable that the previously reported reserves for Debiensko will be downgraded to resources.

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4 Coke segment treated as discontinued operations.

5 Final realised prices can be influenced by a range of factors including, but not limited to, exchange rate fluctuations, quality mix, timing of the deliveries and flexible provisions in the individual agreements. Thus, the actual realised price for the period may differ from the average agreed prices previously announced. All the forward-looking price guidance for 2014 is based on an exchange rate of EUR/CZK of 27.00. Prices are expressed as a blended average between the different qualities of coal and are ex-works.

Chairman's statement

Market conditions have remained challenging during the fourth quarter of last year, which was marked by a further 15 per cent decline in global coking coal spot prices. This has inevitably impacted the pricing for our coking coal in the first quarter of this year, down another 7 per cent on the previous quarter.

Throughout 2013 and into 2014 NWR's management has delivered on the initiatives that we launched last spring and has consistently executed our cost containment programme. As a result, our cash mining unit costs amounted to EUR 68/t in Q4 2013, administrative expenses decreased significantly year-on-year and EUR 100 million of cash-enhancing measures were realised (see table below).

EUR million	Q4 2013	FY 2013
Cost savings	**5**	**18**
Personnel cash cost savings	0	8
Contractors cost savings	1	2
Administrative and material cost savings	4	8
CAPEX savings and deferrals of selected gateroad development and non-critical maintenance	**6**	**18**
Active Working capital operations	**5**	**64**
Optimisation of receivables and payables	5	48
Inventory sell-down	0	16
Total	**16**	**100**

Further important achievements in Q4 2013 included a) the successful completion of the divestment of our coke subsidiary OKK to the METALIMEX group for a gross EUR 95 million, b) agreement of additional waivers for the ECA loan, and c) the securing of a new five-year collective agreement with OKD's trade unions. These steps have strengthened our short-term liquidity, which nevertheless remains under pressure as a result of the current coal pricing environment.

Following the conclusion of the memorandum of understanding with the Czech Government as regards the Paskov mine, we are jointly with the Czech government exploring the possibility of keeping the high-cost Paskov mine open beyond the end of 2014. Any such scenario would have to be beneficial for all concerned and also compliant with EU rules regarding state aid. Discussions will continue through March and we will inform the market of the outcome as appropriate.

Our 2014 operational targets remain broadly unchanged: coal production of between 9 and 9.5 million tonnes, 55 – 60 per cent of coking coal in the sales mix, cash mining unit costs run-rate of EUR 60 per tonne achieved by the end of the year, lower overheads, less than EUR 100 million of maintenance CAPEX, and continuing improvements in the safety performance. Dale Ekmark, the newly appointed managing director of OKD and his team are working hard to achieve these targets.

Throughout what has been an extremely difficult year for everyone at NWR I am pleased to report that our safety performance in 2013 remained strong, with our key metric LTIFR improving by three per cent. Despite the on-going positive safety trend, it is with deepest regret that we report a loss of two of our miners at work during the year – an unacceptable result and we remain committed to achieving our ultimate target of fatality-free operations. Whilst the divestment of OKK has had an influence on our absolute LTIFR, our mines remain among the safest deep underground mines in Europe and the safety of our people remains our number one priority.

On 22 January 2014, we announced that a review of our mineral resources and reserves was underway. Independent third parties are conducting this review. John T. Boyd Company ('JT Boyd') is reviewing the Company's Czech assets and IMC-Montan Consulting GmbH ('IMC') is reviewing the Debiensko project in Poland.

For the Czech assets, having regard to the revised Life of Mine Plan, JT Boyd has reported on a preliminary basis a total of 64 million tonnes of JORC compliant saleable (proven and probable) reserves as at 31 December 2013. The 2013 JORC reserve figure for the Czech assets represents a 65 per cent decrease from the JORC saleable reserves as at 31 December 2012 of 184 million tonnes. This decrease principally relates to a downward adjustment of the Company's long-term coal prices of EUR 108 per tonne and EUR 57 per tonne respectively for coking and thermal coal.

In the context of the review, the Company has updated its Life of Mine Plan. The revised Life of Mine Plan excludes the Paskov mine after 2014, and part of the Karvina expansion project. In the revised Life of Mine Plan, the annual production of the Company declines progressively over the coming ten years: from the 2014 target of 9 – 9.5 million tonnes to around 4 million tonnes in 2021. At current long-term coal price assumptions, production beyond 2023 is not expected to exceed 2 million tonnes per annum.

For the Debiensko project, for which IMC is currently preparing a revised mineral resources and reserves report, it is probable that the previously reported reserves for Debiensko will be reclassified to resources principally due to a combination of an increase in the reporting requirements introduced in the 2012 JORC Code (which became effective 1 December 2013) and the downward adjustment of the Company's long-term coal price outlook. The Company is undertaking the additional geological investigations necessary to complete the ongoing feasibility study being undertaken by IMC.

The prolonged and unprecedented global pressure on both coking and thermal coal prices, the expiry of our RCF credit line and the likely downward revision of our coal resource and reserve balance (as a direct result of the deterioration in the long-term coal price outlook), triggered the Board's decision to initiate a review of NWR's capital structure on 22 January 2014.

The Company has commenced discussions with all of its stakeholders with a view to developing and implementing a capital structure that recognizes and respects the interests of all stakeholders. This includes the Company's majority shareholder, BXR, who has indicated that it and its shareholders are prepared to invest new equity capital into a revised and satisfactory capital structure. The Company has also commenced discussions to advisers to the Ad hoc Committee of note holders, who represent holders of both the EUR 500 million senior secured notes due 2018 and the EUR 275 million senior unsecured notes due 2021 (and those holders that hold both notes).

Once we have completed this process along with our ongoing operational efficiency improvements at OKD, we believe NWR's business will emerge from this very difficult period as a competitive player on the European hard coal market. We remain committed to our longer-term strategy to become Europe's leading miner and marketer of coking coal by 2017.

Gareth Penny, Executive Chairman of NWR

Summary tables[6]

Selected consolidated financial and operational data (continuing operations)

(EUR m, unless otherwise stated)	FY 2013	FY 2012	Chg
Revenues	850	1,179	(28%)
Cost of sales	844	913	(8%)
Excluding Change in inventories	785	966	(19%)
Gross profit	7	266	(98%)
Selling and administrative expenses	165	222	(26%)
EBITDA	(10)	210	-
Impairment of assets	807	-	-
Underlying Operating (Loss) / Profit	(166)	50	-
Underlying Loss for the period	(230)	(7)	-
Underlying Basic Loss per A share (EUR)	(0.86)	(0.04)	-
Basic Loss per A share (EUR)	(3.44)	(0.04)	
Total assets	920	2,201	(58%)
Cash and cash equivalents	184	267	(31%)
Net debt	625	551	13%
Net working capital	(22)	77	-
Net cash flow from operations	(43)	108	-
CAPEX	100	223	(55%)
Total headcount incl. contractors	15,735	16,987	(7%)
LTIFR	7.41	7.61	(3%)

6 More detail and analysis are in the Operating and Financial Review further in this document.

(EUR m, unless otherwise stated)	4Q 2013	3Q 2013	2Q 2013	1Q 2013	4Q 2012
Revenues	216	201	223	211	263
Cost of sales	180	197	232	235	261
Gross profit	36	4	(10)	(24)	2
Selling and administrative expenses	29	38	55	43	53
EBITDA	40	(1)	(24)	(25)	(9)
Impairment of assets	(497)	(3)	(307)	-	-
Underlying Operating (Loss) / Profit	7	(41)	(65)	(67)	(44)
Underlying Loss for the period	(34)	(46)	(69)	(81)	(53)
Loss for the period	(465)	(49)	(319)	(81)	(53)
Cash mining unit costs (EUR/t)	68	74	83	86	77
Production (kt)	2,348	2,171	2,134	2,147	2,598

Coal segment

	FY 2013	FY 2012	Chg
P&L (EUR m)			
Revenues	850	1,179	(28%)
EBITDA	1	222	-
Impairment on Company's assets	807	-	-
Underlying Operating (Loss) /Profit	(148)	62	-
Costs			
Cash mining unit costs (EUR/t)[7]	78	71	9%
Selling and administrative expenses (EUR m)	153	209	(27%)
Production & Sales (kt)			
Coal production	8,800	11,206	(21%)
External sales	9,709	10,245	(5%)
Coking coal[8]	4,630	5,518	(16%)
Thermal coal[9]	5,079	4,727	7%
Period end inventory	380	1,287	(70%)
Average realised prices (EUR/t)			
Coking coal	98	125	(22%)
Thermal coal	56	74	(24%)

7 Cash mining costs per tonne reflect the operating costs incurred in production of both coking and thermal coal. They are calculated by deducting from the segmental Cost of sales the Change in inventories and D&A, and then divided by total coal production.

8 In FY 2013 approx. 47% of coking coal sales were mid-volatility hard coking coal, 45% were semi-soft coking coal and 7% were PCI coking coal.

9 In FY 2013 approx. 87% of thermal coal sales were thermal coal and 13% middlings.

FY 2013 earnings call and webcast:

NWR’s management will host an analyst and investor conference call on 13 February 2014 at 10:00 GMT (11:00 CET). The presentation will be made available via a live audio webcast on www.newworldresources.eu and then archived on the Company’s website.

For those who would like to join the live call, dial in details are as follows:

UK and the rest of Europe	+44 (0)20 3427 1905
USA	+1 646 254 3367
The Netherlands	+31 (0)20 716 8256
Czech Republic	800 701 229
Poland	00 800 121 4330
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Notes to editors:

New World Resources Plc is a Central European hard coal producer. NWR produces quality coking and thermal coal for the steel and energy sectors in Central Europe through its subsidiary OKD, the largest hard coal mining company in the Czech Republic. NWR currently has several development projects in Poland and the Czech Republic, which form part of NWR's regional growth strategy.

In 2013 the Company announced a strategic outlook to reposition NWR into Europe's leading miner and marketer of coking coal by 2017.

NWR is listed in London, Prague and Warsaw. It is a constituent of FTSE Small Cap index.

Unaudited consolidated financial information

for the year

ended 31 December 2013

New World Resources Plc

Consolidated statement of comprehensive income

EUR thousand	Year ended 31 December 2013	Year ended 31 December 2012 (restated)	Three-month period ended 31 December 2013	Three-month period ended 31 December 2012 (restated)
Continuing operations				
Revenues	850,456	1,178,545	216,145	262,543
Cost of sales	(843,857)	(912,728)	(179,748)	(260,886)
Gross profit	6,599	265,817	36,397	1,657
Selling expenses	(86,497)	(118,358)	(11,870)	(23,604)
Administrative expenses	(78,541)	(103,888)	(17,067)	(29,481)
Impairment loss on property, plant and equipment	(806,964)	-	(497,251)	-
Gain recognised on impairment correction	-	7,438	-	7,438
(Loss) / gain from sale of property, plant and equipment	(7,375)	95	4	46
Other operating income	3,236	2,676	699	740
Other operating expenses	(3,008)	(3,323)	(795)	(994)
Operating (loss) / income	(972,550)	50,457	(489,883)	(44,198)
Financial income	25,420	46,043	12,709	12,778
Financial expense	(113,666)	(93,424)	(43,276)	(30,855)
(Loss) / profit before tax	(1,060,796)	3,076	(520,450)	(62,275)
Income tax benefit / (expense)	146,438	(9,994)	54,309	9,212
Loss from continuing operations	**(914,358)**	**(6,918)**	**(466,141)**	**(53,063)**
Discontinued operations				
(Loss) / profit from discontinued operations, net of tax	(55,913)	5,669	23,816	4,446
Loss for the period	**(970,271)**	**(1,249)**	**(442,325)**	**(48,617)**
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:	(69,674)	38,830	(37,667)	3,712
Foreign currency translation differences	(58,697)	30,295	(31,394)	4,321
Foreign currency translation differences relating to discontinued operations	(10,030)	-	(10,030)	-
Derivatives - change in fair value	(2,412)	1,381	(496)	17
Derivatives - transferred to profit and loss	(7,462)	6,541	(1,482)	(1,132)
Income tax relating to components of other comprehensive income	8,927	613	5,735	506
Items that will never be reclassified to profit or loss	-	-	-	-
Total other comprehensive income for the period, net of tax	(69,674)	38,830	(37,667)	3,712
Total comprehensive income for the period	**(1,039,945)**	**37,581**	**(479,992)**	**(44,905)**
(Loss) / profit attributable to:				
Non-controlling interests	-	109	-	-
Shareholders of the Company	(970,271)	(1,358)	(442,325)	(48,617)
Total comprehensive income attributable to:				
Non-controlling interests	-	186	-	-
Shareholders of the Company	(1,039,945)	37,395	(479,992)	(44,905)
(LOSS) / EARNINGS PER SHARE *(EUR)*				
A share				
Basic loss	(3.62)	(0.02)	(1.64)	(0.19)
Diluted loss	(3.61)	(0.02)	(1.64)	(0.19)
Basic loss from continuing operations	(3.44)	(0.04)	(1.77)	(0.21)
Diluted loss from continuing operations	(3.43)	(0.04)	(1.77)	(0.21)
Basic (loss) / earnings from discontinued operations	(0.18)	0.02	0.13	0.02
Diluted (loss) / earnings from discontinued operations	(0.18)	0.02	0.13	0.02
B share				
Basic (loss) / earnings	(954.60)	375.30	(788.00)	107.70
Diluted (loss) / earnings	(954.60)	375.30	(788.00)	107.70

The notes on pages 14 to 30 are an integral part of this condensed consolidated financial information.

New World Resources Plc

Consolidated statement of financial position

EUR thousand	31 December 2013	31 December 2012
ASSETS		
Property, plant and equipment	533,737	1,476,570
Mining licences	-	143,020
Accounts receivable	5,769	7,949
Deferred tax	44,747	11,262
Restricted deposits	23,742	13,300
TOTAL NON-CURRENT ASSETS	607,995	1,652,101
Inventories	29,681	151,333
Accounts receivable and prepayments	89,352	130,046
Derivatives	-	760
Income tax receivable	2,243	9
Cash and cash equivalents	183,665	267,011
Restricted cash	7,000	-
TOTAL CURRENT ASSETS	311,941	549,159
TOTAL ASSETS	**919,936**	**2,201,260**
EQUITY		
Share capital	105,863	105,863
Share premium	2,368	2,368
Foreign exchange translation reserve	30,897	81,735
Restricted reserve	121,680	132,691
Equity-settled share based payments	15,421	13,827
Hedging reserve	-	7,825
Merger reserve	(1,631,161)	(1,631,161)
Other distributable reserve	1,684,463	1,684,463
Retained earnings	(609,629)	360,642
TOTAL EQUITY	(280,098)	758,253
LIABILITIES		
Provisions	167,449	179,824
Long-term loans	34,598	62,333
Bonds issued	760,870	741,805
Employee benefits	49,308	93,211
Deferred revenue	2,369	2,704
Deferred tax	814	111,064
Other long-term liabilities	526	979
Cash-settled share-based payments	1,279	2,018
Derivatives	6,303	10,398
TOTAL NON-CURRENT LIABILITIES	1,023,516	1,204,336
Provisions	2,945	5,681
Accounts payable and accruals	141,496	204,830
Accrued interest payable on bonds	16,548	8,937
Derivatives	1,734	4,691
Income tax payable	240	159
Current portion of long-term loans	13,555	13,852
Cash-settled share-based payments	-	521
TOTAL CURRENT LIABILITIES	176,518	238,671
TOTAL LIABILITIES	1,200,034	1,443,007
TOTAL EQUITY AND LIABILITIES	**919,936**	**2,201,260**

The notes on pages 14 to 30 are an integral part of this condensed consolidated financial information.

New World Resources Plc

Consolidated statement of cash flows

EUR thousand	Year ended 31 December 2013	Year ended 31 December 2012	Three-month period ended 31 December 2013	Three-month period ended 31 December 2012
Cash flows from operating activities				
(Loss) / profit before tax and non-controlling interest from continuing operations	(1,060,796)	3,076	(520,450)	(62,275)
(Loss) / profit before tax and non-controlling interest from discontinued operations	(53,513)	5,620	24,357	3,469
(Loss) / profit before tax and non-controlling interest	(1,114,309)	8,696	(496,093)	(58,806)
Adjustments for:				
Depreciation and amortisation	151,546	173,997	32,433	44,025
Impairment loss on property, plant and equipment	806,964	-	497,251	-
Gain recognised on impairment correction	-	(7,438)	-	(7,438)
Loss on disposal of discontinued operations	64,650	-	(21,619)	-
Changes in provisions	(48,675)	(2,415)	(27,016)	1,306
Loss / (gain) on disposal of property, plant and equipment	7,050	(105)	(31)	(46)
Interest expense, net	61,857	62,173	18,231	11,411
Change in fair value of derivatives	(16,098)	(32,443)	(4,162)	(6,808)
Loss on early bond redemption	8,116	-	-	-
Equity-settled share-based payment transactions	1,594	4,837	334	676
Operating cash flows before working capital changes	(77,305)	207,302	(672)	(15,680)
Decrease / (increase) in inventories	77,380	(58,245)	16,629	15,177
Decrease / (increase) in receivables	27,040	74,903	(12,369)	38,543
(Decrease) in payables and deferred revenue	(28,337)	(9,477)	(31,507)	(13,229)
(Increase) / decrease in restricted cash and restricted deposits	(20,224)	5,999	(5,025)	3,331
Currency translation and other non-cash movements	39,096	(3,367)	25,363	9,062
Cash generated from operating activities	17,650	217,115	(7,581)	37,204
Interest paid	(58,251)	(62,609)	(21,151)	(30,489)
Corporate income tax (paid) / refunded	(2,293)	(46,496)	2	(4,936)
Net cash flows from operating activities	**(42,894)**	**108,010**	**(28,730)**	**1,779**
Cash flows from investing activities				
Interest received	2,338	3,571	1,026	581
Purchase of land, property, plant and equipment	(109,272)	(230,999)	(6,904)	(65,572)
Proceeds from sale of property, plant and equipment	5,430	642	154	76
Proceeds from disposal of discontinued operations net of cash disposed of	90,447	-	90,447	-
Net cash flows from investing activities	**(11,057)**	**(226,786)**	**84,723**	**(64,915)**
Cash flows from financing activities				
Senior Notes due 2015 redemption	(257,565)	-	-	-
Fees paid on Senior Notes due 2015 redemption	(4,749)	-	-	-
Repayments of other long term loans	(28,493)	(14,246)	(21,370)	(7,123)
Repayments of short-term borrowings	-	(200,054)	-	(100,000)
Proceeds from short-term borrowings	-	100,000	-	-
Proceeds from Senior Notes due 2021 issue	275,000	-	-	-
Transaction costs related to Senior Notes due 2021	(4,328)	-	-	-
Proceeds from exercise of share options	-	3	-	-
Dividends paid to A shareholders	-	(34,369)	-	-
Dividends paid to non-controlling interest	-	(81)	-	(6)
Acquisition of non-controlling interest	-	(2,277)	-	(2,277)
Net cash flows from financing activities	**(20,135)**	**(151,024)**	**(21,370)**	**(109,406)**
Net effect of currency translation	(9,260)	(99)	(8,114)	(4,013)
Net (decrease) / increase in cash and cash equivalents	**(83,346)**	**(269,899)**	**26,509**	**(176,555)**
Cash and Cash Equivalents at the beginning of period classified as Assets held for sale	-	-	8,691	-
Cash and Cash Equivalents at the beginning of period	267,011	536,910	148,465	443,566
Cash and Cash Equivalents at the end of period	**183,665**	**267,011**	**183,665**	**267,011**

The notes on pages 14 to 30 are an integral part of this condensed consolidated financial information.

New World Resources Plc

Consolidated statement of changes in equity

EUR thousand	*Share capital*	*Share premium*	*Foreign exchange translation reserve*	*Restricted reserve*	*Equity-settled share based payment*	*Hedging reserve*	*Merger reserve*	*Other distributable reserve*	*Retained earnings*	***Shareholders' equity***	*Non-controlling interests*	**Consolidated group total**
Balance at 1 January 2013	**105,863**	**2,368**	**81,735**	**132,691**	**13,827**	**7,825**	**(1,631,161)**	**1,684,463**	**360,642**	**758,253**	**-**	**758,253**
Loss for the year	-	-	-	-	-	-	-	-	(970,271)	**(970,271)**	-	**(970,271)**
Total other comprehensive income, net of tax	-	-	(50,838)	(11,011)	-	(7,825)	-	-	-	**(69,674)**	-	**(69,674)**
Total comprehensive income for the year	-	-	(50,838)	(11,011)	-	(7,825)	-	-	(970,271)	**(1,039,945)**	-	**(1,039,945)**
Transaction with owners recorded directly in equity												
Share options for A Shares	-	-	-	-	1,594	-	-	-	-	**1,594**	-	**1,594**
Total transactions with owners	-	-	-	-	1,594	-	-	-	-	**1,594**	-	**1,594**
Balance at 31 December 2013	**105,863**	**2,368**	**30,897**	**121,680**	**15,421**	**-**	**(1,631,161)**	**1,684,463**	**(609,629)**	**(280,098)**	**-**	**(280,098)**
Balance at 1 January 2012	**105,756**	**2,368**	**56,056**	**129,136**	**14,235**	**(2,168)**	**(1,631,161)**	**1,692,319**	**384,386**	**750,927**	**1,632**	**752,559**
(Loss) / profit for the year	-	-	-	-	-	-	-	-	(1,358)	**(1,358)**	109	**(1,249)**
Total other comprehensive income, net of tax	-	-	25,514	3,265	-	9,974	-	-	-	**38,753**	77	**38,830**
Total comprehensive income for the year	-	-	25,514	3,265	-	9,974	-	-	(1,358)	**37,395**	186	**37,581**
Transaction with owners recorded directly in equity												
Share options exercised	107	-	-	-	(5,245)	-	-	-	5,141	**3**	-	**3**
Share options for A Shares	-	-	-	-	4,837	-	-	-	(5)	**4,832**	5	**4,837**
Dividends paid A Shares	-	-	-	-	-	-	-	(7,856)	(26,513)	**(34,369)**	-	**(34,369)**
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	**-**	(81)	**(81)**
Acquisition of non-controlling interests in cash	-	-	165	290	-	19	-	-	(1,009)	**(535)**	(1,742)	**(2,277)**
Total transactions with owners	107	-	165	290	(408)	19	-	(7,856)	(22,386)	**(30,069)**	(1,818)	**(31,887)**
Balance at 31 December 2012	**105,863**	**2,368**	**81,735**	**132,691**	**13,827**	**7,825**	**(1,631,161)**	**1,684,463**	**360,642**	**758,253**	**-**	**758,253**

The notes on pages 14 to 30 are an integral part of this condensed consolidated financial information.

New World Resources Plc
Operating and Financial Review
for the year ended 31 December 2013

1. Corporate Information

New World Resources Plc ('NWR' or the 'Company') is a public limited liability company with its registered office at One Silk Street, London EC2Y 8HQ, United Kingdom.

These consolidated financial statements comprise the Company and its subsidiaries (together the 'Group'). The Group is primarily involved in coal mining and coke production (classified as discontinued operations and disposed during the year). The objective of the Company is to act as a holding company and to provide management services for the Group.

2. Financial Results Overview

On 6 December 2013, the Group completed the sale of its entire Coke segment, represented by OKK Koksovny, a.s. ('OKK') and its results are presented as a discontinued operation for all periods presented.

Continuing Operations

Revenues. The Group's revenues decreased by 28% (26% on a constant currency basis), from EUR 1,179 million in 2012 to EUR 850 million in the year 2013. This is mainly attributable to lower realised prices for coking coal as well as thermal coal and lower sales volumes of coking coal following lower production.

Cost of sales. Cost of sales decreased from EUR 913 million to EUR 844 million or by 8% (5% on a constant currency basis) in 2013 compared to the year 2012. This is mainly attributable to:

- lower production and less development work, resulting in lower consumption of mining material and spare parts as well as in lower provision for mining damages;
- reduced number of contractors shifts, resulting in lower service expenses; and
- reduction in headcount, resulting in lower personnel expenses.

Lower operating expenses were partly offset by a EUR 112 million year on year inventory impact driven by the Group selling higher volumes of low quality thermal coal from its inventories in 2013 compared to the year 2012, when the Group was producing on stock.

Selling expenses. Selling expenses decreased from EUR 118 million to EUR 86 million or by 27% (25% on a constant currency basis) in the year 2013, attributable to lower sales volumes and a change in the geographic composition of sales resulting in a decrease in transport costs.

Administrative expenses. Administrative expenses decreased from EUR 104 million to EUR 79 million or by 24% (22% on a constant currency basis) in 2013 principally as a result of lower personnel expenses by 29%.

EBITDA. 2013 saw a negative EBITDA from continuing operations of EUR 10 million, a decrease of EUR 220 million from EUR 210 million achieved in 2012, attributable mainly to the decrease in revenues that outweighed the decrease in operating expenses.

Impairment loss on property, plant and equipment. The current market environment, low prices of both coking coal and thermal coal and updated long term mine plan resulted in the Company undertaking an impairment review of its cash generating units and subsequently recognised an impairment charge of EUR 807 million on the Group's non-current assets to reflect its recoverable value. The impairment review was carried out per 30 June 2013 and 31 December 2013.

Underlying loss. The reported loss from continuing operations for the period is EUR 914 million. Excluding the impact of impairment charges, the underlying loss for the period from continuing operations would have been EUR 230 million.

Discontinued operations

The loss of discontinued operations for the period of EUR 56 million consists of profit from operating activities of EUR 9 million and loss on disposal of discontinued operations of EUR 65 million.

3. Basis of Presentation

The condensed consolidated financial statements (the 'financial statements') presented in this document are prepared:

- for the year ended 31 December 2013, with the year ended 31 December 2012 as the comparative period; and
- based on the recognition and measurement criteria of International Financial Reporting Standards as adopted by European Union ('adopted IFRS') and on the going concern basis that the Directors consider appropriate (see below).

The financial information set out above does not constitute the Company's statutory accounts for the years ended 31 December 2013 and 2012. The financial information for 2012 is derived (and restated) from the statutory accounts for 2012, which have been delivered to the registrar of companies. The auditor has reported on the 2012 accounts; their report was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. However, we draw attention to the auditors' review report for the six month period ended 30 June 2013, which while unqualified, did include reference to an emphasis of matter in relation to the ability of the Group to continue as a going concern. The statutory accounts for 2013 will be finalised on the basis of the financial information presented by the Directors in this preliminary announcement, and will be delivered to the registrar of companies in due course. The potential effects on the auditors' report is described under 'Going concern basis of accounting' below.

The financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements as at and for the year ended 31 December 2012, which are contained within the 2012 Annual Report and Accounts of the Company, available on the Group's website at www.newworldresources.eu.

Going concern basis of accounting

The Group manages its liquidity through cash (EUR 184 million (31 December 2012: EUR 267 million)) and receivable financing. In addition on 16 December 2013, the Group agreed revised terms for its amortising Export Credit Agency loan ('ECA Facility') (EUR 48 million at 31 December 2013), which included the suspension of the financial covenants thereunder until Q4 2014. Further information and requirements are described in section 10 Borrowings, Liquidity and Capital Resources.

At the present market prices for coal, the Group is currently cash flow negative and the current low coal price environment has placed significant pressure on the Group's liquidity position and also on its solvency resulting in the Group having net liabilities of EUR 280 million at 31 December 2013. As a reaction to the continuing difficult trading conditions and price pressures in 2013, the Group implemented various measures to safeguard the Group's liquidity for the foreseeable future.

Irrespective of the above and absent the potential restructuring referred to below, the Directors anticipate that the Group will not be able to meet the revised requirements of the ECA Facility financial covenants when they are next tested after the end of Q4 2014 and will enter into further negotiation with its financiers with a view to either agreeing a further deferral of covenant testing under the ECA Facility or to negotiating replacement facilities. There can be no guarantee that it will be possible to either agree a further suspension of ECA Facility financial covenant testing or to agree replacement facilities. In that event the ECA Facility could be declared due and payable by the ECA Facility lenders.

On 17 September 2013, the Group announced the closure of the Paskov mine with the phasing and terms of the closure to be determined after discussions with the Czech Government and other stakeholders. On 6 January 2014, the Group and the Czech Government entered into a Memorandum of Understanding in a joint effort to minimise the negative social, regional and economic impact of the mine closure (see note 14 Subsequent events and other information), and in particular to explore the option of OKD extending the operation of the mine until 31 December 2016 at its own risk and account after which ownership of the mine will be transferred to the Czech State for a symbolic CZK 1 for closure. This would be subject to certain conditions, such as approval of the European Commission and support of the mine's key stakeholders. In the event that agreement is reached significant costs associated with the closure that would otherwise be incurred in 2015 would be avoided though the Group would incur the net costs of operating the Paskov mine in 2015 and 2016. There can be no guarantee that the Czech Government will agree to the purchase of the Paskov mine, or that the purchase would be approved by the European Commission, and in that situation the Group would be liable for the associated closure costs.

In addition the Group is heavily geared with long term borrowings totalling EUR 825 million. Following revisions of the long term pricing outlook for both thermal and coking coal and the associated write down of assets (see in note 7 part Impairment loss), on 22 January 2014, the Directors initiated a review of the Group's capital structure with a view to addressing the solvency and the mid-term liquidity of the Group. The review will be focused on the Group's balance sheet and will consider all available options. The Company has commenced discussions with all its stakeholders with a view to developing and implementing a capital structure that recognises and respects the interest of all stakeholders. There can be no guarantee that it will be possible to successfully complete such a capital structure or that such implementation occurs within a timeframe that will secure the liquidity and solvency of the Group.

The capital structure review is at very early stage and we anticipate issuing our audited Annual Report in late March 2014. In the event that the status of these matters have changed by then we will update the above disclosures and the auditors' report will take account of these amendments. On the assumption that the position does not change substantially, the auditors' report is expected to include an Emphasis of Matter paragraph drawing attention to the material uncertainty regarding the Group's and Company's ability to continue as a going concern.

Should the Group fail to achieve a satisfactory capital structure for liquidity and solvency purposes, it would pose a significant risk of the Group ceasing to operate as a going concern. On current base case forecasts the Group anticipates a net cash outflow of approximately EUR 30 million per quarter and that its current cash balance will be exhausted in Q1-Q2 2015. However, an inability to renew receivable financing, further price deterioration, default on existing facilities or other factors such as lower than forecasted production could bring this point forward.

4. Significant Accounting Policies

The financial statements have been prepared under the historical cost convention, except for certain financial instruments, which are stated at fair value.

The financial statements have been prepared on the basis of accounting policies and methods of compilation consistent with those applied in the consolidated financial statements as at and for the year ended 31 December 2012, with the exception described below.

Discontinued operations

On 6 December 2013, the Group completed the sale of its entire Coke segment, represented by OKK and as such, the Coke segment is classified as discontinued operations in the financial statements. It was not previously classified as discontinued operations and the comparative period (consolidated statement of comprehensive income) has been restated to show the discontinued operations separately from continuing operations.

Change in classification and presentation

With effect from 1 January 2013, the Group has changed the basis on which it presents expenses in the income statement. While previously classified by their nature, expenses are now classified by their function (also known as a 'Cost of Sales' format). This change has been made to align better with current best reporting practice in the mining industry.

The reclassifications have no impact on the consolidated operating income or net profit. The main categories are as follows:

Cost of sales - comprise all operating costs incurred in production including depreciation and amortisation, or compensation of, and provisions for mining damages.

Selling expenses – comprise all operating costs involved in selling or distribution of products and include mainly transport costs incurred to deliver the Group's products to customers.

Administrative expenses – comprise all other operating costs associated with general operation of the Group, which cannot be allocated to either cost of sales or selling expenses, and include mainly personnel costs, and advisory costs.

New standards and interpretations

The Group adopted the following amendments to standards and new interpretations, which are effective for its accounting period starting 1 January 2013:

- Amendment to IAS 1 Financial Statement Presentation – Presentation of Items of Other Comprehensive Income (effective 1 July 2012)
- Amendment to IAS 19 Employee Benefits (effective 1 January 2013)
- Amendment to IFRS 7 Financial Instrument: Disclosures - Offsetting Financial Assets and Financial Liabilities (effective 1 January 2013)
- IFRS 13 Fair Value Measurement (effective 1 January 2013)
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (effective 1 January 2013)

The amendments to IAS 1 and IFRS 13 impact the Group's financial position and performance as follows:

- *Fair value measurement*
  IFRS 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other IFRSs. In particular, it unifies the definition of fair value as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants as the measurement date. It also replaces and expands the disclosure requirements about fair value measurements in other IFRSs, including IFRS 7 *Financial Instruments: Disclosures.*

  In accordance with the transitional provisions of IFRS 13, the Group has applied the new fair value measurement guidance prospectively. Notwithstanding the above, the change has no significant impact on the measurement of the Group's assets and liabilities.

- *Presentation of items of other comprehensive income*
  As a result of the amendments to IAS 1, the Group has modified the presentation of items of other comprehensive income in its condensed consolidated statement of profit or loss and other comprehensive income, to present separately items that would be reclassified to profit or loss in the future from those that would never be. Comparative information has been re-presented accordingly.

  The adoption of the amendment to IAS 1 has no impact on the recognised assets, liabilities and comprehensive income of the Group.

Estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these consolidated financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements of the Company as at and for the year ended 31 December 2012.

5. Non-IFRS Measures

The Company defines:

- EBITDA as net profit before non-controlling interests, income tax, net financial costs, depreciation and amortisation, impairment of property, plant and equipment ('PPE') and gains/losses from the sale of PPE.
- Underlying profit as net profit before material one off charges (for example impairment of PPE).

While the amounts included in EBITDA/underlying profit are derived from the Group's financial information, it is not a financial measure determined in accordance with adopted IFRS and should not be considered as an alternative to net income or operating income as a sole indication of the Group's performance or as an alternative to cash flows as a measure of the Group's liquidity. The Company currently uses EBITDA/underlying profit in its business operations to, among others, evaluate the performance of its operations, develop budgets and measure its performance against those budgets.

The financial information shows the results from its Coke segment as discontinued operations. To present comparable figures with previously published financial information, the Company presents Total EBITDA, which is defined as the total of EBITDA from continuing operations and EBITDA from discontinued operations. Discontinued operations are presented in note 12 of this document.

The Company defines net debt as total debt less cash and cash equivalents. Total debt includes issued bonds, long-term and short-term interest-bearing loans and borrowings, less related expenses. Interest-bearing loans, bond issues, and borrowings are measured at amortised cost.

6. Exchange Rates

(EUR/CZK)	2013	2012	y/y %
Average exchange rate	25.980	25.149	3%
End of year exchange rate	27.427	25.151	9%

Throughout this document, the financial results and performance in both the current and comparative periods are expressed in Euros. The financial information could differ considerably if the financial information was presented in CZK. The Company may where deemed relevant, present variances using constant foreign exchange rates (constant currency basis), marked ‘ex-FX’, excluding the estimated effect of currency translation differences. These are non-IFRS financial measures.

7. Financial Performance of Continuing Operations

The Coke segment is classified as discontinued operations and is presented separately from continuing operations in note 12 Discontinued Operations. The comparative period of the year 2012 has been restated accordingly.

Revenues

The Group's largest source of revenue is the sale of coking coal, which accounted for 53% of total revenues in the year 2013, whilst the sale of thermal coal accounts for 33% of total revenues in this period.

(EUR thousand)	2013	2012 (restated)	y-y	y/y %	ex-FX
External coking coal sales (EXW)*	454,701	692,051	(237,350)	(34%)	(33%)
External thermal coal sales (EXW)*	283,720	347,476	(63,756)	(18%)	(17%)
Coal transport	71,791	96,580	(24,789)	(26%)	(24%)
Sale of coal by-products	19,592	24,715	(5,123)	(21%)	(18%)
Other revenues	20,652	17,723	2,929	17%	20%
Total revenues	**850,456**	**1,178,545**	**(328,089)**	**(28%)**	**(26%)**

*For the purpose of this analysis, where the Group sells products on an EXW or similar basis, the notional transport element is shown separately in order to separate the impact of changing transport revenues from changes in the underlying achieved price for the products sold.

Total revenues decreased by 28% mainly as a result of lower realised prices and lower sales volumes of coking coal (see table below), in line with lower prices and demand for steel making materials globally, as well as in our region. In addition, revenues decreased due to lower realised prices for thermal coal. Lower sales volumes also resulted in a decrease of transport revenues, with a similar decrease in transport costs, for no material impact on profitability.

Average realised sales prices (EUR per tonne)	2013	2012 (restated)	y-y	y/y %	ex-FX
Coking coal (EXW)	98	125	(27)	(22%)	(20%)
Thermal coal (EXW)	56	74	(18)	(24%)	(23%)

All of the Group’s coking coal sales are priced quarterly and the majority of thermal coal sales are priced on a calendar year basis.

Total production of coal in the year 2013 decreased by 21% compared to 2012. Coal volumes sold were lower by 5% as a result of lower coking coal sales, partially offset by increased sales of middlings and lower grades of thermal coal from inventories in 2013.

Coal inventories decreased by 907kt in 2013 compared to an increase by 978kt in the year 2012.

Coal performance indicators (kt)	2013	2012 (restated)	y-y	y/y %
Coal production	8,800	11,206	(2,406)	(21%)
External coal sales	**9,709**	**10,245**	**(536)**	**(5%)**
Coking coal	4,630	5,518	(888)	(16%)
- of which sales to discontinued Coke segment	494	520	(26)	(5%)
Thermal coal	5,079	4,727	352	7%
Year end inventory*	**380**	**1,287**	**(907)**	**(70%)**

* Inventory consists of coal available for immediate sale and coal that has to be converted from raw coal. Opening and closing inventory balances do not always reconcile due to various factors such as production losses.

Cost of Sales

(EUR thousand)	2013	2012 (restated)	y-y	y/y %	ex-FX
Consumption of material and energy	254,828	303,669	(48,841)	(16%)	(14%)
of which : mining material and spare parts	146,028	189,867	(43,839)	(23%)	(21%)
: energy consumption	96,897	103,734	(6,837)	(7%)	(4%)
Service expenses	149,225	188,426	(39,201)	(21%)	(18%)
of which : contractors	74,194	96,083	(21,889)	(23%)	(20%)
: maintenance	30,897	38,813	(7,916)	(20%)	(18%)
Personnel expenses	233,264	291,439	(58,175)	(20%)	(17%)
Depreciation and amortisation	141,741	160,298	(18,557)	(12%)	(9%)
Net gain from material sold	(4,433)	(7,703)	3,270	(42%)	(41%)
Change in inventories of finished goods and work in progress	58,570	(52,971)	111,541	-	-
Other operating expenses/(income)	10,662	29,570	(18,908)	(64%)	(63%)
of which : compensation of, and provision for mining damages	5,976	18,425	(12,449)	(68%)	(66%)
Total cost of sales	**843,857**	**912,728**	**(68,871)**	**(8%)**	**(5%)**
Excluding the change in inventories impact	**785,287**	**965,699**	**(180,412)**	**(19%)**	**(16%)**

Excluding the EUR 112 million year on year impact in change in inventories driven by the Group selling higher volumes of low quality thermal coal in 2013 compared to the year 2012 when the Group was producing on stock, cost of sales decreased by EUR 180 million, namely as a result of:

- a decrease in production and development works, influencing consumption of mining material and spare parts, as well as the provision for mining damages;
- a 15% decrease in the number of shifts and a 6% decrease in unit costs per shift ex-FX resulting in decrease of contractors' cost (contractors headcount decreased by 15%);and
- a 5% decrease in the number of employees and change in employee benefit assumptions (see below) resulting in lower personnel expenses.

Selling Expenses

(EUR thousand)	2013	2012 (restated)	y-y	y/y %	ex-FX
Transport costs	70,857	98,637	(27,780)	(28%)	(27%)
Personnel expenses	3,379	3,687	(308)	(8%)	(5%)
Allowance for inventories on stock	711	2,285	(1,574)	(69%)	(68%)
Other expenses	11,550	13,749	(2,199)	(16%)	(13%)
Total selling expenses	**86,497**	**118,358**	**(31,861)**	**(27%)**	**(25%)**

Lower sales volumes together with a change in the geographic composition of sales resulted in a reduction in transport costs by 28%, with a similar decrease in transport revenues, with no material impact on profitability.

Administrative Expenses

(EUR thousand)	2013	2012 (restated)	y-y	y/y %	ex-FX
Personnel expenses	45,143	63,883	(18,740)	(29%)	(27%)
Service expenses	19,036	22,002	(2,966)	(13%)	(12%)
Other expenses	14,362	18,003	(3,641)	(20%)	(17%)
Total administrative expenses	**78,541**	**103,888**	**(25,347)**	**(24%)**	**(22%)**

Decrease in administrative expenses by 22% on a constant currency basis is principally attributable to lower personnel costs (10% salary cut, lower headcount and lower share-based payments costs).

Total Personnel Expenses and Headcount

(EUR thousand)	2013	2012 (restated)	y-y	y/y %	ex-FX
Personnel expenses	319,291	350,130	(30,839)	(9%)	(6%)
Employee benefit provision	(36,874)	2,830	(39,704)	-	-
Share-based payments	590	6,753	(6,163)	(91%)	(91%)
Total personnel expenses	**283,007**	**359,713**	**(76,706)**	**(21%)**	**(19%)**

Total personnel expenses have reduced principally through lower headcount (see below) and the completion of negotiation with the trade unions and the execution of a new Collective Bargaining Agreement with employees, which reduced the overall employee benefit liability of the Group.

	2013	2012	y-y	y/y %
Employees headcount (average)	12,606	13,315	(709)	(5%)
- of which Coal segment	12,581	13,289	(708)	(5%)
Contractors headcount (average)	3,130	3,672	(542)	(15%)
Total headcount (average)	**15,736**	**16,987**	**(1,251)**	**(7%)**

EBITDA

(EUR thousand)	2013	2012 (restated)	y-y	y/y %	ex-FX
EBITDA from continuing operations	**(10,062)**	**210,168**	**(220,230)**	**-**	**-**
EBITDA from discontinued operations	14,184	12,427	1,757	14%	(7%)
Total EBITDA	4,122	222,595	(218,473)	(98%)	-

The Group's EBITDA from continuing operations decreased by EUR 220 million compared to 2012 mainly as a result of lower commodity prices and sales volumes that outweigh the decrease in operating expenses.

As EBITDA is a non-IFRS measure, the following table provides a reconciliation of EBITDA from continuing operations and net loss after tax.

(EUR thousand)	2013	2012 (restated)
Net loss after tax from continuing operations	(914,358)	(6,918)
Income tax	(146,438)	9,994
Net financial expenses	88,246	47,381
Depreciation and amortisation	148,149	167,244
Impairment loss on property, plant and equipment	806,964	-
Gain recognised on impairment correction	-	(7,438)
Loss / (gain) from sale of PPE	7,375	(95)
EBITDA from continuing operations	**(10,062)**	**210,168**

Impairment Loss

Due to reduced price expectations for the Group's products, the Group undertook a re-assessment of the mine plan for future operations, which accordingly led to a re-assessment of the recoverable amount (per 30 June and 31 December 2013) of its continuing cash generating units ('CGU's). As a result, an impairment loss of EUR 807 million (2012: nil) has been recognised. The impairment loss related entirely to the coal segment. This includes EUR 142 million in respect of the Paskov mine and EUR 9 million in relation to the Debiensko project with the balance relating to the coal business generally.

The recoverable amount of the CGUs was based on value in use. Value in use was determined by discounting the future cash flows expected to be generated from the continuing use of the CGUs. Value in use as at 31 December 2013 was based on the following key assumptions;

- cash flows were forecast based on past experience, actual operating results, approved budget and long term business plan. Cash flows for the years to the end of the life of mines for the Coal segment were extrapolated using declining growth rate (reflecting decreasing production towards the end of the life of the mines);

- revenue was forecast based on agreed prices for the first quarter of 2014. The anticipated annual revenue movement included in the cash flow projects ranged from (9%) to 8 % for the years 2014 to 2018 and are based on the average of a range of publically available data (market consensus);
- a post-tax discount rate of 11.73% (2012: 10.6%) was applied in determining the recoverable amount of the group of CGUs. The discount rate was estimated based on an industry average weighted-average cost of capital adjusted for the specific risks of each CGU; and
- cash mining unit costs anticipated of EUR 65 per tonne in 2014, decreasing to EUR 60 per tonne in 2015 and thereafter.

The impairment charges are particularly sensitive to the discount rate applied, the forecast sales prices of the Group's products and the operating expenses. Holding all other parameters constant a 1.50% increase in the discount rate would give rise to an additional impairment loss of EUR 38 million; a 2.50% increase in the discount rate would give rise to an additional impairment loss of EUR 61 million; a 5% reduction in sales prices would give rise to an additional impairment loss of EUR 144 million and a EUR 5 per tonne increase on operating expenses would give rise to an additional impairment loss of EUR 164 million.

Financial Income and Expense

(EUR thousand)	**2013**	**2012 (restated)**	**y-y**	**y/y %**
Financial income	(25,420)	(46,043)	20,623	(45%)
Financial expense	113,666	93,424	20,242	22%
Net financial expense	**88,246**	**47,381**	**40,865**	**86%**

The increase in net financial expense of EUR 41 million in 2013 compared to the year 2012 is mainly attributable to the loss on revaluation and settlement of derivatives for which hedge accounting is not applied compared to the gain realised in the comparative period (EUR 15 million), to the realised and unrealised FX losses (EUR 18 million) and to the loss recorded due to the repayment of the Senior Notes due 2015 (EUR 8 million), consisting of the write off of unamortised transaction costs (EUR 4 million) and the cost of early redemption (EUR 4 million).

Loss from Continuing Operations before Tax

The loss before tax in 2013 was EUR 1,061 million, down EUR 1,064 million compared to a profit of EUR 3 million in the year 2012.

Income Tax

The Group recorded a net income tax benefit of EUR 146 million in 2013, compared to a net income tax expense of EUR 10 million in 2012, as a result of the recognition of a deferred tax asset arising from tax losses incurred and recognition of impairment loss.

Loss from Continuing Operations

The Group recognised a loss from continuing operations of EUR 914 million in 2013, which represents a decrease of EUR 907 million compared to the loss of EUR 7 million in 2012 and was materially influenced by the impairment loss on coal assets in the amount of EUR 685 million (after tax).

8. (Loss) / Earnings per Share

(EUR)	**2013**			**2012 (restated)**		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
A share – basic (loss) / earnings	(3.44)	(0.18)	(3.62)	(0.04)	0.02	(0.02)
A share – diluted (loss) / earnings	(3.43)	(0.18)	(3.61)	(0.04)	0.02	(0.02)
B share – basic (loss) / earnings	(954.60)	-	(954.60)	375.30	-	375.30
B share – diluted (loss) / earnings	(954.60)	-	(954.60)	375.30	-	375.30

The calculation of earnings per share was based on profit attributable to the shareholders of the Company and a weighted average number of shares outstanding during the year ended 31 December:

(EUR thousand)	2013			2012 (restated)		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
(Loss) / profit for the year	(914,358)	(55,913)	(970,271)	(7,027)	5,669	(1,358)
(Loss) / profit attributable to A shares	(911,363)	(47,294)	(958,657)	(10,480)	5,669	(4,811)
(Loss) / profit attributable to B shares	(9,546)	-	(9,546)	3,753	-	3,753
Eliminations between Mining and Real Estate divisions	6,551	(8,619)	(2,068)	(300)	-	(300)

	2013	2012
Weighted average number of A shares (basic)	264,648,002	264,463,424
Weighted average number of A shares (diluted)	265,511,233	265,957,204
Weighted average number of B shares (basic)	10,000	10,000
Weighted average number of B shares (diluted)	10,000	10,000

9. Cash Flow

(EUR thousand)	2013	2012
Net cash flows from operating activities	(42,894)	108,010
Net cash flows from investing activities	(11,057)	(226,786)
Net cash flows from financing activities	(20,135)	(151,024)
Net effect of currency translation	(9,260)	(99)
Total decrease in cash	**(83,346)**	**(269,899)**

Cash Flow from Operating Activities

The Group's primary source of cash is its operating activities. Cash generated from operating activities, after working capital changes and before interest and tax payments in 2013 was positive EUR 18 million, which was EUR 199 million lower than in 2012. This follows lower EBITDA during the reporting period offset by positive effect of inventories sale of EUR 20 million and working capital optimisation of EUR 22 million.

Cash Flow from Investing Activities

Capital expenditures amounted to EUR 109 million in 2013 (of which EUR 9 million relates to discontinued operations), a decrease of EUR 122 million when compared to the year 2012. The capital expenditures consist principally of expenditure in the Coal segment, including the development of new mining areas. The Group considers this level of expenditure (and even lower) to be representative of an ongoing level of expenditure to sustain the level of operations in the updated mine plans.

Cash flow from investing activities was positively influenced by disposal of discontinued operations of EUR 90 million (reflecting costs incurred and cash disposed of), of which EUR 7 million was paid on escrow account (restricted cash) and will be released from the escrow account three months after the date of sale, subject to the satisfaction of any claims by the purchaser under the OKK Share Purchase Agreement.

Cash Flow from Financing Activities

Cash flow from financing activities was influenced by issuance of new EUR 275 million Senior Notes due 2021 (the '2021 Notes') that were used to repay in full the outstanding amount of EUR 258 million under the Senior Notes due 2015 (the '2015 Notes'). Additional transaction costs of EUR 9 million were incurred in connection with the refinancing. Cash flow from financing activities also consisted of repayment of the ECA loan of EUR 28 million (amount of EUR 14 million was repaid in the comparative period of 2012). The comparative period of 2012 was influenced by repayment of the Revolving Credit Facility in the amount of EUR 100 million and a dividend payment of EUR 34 million to A shareholders.

10. Borrowings, Liquidity and Capital Resources

The liquidity requirements of the Group arise primarily from the need to fund operating losses, working capital requirements, the need to fund capital expenditures and, on a selective basis, possible future acquisitions. The principal uses of cash are anticipated to fund planned operating expenditures, capital expenditures, scheduled debt service on the Senior Notes and other borrowings, and other distributions. The Group continuously reviews its cash flow and operations in order to safeguard the business as a going concern.

Senior Notes Issuance

On 23 January 2013, New World Resources N.V. ('NWR NV') issued its EUR 275 million Senior Notes due 2021 with a 7.875% coupon. The net proceeds were used to repay in full the outstanding amounts of the 7.375% Senior Notes due 2015, which were repaid on 22 February 2013 in the total amount of EUR 267 million, including accrued interest and call premium.

Financial covenants

The Group agreed with its lenders to suspend and re-set certain financial covenants under the RCF and ECA Facility agreements as follows:

- for the RCF (agreed on 4 April and further on 9 October 2013), covenant testing was suspended for the remainder of the facility term and the facility expired on 7 February 2014;
- for ECA Facility (agreed on 28 March and further on 17 December 2013), covenant testing is suspended for the period from 1 January 2013 until 30 September 2014;
- in addition to the above suspension and re-set, the conditions that NWR NV needs to comply with under the current ECA Facility waiver include: amendments to the scheduled debt service requiring certain prepayments; a minimum cash balance requirement of EUR 80 million; limitations on dividend payments; financial reporting obligations; and limitations on incurring additional senior debt. The Facility expires on 31 December 2017.

Indebtedness and liquidity

As at 31 December 2013, the Group held cash and cash equivalents of EUR 184 million and had indebtedness of EUR 809 million, of which EUR 14 million is contractually repayable in the next 12 months. This results in a net debt position for the Group of EUR 625 million, 13% higher when compared to EUR 551 million as at 31 December 2012.

As a reaction to the continuation of difficult trading conditions and price pressures in 2013, various measures were put in place to safeguard the Group's liquidity for the foreseeable future. For more information about liquidity and going concern basis of accounting please refer to note 3 Basis of Presentation.

11. Segments and Divisions

NWR's business is organised into three segments, Coal, Coke (discontinued operations), and Real Estate Division ('RED') segment, for which financial and other performance measures are separately available and regularly evaluated by the Chief Operating Decision Maker ('CODM'). The CODM is the Company's Board of Directors. These operational segments were identified based on the nature, performance and financial effects of key business activities of the Group.

The Group is further organised into two divisions: the Mining Division ('MD') and the Real Estate Division. The Company had A Shares and B Shares outstanding for the presented periods. The A Shares and B Shares are tracking stocks, which are designed to reflect the financial performance and economic value of the MD and RED, respectively. Due to the public listing of the Company's A shares, the Group provides divisional reporting showing separately the performance of the MD and RED. The main rights, obligations and relations between the RED and MD are described in the Divisional Policy Statement, available at the Company's website www.newworldresources.eu.

The divisional reporting, as such, is essential for the evaluation of the equity attributable for the listed part of the Group. As the operating segments form part of the divisions, and in order to provide understandable and transparent information, the Company decided to combine the segment and divisional disclosure into one table, with the Coal and Coke (discontinued operations) segments within the Mining division and the RED segment within Real Estate division. The Company's headquarters is included in the Other information under the Mining division. The accounting principles of this segmental and divisional disclosure are further described in NWR's 2012 Annual Report and Accounts.

Business Segments
1 January 2013 - 31 December 2013

(EUR thousand)	Mining division: Coal segment	Mining division: Coke segment	Mining division: Other	Mining division: Eliminations & adjustments[1]	Mining division: Mining division - total	Real Estate division: RED segment	Eliminations & adjustments[2]	Group continuing operations total
	Continuing operations	*Discontinued operations*	*Continuing operations*		*Continuing operations*	*Continuing operations*		
Segment revenues								
Sales to third parties	798,681	160,029	299	(160,029)	**798,980**	**-**	-	**798,980**
Sales to continuing segments	162	30	1,505	(1,697)	**-**	**5,905**	(5,905)	**-**
Sales to discontinued segments	51,476	-	-	-	**51,476**	**-**	-	**51,476**
Total revenues	**850,319**	**160,059**	**1,804**	**(161,726)**	**850,456**	**5,905**	**(5,905)**	**850,456**
Cost of sales	(844,611)	(128,276)	(81)	128,542	**(844,426)**	**(116)**	685	**(843,857)**
Gross profit	**5,708**	**31,783**	**1,723**	**(33,184)**	**6,030**	**5,789**	**(5,220)**	**6,599**
Selling expenses	(86,478)	(20,801)	(18)	20,800	**(86,497)**	**-**	-	**(86,497)**
Administrative expenses	(66,870)	(5,934)	(13,084)	7,335	**(78,553)**	**12**	-	**(78,541)**
Impairment loss on property, plant and equipment	(806,964)	-	-	-	**(806,964)**	**-**	-	**(806,964)**
(Loss) / gain from sale of property, plant and equipment	(194)	33	-	(33)	**(194)**	**(4,802)**	(2,379)	**(7,375)**
Other operating income	3,235	345	-	(344)	**3,236**	**247**	(247)	**3,236**
Other operating expenses	(3,008)	(80)	-	80	**(3,008)**	**(90)**	90	**(3,008)**
SEGMENT OPERATING (LOSS) / INCOME	**(954,571)**	**5,346**	**(11,379)**	**(5,346)**	**(965,950)**	**1,156**	**(7,756)**	**(972,550)**
EBITDA	**1,266**	**14,027**	**(11,316)**	**(14,027)**	**(10,050)**	**5,965**	**(5,977)**	**(10,062)**
Financial income					**24,457**	**24,316**	(23,353)	**25,420**
Financial expenses					**(117,032)**	**(33,093)**	36,459	**(113,666)**
Loss before tax					**(1,058,525)**	**(7,621)**	5,350	**(1,060,796)**
Income tax benefit / (expense)					**147,162**	**(1,925)**	1,201	**146,438**
LOSS FROM CONTINUING OPERATIONS					**(911,363)**	**(9,546)**	**6,551**	**(914,358)**
Attributable to:								
Non-controlling interests					**-**	**-**	-	**-**
SHAREHOLDERS OF THE COMPANY					**(911,363)**	**(9,546)**	6,551	**(914,358)**

[1] Elimination of discontinued operations and intercompany transactions within the Mining division (e.g. service fees)
[2] Elimination of transactions between the divisions (e.g. lease charges, service fees, annual fees for providing real estates, unrealised profit)

Business Segments
1 January 2013 - 31 December 2013

(EUR thousand)	***Mining division*** Coal segment	Coke segment	Other	Eliminations & adjustments[1]	**Mining division - total**	***Real Estate division*** RED segment	*Eliminations & adjustments[2]*	***Group operations total***
	Continuing operations	*Discontinued operations*	*Continuing operations*		*Continuing operations*	*Continuing operations*		
Assets and liabilities as at 31 December 2013								
Total segment assets [3]	808,499	-	691,273	(592,473)	**907,299**	**41,188**	(28,551)	**919,936**
Total segment liabilities[3]	918,498	-	892,674	(592,473)	**1,218,699**	**7,886**	(26,551)	**1,200,034**
Other segment information:								
Capital expenditures	100,186	8,962	124	-	**109,272**	**-**	-	**109,272**
Depreciation and amortisation	148,680	8,715	57	(8,715)	**148,737**	**-**	(588)	**148,149**
Interest income	846	-	38,596	(38,045)	**1,397**	**1**	-	**1,398**
Interest income - divisional CAP	-	-	-	-	**-**	**29**	(29)	**-**
Interest expense	39,738	-	61,596	(38,045)	**63,289**	**-**	-	**63,289**
Interest expense - divisional CAP	29	-	-	-	**29**	**-**	(29)	**-**

[1] Elimination of discontinued operations and intercompany balances within the Mining division.
[2] Elimination of transactions between the divisions (e.g. lease charges, service fees, annual fees for providing real estates).
[3] The assets and liabilities associated with discontinued operations are presented gross of intra-group balances.

Business Segments 1 January 2012 - 31 December 2012 (restated)	***Mining division***					***Real Estate division***	*Eliminations & adjustments[2]*	***Group operations total***
(EUR thousand)	*Coal segment*	*Coke segment*	*Other*	*Eliminations & adjustments[1]*	***Mining division - total***	*RED segment*		
	Continuing operations	*Discontinued operations*	*Continuing operations*		*Continuing operations*	*Continuing operations*		
Segment revenues								
Sales to third parties	1,107,164	192,169	259	(192,169)	**1,107,423**	**-**	-	**1,107,423**
Sales to continuing segments	375	94	1,219	(1,688)	**-**	**776**	(776)	**-**
Sales to discontinued segments	71,122	-	-	-	**71,122**	**-**	-	**71,122**
Total revenues	**1,178,661**	**192,263**	**1,478**	**(193,857)**	**1,178,545**	**776**	**(776)**	**1,178,545**
Cost of sales	(913,208)	(159,053)	(144)	159,224	**(913,181)**	**-**	453	**(912,728)**
Gross profit	**265,453**	**33,210**	**1,334**	**(34,633)**	**265,364**	**776**	**(323)**	**265,817**
Selling expenses	(118,452)	(24,351)	-	24,445	**(118,358)**	**-**	-	**(118,358)**
Administrative expenses	(90,982)	(4,199)	(14,243)	5,536	**(103,888)**	**-**	-	**(103,888)**
Gain recognised on impairment correction	7,308	-	-	-	**7,308**	**130**	-	**7,438**
Gain / (loss) from sale of property, plant and equipment	59	10	-	(10)	**59**	**36**	-	**95**
Other operating income	2,059	864	624	(872)	**2,675**	**298**	(297)	**2,676**
Other operating expenses	(3,323)	(414)	-	414	**(3,323)**	**(150)**	150	**(3,323)**
SEGMENT OPERATING INCOME / (LOSS)	**62,122**	**5,120**	**(12,285)**	**(5,120)**	**49,837**	**1,090**	**(470)**	**50,457**
EBITDA	**222,249**	**12,172**	**(12,081)**	**(12,172)**	**210,168**	**938**	**(938)**	**210,168**
Financial income					**45,034**	**3,826**	(2,817)	**46,043**
Financial expenses					**(96,255)**	**(304)**	3,135	**(93,424)**
Profit / (loss) before tax					**(1,384)**	**4,612**	(152)	**3,076**
Income tax expense					**(8,987)**	**(859)**	(148)	**(9,994)**
(LOSS) / PROFIT FROM CONTINUING OPERATIONS					**(10,371)**	**3,753**	**(300)**	**(6,918)**
Attributable to:								
Non-controlling interests					**109**	**-**	-	**109**
SHAREHOLDERS OF THE COMPANY					**(10,480)**	**3,753**	(300)	**(7,027)**

[1] Elimination of discontinued operations and intercompany transactions within the Mining division (e.g. service fees).
[2] Elimination of transactions between the divisions (e.g. lease charges, service fees, annual fees for providing real estates).

Business Segments
1 January 2012 - 31 December 2012 (restated)

(EUR thousand)	*Mining division*					*Real Estate division*	*Eliminations & adjustments*[2]	*Group operations total*
	Coal segment	*Coke segment*	*Other*	*Eliminations & adjustments*[1]	***Mining division - total***	*RED segment*		
	Continuing operations	*Discontinued operations*	*Continuing operations*		*Continuing operations*	*Continuing operations*		
Assets and liabilities as at 31 December 2012								
Total segment assets	1,860,616	213,241	813,687	(701,394)	**2,186,150**	**29,597**	(14,487)	**2,201,260**
Total segment liabilities	1,097,617	164,920	881,705	(701,394)	**1,442,848**	**14,646**	(14,487)	**1,443,007**
Other segment information:								
Capital expenditures	223,088	7,898	13	-	**230,999**	**-**	-	**230,999**
Depreciation and amortisation	167,493	7,062	204	(7,062)	**167,697**	**-**	(453)	**167,244**
Interest income	2,223	-	35,419	(34,173)	**3,469**	**11**	-	**3,480**
Interest income - divisional CAP	-	-	-	-	**-**	**3,293**	(3,293)	**-**
Interest expense	36,942	-	62,898	(34,173)	**65,667**	**-**	-	**65,667**
Interest expense - divisional CAP	3,293	-	-	-	**3,293**	**-**	(3,293)	**-**

[1] Elimination of discontinued operations and intercompany balances within the Mining division.
[2] Elimination of transactions between the divisions (e.g. lease charges, service fees, annual fees for providing real estates).

12. Discontinued Operations

On 6 December 2013, the Group completed the sale of its entire Coke segment, represented by OKK, following a strategic decision to focus on its mining business.

The Coke segment was not previously classified as discontinued operations in 2012 financial statements and the comparative consolidated statement of comprehensive income has been restated to show the discontinued operations separately from continuing operations.

a) Result of discontinued operations

EUR thousand	2013	2012 (restated)
Revenues	160,059	192,263
Cost of sales	(125,138)	(158,835)
Gross profit	34,921	33,428
Selling expenses	(20,801)	(24,351)
Administrative expenses	(3,755)	(4,109)
Other operating income	917	835
Other operating expenses	(170)	(119)
Operating income	11,112	5,684
Financial income	382	188
Financial expense	(357)	(252)
Profit before tax	11,137	5,620
Income tax expense	(2,400)	49
Profit from operating activities for the period	**8,737**	**5,669**
Loss on disposal of discontinued operations	(74,680)	-
FX translation differences relating to discontinued operations and reclassified to profit or loss	10,030	-
Loss on disposal of discontinued operations, total	**(64,650)**	**-**
(Loss) / profit from discontinued operations for the period	**(55,913)**	**5,669**

EBITDA from discontinued operations increased to EUR 14 million in 2013 compared to EUR 12 million in the year 2012. As EBITDA is a non-IFRS measure, the following table provides a reconciliation of EBITDA from discontinued operations and net (loss)/profit after tax.

(EUR thousand)	2013	2012 (restated)
Net (loss) / profit after tax from discontinued operations	(55,913)	5,669
Income tax	2,400	(49)
Net financial expenses	(25)	64
Depreciation and amortisation	3,397	6,753
Loss on disposal of discontinued operations	64,650	-
Gain from sale of PPE	(325)	(10)
EBITDA from discontinued operations	**14,184**	**12,427**

b) Cash flows from discontinued operations

EUR thousand	2013	2012
Net cash flows from operating activities	19,122	9,333
Net cash flows from investing activities	(8,503)	(7,882)
Net cash flow from discontinued operations	**10,619**	**1,451**

c) Effect of disposal on the financial position of the Group

EUR thousand	06 December 2013
Property, plant and equipment	(114,107)
Deferred tax asset	(10,421)
Inventories	(44,356)
Trade and other receivables	(10,650)
Cash and cash equivalents	(2,086)
Employee benefits	1,240
Deferred revenue	1,291
Cash-settled share-based payments	101
Trade and other payables	11,513
Net assets	**(167,475)**
Consideration received, net of costs incurred	92,533
Cash and cash equivalents disposed of	(2,086)
Net cash inflow from investing activities	**90,447**
of which paid on escrow account (increase in restricted cash)	(7,000)
Net cash inflow	**83,447**

13. Contingencies and Other Commitments

Contingent assets and liabilities

Contingent liabilities relate to several litigation proceedings. As inherent in such proceedings, outcomes cannot be predicted with certainty and there is a risk of unfavourable outcomes for the Group. The Group disputes all pending litigation claims. No provision has been made as at 31 December 2013 for any of the litigation proceedings. At the date of these financial statements, based on advice of counsel, the management of the Group believes that the litigation proceedings have no significant impact on the Group's financial position as at 31 December 2013. A summary of the main litigation proceedings is included in the 2012 Annual Report and Accounts of the Company. There have been no significant developments in any of these matters since.

Contractual obligations

The Group is subject to commitments resulting from its indebtedness. These result mainly from the loans drawn by the Group and Notes issued. The following table includes the contractual obligations resulting from the ECA loan, the 7.875% Senior Notes due 2018 and the 7.875% Senior Notes due 2021 as at 31 December 2013 in nominal values.

(EUR thousand)	**1/1/2014 - 31/12/2014**	**1/1/2015 - 31/12/2016**	**After 31/12/2016**
7.875% Senior Notes due 2018	-	-	500,000
7.875% Senior Notes due 2021	-	-	275,000
ECA loan	14,246	21,370	14,246
TOTAL	**14,246**	**21,370**	**789,246**

Interest is paid semi-annually on both Senior Notes. The interest rate on the ECA loan is fixed for a total period of six months with a payment period of six months. The interest rate is based on EURIBOR plus a fixed margin.

The Group has contractual obligations to acquire property, plant and equipment in the total amount of EUR 15 million, all of which are spread within one year. The Group is also subject to contractual obligations under lease contracts in the total amount of EUR 5 million, of which EUR 1 million are short-term obligations.

14. Subsequent Events and Other Information

Paskov update

On 17 September 2013 the Company announced the closure of the Paskov mine with the phasing and terms of the closure to be determined after discussions with the Czech government and other stakeholders. Rough estimate of closure costs amounts to EUR 41 million, consisting of EUR 19 million of mine restoration and rehabilitation costs (for which a provision has been recognised as at 31 December 2013 in accordance with the standard practice of providing for such costs during the life of the mine) and EUR 22 million of social costs (for which no provision has been made as at 31 December 2013 as there is an on-going discussion with various stakeholders at the moment, with a detailed plan of the closure and its associated costs to be prepared and announced one the discussion finalised).

On 6 January 2014, the Group and the Czech Government entered into a non-binding Memorandum of Understanding (the "Memorandum") in a joint effort to minimise the negative social, regional and economic impact of the mine closure. Pursuant to the Memorandum, the parties will explore the option of OKD extending the operations of the mine until 31 December 2016 at its own risk and account after which ownership of the mine will be transferred to the Czech State for a symbolic CZK 1 for closure. As at 31 December 2013, the Paskov mine had net liabilities of EUR 25 million, including impaired mining assets of EUR 10 million, deferred tax assets of EUR 19 million, the liabilities for mine restoration and rehabilitation of EUR 36 million referred to above and employee benefit liabilities of EUR 11 million. If a binding agreement is reached with the Czech Government, and this agreement is approved by the European Commission, then the Group will be relieved of these liabilities, but will be required to incur operating losses until the handover of the mine.

However, should a binding agreement not be reached or the required regulatory approvals are not obtained, then the Group will incur the costs associated with the mine restoration and rehabilitation and employee benefits as well as all the operating losses until such point as the mine is closed together with associated social costs.

Capital structure review

In view of the continued pressure on both coking and thermal coal prices in the short term; the expected negative impact of the current coal price outlook on NWR's coal reserves; and the expiry of the Company's Revolving Credit Facility ('RCF') the Board initiated a review of NWR's capital structure on 22 January 2014. The Company will consider all available options to ensure an appropriate capital structure that can support the continuation of the business going forward (see further information in note 3 Basis of presentation).

15. Certain Relationships and Related Party Transactions

Description of the relationship between the Group, BXR Group Limited (the controlling Shareholder) and entities affiliated to the BXR Group is included on pages 88-90 of the 2012 Annual Report and Accounts of NWR. There have been no substantive changes to the nature, scale or terms of these arrangements during the year ended 31 December 2013.

Forward Looking Statements

Certain statements in this document are not historical facts and are or are deemed to be ‘forward-looking’. The Company’s prospects, plans, financial position and business strategy, and statements pertaining to the capital resources, future expenditure for development projects and results of operations, may constitute forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology including, but not limited to; ‘may’, ‘expect’, ‘intend’, ‘estimate’, ‘anticipate’, ‘plan’, ‘foresee’, ‘will’, ‘could’, ‘may’, ‘might’, ‘believe’ or ‘continue’ or the negatives of these terms or variations of them or similar terminology. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. These forward-looking statements involve a number of risks, uncertainties and other facts that may cause actual results to be materially different from those expressed or implied in these forward-looking statements because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond the Company’s ability to control or predict. Forward-looking statements are not guarantees of future performances.

Factors, risk and uncertainties that could cause actual outcomes and results to be materially different from those projected include, but are not limited to, the following: risks relating to changes in political, economic and social conditions in the Czech Republic, Poland and the CEE region; future prices and demand for the Company's products and demand for the Group's customers' products; coal mine reserves; remaining life of the Group's mines; coal production; trends in the coal industry and domestic and international coal market conditions; risks in coal mining operations; future expansion plans and capital expenditures; the Group's relationship with, and conditions affecting, the Group's customers; competition; railroad and other transport performance and costs; availability of specialist and qualified workers; and weather conditions or catastrophic damage; risks relating to Czech or Polish law, regulations and taxation, including laws, regulations, decrees and decisions governing the coal mining industry, the environment and currency and exchange controls relating to Czech and Polish entities and their official interpretation by governmental and other regulatory bodies and by the courts; and risks relating to global economic conditions and the global economic environment. Additional risk factors are described in the Company’s 2012 Annual Report and Accounts.

Forward-looking statements speak only as of the date of this document. The Company expressly disclaims any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained in this report to reflect any change in its expectations or any change in events, conditions, assumptions or circumstances on which any such statement is based unless so required by applicable law.

Amsterdam, 12 February 2014

Board of Directors