NWR NEW WORLD RESOURCES

Amsterdam, 18 May 2011

New World Resources N.V.

Unaudited results for the three-month period ended 31 March 2011

New World Resources N.V. (“NWR” or the “Company”), Central Europe’s leading hard coal and coke producer, today announced its financial results for the three-month period ended 31 March 2011.

Highlights

- Consolidated revenues[1] of EUR 385 million, up 17%
- EBITDA[1] of EUR 82 million, up 42%
- Profit before tax of EUR 11 million[1] (EUR 14 million loss in Q12010)
- Strong operating cash flow of EUR 119 million, up 342%
- Net debt reduced by 4% to EUR 307 million
- Continued improvement in safety with mining LTIFR[2] down 3%
- Coal production of 2,582kt, and external sales of 2,637kt
- Coke production of 202kt, and external sales of 180kt
- Coking coal and coke average prices for Q2 2011 agreed at EUR 215/t and EUR 400/t, respectively
- First phase of Debiensko’s detailed feasibility study completed
- Reincorporation in the United Kingdom completed, with FTSE UK index series inclusion expected in June
- On track to deliver FY 2011 production and sales targets, as previously announced

Chairman’s statement

“The results for the first three months of this year show significant improvements year on year, especially in terms of revenues, due to improved market conditions and increased coal and coke prices.

As previously announced, we expect to extract 11Mt of coal and produce 800kt of coke this year, and we remain on track to do just this. As a result of our continued efforts to increase development works underground, we expect production to ramp up progressively through the year. This will also continue to improve our coal sales mix, which we expect to consist of 50% of coking coal and 50% of thermal coal for the FY

1 From continuing operations

2 LTIFR represents the number of reportable injuries after three days of absence divided by total number of hours worked expressed in millions of hours.

2011, and should also benefit mining unit cash costs later in the year. We further expect to increase production of coking coal towards the end of 2011 with a view to returning to the 60/40 coking coal to thermal coal sales mix in 2012.

Our cost guidance for FY 2011 also remains unchanged with an expected 10% increase in mining cash costs per tonne and a 15% decrease in coke conversion cash costs per tonne, on a constant currency basis, compared to FY 2010.

Our decision to adopt quarterly pricing for our coking coal sales allows us to follow the global pricing trends more closely and benefit indirectly from the price influence of growth markets in Asia and other emerging markets. The effects of this decision can already be seen in our negotiated Q2 2011 average coking coal price of EUR 215 per tonne, which implies a premium to global benchmark prices. This premium is due to favourable regional dynamics, as coking coal supply is restricted against increased demand mainly driven by Central Europe's automobile industry.

We have recently completed the first phase of the detailed feasibility study for opening the Debiensko mine. We continue to work on preparation of the site and are ready to break ground by summer 2011, subject to the finalisation of the regulatory and licensing process. The Board of Directors is scheduled to meet in Poland in June for final decision-making purposes regarding the Debiensko project.

On 5 May 2011, we announced the successful outcome of our recommended share Offer for all of the "A" ordinary shares of Existing NWR. This result, we believe, underlines the confidence of investors in our strategy and means that our re-incorporation in the UK is now completed, paving the way for FTSE UK Index series eligibility, while maintaining our premium listed status on the London Stock Exchange (LSE).

Our recommended share Offer will remain open until further notice. We remind our existing A Shareholders who have not yet accepted the Offer, that we have given notice of our intention to cancel our NWR N.V. share listings on the London, Prague and Warsaw Stock Exchanges. The last day's trading in the NWR N.V. shares on the LSE and the PSE is expected to be 3 June 2011. Delisting is likely to reduce significantly the liquidity and marketability of the shares in respect of which the Offer has not been accepted.

Our continued improvement in injury frequency, with mining LTIFR[3] down 3% in Q1 2011, results from sustained training and investment initiatives. Despite that, one of our miners tragically died in April this year. This is a further reminder that we must make every effort to further improve health and safety standards with the ultimate aim of zero harm.

Looking ahead, we remain positive about Central Europe and believe we are well positioned to take advantage of the current favourable regional market conditions. Demand for coking coal and coke remains strong, with local steel producers and

3 LTIFR represents the number of reportable injuries after three days of absence divided by total number of hours worked expressed in millions of hours.

foundries running close to full capacity. Steel production in Central and Eastern Europe in Q1 2011 was 7% higher than last year.

Mike Salamon, Executive Chairman of NWR

Selected financial and operational data

(EUR millions, unless otherwise stated)	Q1 2011	Q1 2010	% chg	Q1 2011	Q4 2010	% chg
Revenues(1)	385	329	17%	385	466	(17%)
Operating result(1)	38	18	110%	38	113	(67%)
Profit before tax(1)	11	(14)	--	11	81	(87%)
Profit from continuing operations	3	(16)	--	3	60(8)	(94%)
Profit for the period	3	(14)	--	3	70	(95%)
EBITDA from continuing operations(1)	82	57	42%	82	162	(50%)
of which: Coal mining(2)	*81*	*50*	*62%*	*81*	*150*	(46%)
Coke production(2)	*7*	*4*	*90%*	*7*	*19*	(63%)
Total assets	2,277	2,216	3%	2,277	2,258	1%
Net cash flow from operations	119	27	342%	119	133	(11%)
Net debt	307	526	(42%)	307	321	(4%)
Net working capital	(27)	7	--	(27)	49	(156%)
CAPEX	66	63	4%	66	42	57%
Adjusted earnings per A share(3) (in EUR)	0.01	(0.06)	--	0.01	0.86	(99%)
Coal and coke sales volumes(4)	2,816	2,930	(4%)	2,816	3,434	(18%)
Total coal production(4)	2,582	2,747	(6%)	2,582	3,353	(23%)
Period end coal inventories(4)	46	216	(79%)	46	261	(82%)
Period end coke inventories(4)	45	175	(74%)	45	50	(10%)
Average number of staff(5)	18,058	18,779	(4%)	18,058	18,597	(3%)
Lost-time Injury Frequency Rate – OKD(6)	8.13	8.34	(3%)			
Lost-time Injury Frequency Rate – OKK(7)	0.00	0.00	-			

(1) From continuing operations, excluding electricity trading sub-segment
(2) The Company's continuing businesses are represented in three segments; "Coal segment", "Coke segment" and "Other segment". The full disclosure on all operational segments including the consolidation adjustments and eliminations as well as details on the segment accounting policies, measurement and disclosure is presented in the Operating and Financial Review for the three-month period ended 31 March 2011.
(3) Adjusted to current number of shares, see also Earnings per Share section
(4) In thousands of tonnes
(5) Including contractors
(6) OKD, a.s. ("OKD") is a subsidiary of NWR
(7) OKK Koksovny, a.s. ("OKK") is a subsidiary of NWR
(8) Profit from continuing operations is lower by EUR 10 million as a result of a reclassification of the portion of the profit from the sale of the energy business related to the electricity trading sub-segment, which is included in discontinued operations. This has no impact on the profit for the Group.

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Production & sales volumes

Coal performance indicators (kt)

	Q1 2011	Q1 2010	Chg.	% chg.
Coal production	2,582	2,747	(165)	(6%)
Sales to OKK	158	206	(48)	(23%)
External sales	**2,637**	**2,652**	**(15)**	**(1%)**
of which				
Coking coal	1,062	1,374	(312)	(23%)
Thermal coal	1,575	1,278	297	23%
Period end inventory	46	216	(170)	(79%)

Total coal production in Q1 2011 was 6% lower than Q1 2010 due to more challenging underground conditions, but in line with our expectations, while external coal sales remained flat year on year.

Coking coal sales in Q1 2011 comprised approximately 46% hard coking coal and 54% semi-soft coking coal. Thermal coal sales in the period were approximately 82.5% coal and 17.5% middlings.

Coke performance indicators (kt)

	Q1 2011	Q1 2010	Chg.	% chg.
Coke production	202	251	(49)	(20%)
Coke sales	180	279	(99)	(35%)
Period end inventory	45	175	(130)	(74%)

Coke production and coke sales decreased by 20% and 35% respectively in Q1 2011 compared to Q1 2010 due to the closure of the Jan Sverma coking plant at the end of 2010, which reduced the Group's production capacity but significantly enhances our cost position.

Coke sales in Q1 2011 were approximately 33% blast furnace coke, 59% foundry coke and 8% other types.

Average realised prices[4]

(EUR/tonne)	Q1 2011	Q1 2010	Chg.	% chg.	% chg. Ex-FX
Coking coal	159	98	61	62%	56%
Thermal coal	70	63	7	11%	7%
Coke	337	193	144	75%	74%

4 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 prices announced. The indicated expected sales volumes can be influenced by the production structure as well as by the sales structure and individual quality assortment delivered to customers.

New World Resources N.V. | Jachthavenweg 109h | 1081 KM Amsterdam | The Netherlands
Tel: +31 20 570 2200 I Fax: +31 20 570 2222 I E-mail: info@nwrgroup.eu I www.newworldresources.eu
Trade Register Amsterdam 34239108

Prices for coking coal and coke were significantly higher in Q1 2011 compared to the same period last year, reflecting higher international benchmark prices as well as improved economic conditions in the region.

Coking coal

From April 2011, 100% of our coking coal sales will be priced on a quarterly basis, in line with international markets. The average agreed price of coking coal for delivery in the second calendar quarter of 2011 is EUR 215 per tonne, an increase of 35% compared to the first quarter realised price and 52% higher than the FY 2010 average realised price. This average price is based on the expectation that coking coal sales for Q2 2011 will be evenly split between semi-soft coking coal and hard coking coal.

Thermal coal

NWR sells 100% of its thermal coal volumes on a calendar year basis. As previously announced, the average price agreed for thermal coal sales for the 2011 calendar year is EUR 71 per tonne, a 13% increase compared to the 2010 average realised price.

NWR's thermal coal sales consist of approximately 80% coal and 20% middlings.

Coke

The average price agreed for coke sales during the second calendar quarter of 2011 is EUR 400 per tonne, an increase of 19% compared to the first quarter realised price. This average price is based on the expectation of Q2 2011 sales to be approximately 19% blast furnace coke, 67% foundry coke and 14% other types.

All of the forward-looking price guidance for 2011 is based on an exchange rate of CZK/EUR of 24.30. Prices are expressed as blended averages between the different qualities both for coal and coke and are ex works.

Revenues *(EUR thousand)*	**Q1 2011**	**Q1 2010**	**Chg.**	**% chg.**	**% chg. Ex-FX**
Revenues	384,799	328,563	56,236	17%	13%
Coal segment	*314,086*	*251,922*	*62,164*	*25%*	*18%*
Coke segment	*70,553*	*62,837*	*7,716*	*12%*	*11%*

The Company's revenues increased by 13% on a constant currency basis in Q1 2011 compared to Q1 2010 mainly due to increased prices for both coking coal and coke, partly offset by lower sales volumes and changes in product mix.

Operating expenses

Main operating expenses (comprising consumption of material and energy, service and personnel expenses) from continuing operations increased by 12% in Q1 2011 compared to the previous year. The increase was in all three main cost categories and

reflected, as expected, increased underground development works, more intensive maintenance of mining equipment and rising input prices, combined with the effect of the appreciation of the Czech Koruna against the Euro. Excluding the impact of the appreciation of the Czech Koruna, main operating expenses were up 8%.

Consolidated expenses *(EUR thousand)*	**Q1 2011**	**Q1 2010**	**Chg.**	**% chg.**	**% chg. Ex-FX**
Consumption of material and energy	99,142	89,238	9,904	11%	6%
Third-party coal purchase charges	*14,778*	*10,947*	*3,831*	*35%*	*32%*
Service expenses	90,909	77,543	13,366	17%	13%
Transportation	*28,402*	*29,356*	*(954)*	*(3%)*	*(6%)*
Personnel expenses[1]	100,223	91,541	8,682	9%	5%
Total expenses	**290,274**	**258,322**	**31,952**	**12%**	**8%**

(1) Excluding employee benefits

Coal segment expenses *(EUR thousand)*	**Q1 2011**	**Q1 2010**	**Chg.**	**% chg.**	**% chg. Ex-FX**
Consumption of material and energy	80,069	70,472	9,597	14%	9%
Service expenses	78,316	66,351	11,965	18%	12%
Transportation	*22,479*	*24,421*	*(1,942)*	*(8%)*	*(11%)*
Personnel expenses	87,405	83,278	4,127	5%	(1%)
Total expenses	**245,790**	**220,101**	**25,689**	**12%**	**6%**

Main expenses for the coal segment increased by 12%, or 6% excluding the impact of currency movements. The increase in consumption of mining materials was mainly driven by continued intensive underground development work to enable increased production in subsequent quarters.

Service expenses in the coal segment, excluding transportation costs, grew by 33% mainly due to an increase in contractor expenses attributable to an increase in both the unit costs per shift and number of shifts worked, leading to increased contractor headcount, as well as an increase in maintenance expenses. Transportation costs, which decreased by 8%, are passed directly through to customers and therefore have no impact on the bottom-line.

Personnel expenses for the coal segment increased by 5%, reflecting a 4% increase in basic wages agreed with the trade unions for 2011, which was partly offset by ongoing headcount reduction. On a constant currency basis, personnel expenses for the coal segment decreased by 1%.

Mining cash costs per tonne[5]

(EUR)	Q1 2011	Q1 2010	Chg.	% chg.	% chg. Ex-FX
Mining cash costs per tonne	90	73	17	24%	16%

Mining cash costs per tonne, which do not include the cost of transportation, rose by 16% compared to Q1 2010 on a constant currency basis, mainly due to a 6% decrease in production combined with increased costs related to intensified underground development works as well as higher input costs.

NWR continues to expect its mining unit cash costs for FY 2011 to increase by approximately 10% compared to 2010, on a constant currency basis. We expect production to ramp up progressively through the year, which will have a positive effect on our mining unit cash costs.

Coke segment expenses
(EUR thousand)

	Q1 2011	Q1 2010	Chg.	% chg.	% chg. Ex-FX
Consumption of material and energy[(1)]	47,346	42,864	4,482	10%	5%
Third-party coal purchase charges	*14,778*	*10,947*	*3,831*	*35%*	*32%*
Service expenses	9,634	8,201	1,433	17%	13%
Transportation	*5,923*	*4,935*	*988*	*20%*	*16%*
Personnel expenses	4,688	5,361	(673)	(13%)	(18%)
Total expenses	**61,668**	**56,426**	**5,242**	**9%**	**4%**

(1) *Includes both internal and external coal purchase charges*

Main expenses for the coke segment increased by 9%, or 4% excluding the impact of currency appreciation. The increase in consumption of materials and energy was mainly driven by the increased cost of third party coking coal purchases.

Excluding the impact of transportation costs, which are passed on to customers, service expenses for the coke segment grew by 14%.

Personnel expenses for the coke segment decreased by 18% on a constant currency basis, mainly due to a headcount reduction following the closure of the Jan Sverma coking plant in 2010.

5 Mining cash costs per tonne reflect the operating costs incurred in mining both coking coal and thermal coal.

Coke conversion cash cost per tonne

(EUR)	Q1 2011	Q1 2010	Chg.	% chg.	% chg. Ex-FX
Coke cash cost per tonne	61	59	2	4%	(2%)

Coke conversion cash cost per tonne, which does not include the cost of coal and transportation, decreased by 2%, excluding the impact of currency movements, as a result of increased efficiency as all coke production is now concentrated in one plant.

Coke unit conversion costs for FY 2011 are expected to be approximately 15% lower than in 2010, on a constant currency basis, as a result of the completion of COP 2010 and the concentration of the coke works in one plant.

EBITDA from continuing operations
(EUR thousand)

	Q1 2011	Q1 2010	Chg.	% chg.	% chg. Ex-FX
EBITDA	81,567	57,278	24,289	42%	44%
Coal segment	*81,144*	*50,189*	*30,955*	*62%*	*65%*
Coke segment	*6,993*	*3,677*	*3,316*	*90%*	*79%*

EBITDA from continuing operations of EUR 82 million for Q1 2011 was 42% higher than in the previous year due to increased revenues, mainly as a result of higher realised prices for coking coal and coke in the period.

Operating income from continuing operations
(EUR thousand)

	Q1 2011	Q1 2010	Chg.	% chg.	% chg. Ex-FX
Operating income	37,644	17,907	19,737	110%	131%
Coal segment	*39,506*	*12,358*	*27,148*	*220%*	*234%*
Coke segment	*4,552*	*2,052*	*2,500*	*122%*	*109%*

Operating income from continuing operations was EUR 38 million.

Financial income and expenses
(EUR thousand)

	Q1 2011	Q1 2010	Chg.	% chg.
Financial income	9,072	15,239	(6,167)	(40%)
Financial expense	(36,077)	(46,668)	10,591	(23%)
Financial result	**(27,005)**	**(31,429)**	**4,424**	**14%**

Both financial income and financial expense decreased by 40% and 23%, respectively, mainly as a result of currency effects. Positive impacts on financial expenses were partly offset by an increase of EUR 10 million in interest expenses resulting from the issuance of senior secured notes due 2018 in May 2010, which refinanced a senior secured loan.

Profit before tax from continuing operations was EUR 11 million.

NWR recorded a net income tax expense of EUR 7 million in Q1 2011, compared to EUR 2 million in the same period of 2010.

NWR's consolidated profit for the period was EUR 3 million, which represents an increase of EUR 17 million compared to a loss of EUR 14 million in Q1 2010.

The adjusted earnings per A share[6] for the three-month period ended 31 March 2011 amounted to EUR 0.01.

Operating cash flow

Net operating cash flow for Q1 2011 was EUR 119 million, EUR 139 million higher than in Q1 2010. This increase was mainly attributable to higher EBITDA, driven by higher coking coal and coke prices, as well as favourable movements in working capital during the period.

Polish development project: Debiensko

As planned, NWR concluded the first phase of the Detailed Feasibility Study (DFS) for its Debiensko project in Poland. The DFS maps out the project scope, execution plan, budget and schedule. NWR will be ready to break ground by summer this year as previously announced, subject to the finalisation of the regulatory and licensing process.

The Company plans to start preparation activities during the summer, subject to final approval by the Board of Directors in its June meeting in Krakow in Poland.

NWR expects to invest approximately EUR 50 million of CAPEX in its Debiensko project in 2011. More on the DFS will be announced in due course.

Health and safety

NWR has stringent and sophisticated safety procedures, monitoring systems and practices in place throughout its mines and coking plants. These are applied rigorously and diligently at all times to ensure optimal operating conditions.

Regrettably, despite the overall improvement in our safety performance, one of our people died in an accident in April 2011. All accidents are investigated by a committee

6 Adjusted to current number of shares, see also Earnings per Share section of the Operating and Financial Review for the three-month period ended 31 March 2011.

comprised of members of the Czech Mining Authority in Ostrava, the mine management, OKD management, the trade union and the local police; and appropriate measures are taken based on the findings of these investigations.

The mining Lost Time Injury Frequency Rate (LTIFR) improved by 3% to 8.13 in Q1 2011, compared to 8.34 in Q1 2010.

At OKK, LTIFR was nil in Q1 2011, the same as for Q1 2010.

Exchange rates

The Czech Koruna appreciated against the Euro by approximately 6% between the three-month period ended 31 March 2011 and the same period in 2010. The average exchange rate for the period was CZK/EUR 24.38.

Approximately 50% of the Company's revenues and about 85% of its operating costs are denominated in CZK.

The Company's current policy is to hedge approximately 70% of its cash flow exposure to currency fluctuations. Approximately 60% of the forecast cash flow exposure for the second calendar quarter of 2011 is currently covered by forward currency contracts, with additional forwards in place for the remainder of the year.

Liquidity and capital resources

As at 31 March 2011, the Company's net debt was EUR 307 million, down 42% from 31 March 2010, and down 4% year to date. The Company's first significant debt maturity is not until 2015.

Unrestricted cash amounted to EUR 545 million at 31 March 2011, up from EUR 481 million as at 31 March 2010 and EUR 529 million as at 31 December 2010.

The restricted payment basket, as defined by the 7.375% Indenture and the 7.875% Indenture, amounted to approximately EUR 158 million as of 31 March 2011.

For more information, please refer to the Liquidity and Capital Resources section in the notes of the Operating and Financial Review for the three-month period ended 31 March 2011.

CAPEX

Total capital expenditure in Q1 2011 was EUR 66 million, 4% above the Q1 2010 level. Maintenance CAPEX for OKD and OKK accounted for EUR 35 million, while EUR 30 million were used for investments to improve the existing operations.

Reincorporation in the United Kingdom

On 11 April 2011, the boards of New World Resources N.V. (NWR) and New World Resources Plc (New NWR) announced a recommended share offer for all of the "A"

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ordinary shares of EUR 0.40 each in the capital of NWR (the "Existing A Shares") (the "Offer"). The full terms and conditions of the Offer were set out in a combined prospectus and offer document jointly published by NWR and New NWR on 11 April 2011 (the "Combined Prospectus and Offer Document").

On 5 May 2011 (the first closing date of the Offer), valid acceptances were received in respect of 256,780,388 Existing A Shares (representing approximately 97 per cent of the issued Existing A Shares) and the Offer, therefore, became unconditional as to acceptances.

On 6 May 2011, 256,780,388 New NWR's 'A' ordinary shares (the "New A Shares") were admitted (i) to the premium segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange plc's main market for listed securities under the ticker "NWR", and (ii) unconditionally to trading on the main market of the Prague Stock Exchange also under the ticker "NWR". New NWR also confirmed that the resolution adopted by the Management Board of the Warsaw Stock Exchange to conditionally admit the New A Shares to trading on the main market of the Warsaw Stock Exchange had become unconditional and trading commenced on the Warsaw Stock Exchange on 9 May 2011. Accordingly, the Offer then became wholly unconditional in all respects.

The Offer will remain open until further notice and at least 14 days' notice will be given if New NWR decides to close the Offer. Existing A Shareholders who have not yet accepted the Offer are encouraged to do so without delay.

Holders of Existing A Shares are reminded that NWR has given notice of its intention to cancel its listing on the Official List of the UK Listing Authority and the admission to trading of the Existing A Shares on the London Stock Exchange, the Prague Stock Exchange and the Warsaw Stock Exchange. The last day's trading in the Existing A Shares on the London Stock Exchange and the Prague Stock Exchange is expected to be 3 June 2011. Delisting is likely to reduce significantly the liquidity and marketability of any Existing A Shares in respect of which the Offer has not been accepted. New NWR and NWR intend to apply to cancel the listing of the Existing A Shares on the Warsaw Stock Exchange as soon as practicable in accordance with the applicable laws and regulations.

Outlook

NWR's production and sales targets are unchanged for the full year 2011.

Production

NWR expects to produce approximately 11Mt of coal and 800kt of coke in 2011. As a result of the Company's continued efforts to increase development works underground, production is expected to ramp up progressively through the year.

Sales

NWR expects external sales to reach approximately 10.3Mt of coal (evenly split between coking and thermal coal) and 720kt of coke in 2011. The Company expects

an increase in coking coal volumes towards the end of 2011 and a subsequent rebalancing of the product mix towards coking coal in 2012.

Costs

Given production targets are achieved and save fluctuations in exchange rates and further increases in input costs, cost guidance for FY 2011 remains unchanged.

NWR expects its mining unit cash costs in 2011 to increase by approximately 10% compared to 2010, on a constant currency basis.

Coke unit conversion costs are expected to be approximately 15% lower than in 2010, on a constant currency basis, as a result of the completion of COP 2010 and the concentration of the coke works in one plant.

CAPEX

The Company believes that going forward its CAPEX requirements will be between EUR 200 – 250 million per annum. This is due to incremental underground development work with a view to maintaining production volumes and mix, as well as ongoing provision for replacement and renewal of longwalls in particular. The Company is also provisioning for higher safety-related CAPEX, especially as the underground environment becomes increasingly challenging as we mine deeper.

For 2011, NWR also expects to invest about EUR 50 million of CAPEX related to its Debiensko project.

NWR's senior management will hold a conference call today, Wednesday 18 May 2011, at 11:00 CET (10:00 GMT), to discuss the financial results for the period.

A live webcast of the call will also be made available on NWR's website at www.newworldresources.eu.

Dial in details:

The Netherlands	+31 (0)20 707 5510
Czech Republic (Toll free)	800 142926
Poland (Toll free)	00 800 111 4858
UK & the rest of Europe	+44 (0)20 7806 1955
USA	+1 212 444 0413

Confirmation Code: 1223646

For further information:

Investor Relations

Agnes Blanco Querido
Tel: +31 20 570 2270
Email: ablanco@nwrgroup.eu

Radek Nemecek
Tel: +31 20 570 2244
Email: rnemecek@nwrgroup.eu

Corporate Communications
Petra Masinova
Tel: +31 65 476 4119
Email: pmasinova@nwrgroup.eu

Website: *www.newworldresources.eu*

New World Resources N.V.
NWR is the sole owner of OKD, a.s., the Czech Republic's largest hard coal mining company and one of the largest producers in Central Europe by revenue and volume. Serving customers mainly in the Czech Republic, Slovakia, Austria, Poland, Hungary and Germany, the Company produced 11.4Mt of coal and 1.0Mt of coke in 2010.

Disclaimer and Cautionary Note on Forward Looking Statements and Notes on Certain Other Matters

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 NWR'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 Company's customers' products; coal mine reserves; remaining life of the Company'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 Company's relationship with, and conditions affecting, the Company's customers; competition; railroad and other transportation 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 as described in the Company's annual report.

Forward-looking statements are made 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.

This document does not contain or constitute an offer to sell or the solicitation of an offer to buy or subscribe for any securities in the United States or in any other jurisdiction.

In this Quarterly Financial Report and the Operating and Financial Review for the three month period ended 31 March 2011, the Company provides information that is required to be published in interim management statements under Directive 2004/109/EC, on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC, and the national laws implementing such Directive.

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Consolidated financial information

for the three-month period

ended 31 March 2011

New World Resources N.V.
Consolidated income statement

EUR thousand	1 January 2011 - 31 March 2011	1 January 2010 - 31 March 2010
Continuing operations		
Revenues	384,799	328,563
Change in inventories of finished goods and work-in-progress	(11,782)	(7,931)
Consumption of material and energy	(99,142)	(89,238)
Service expenses	(90,909)	(77,543)
Personnel expenses	(96,034)	(92,744)
Depreciation	(41,748)	(37,225)
Amortisation	(2,191)	(2,192)
Reversal of impairment of receivables	-	(2)
Net gain from material sold	1,662	702
Gain from sale of property, plant and equipment	16	46
Other operating income	549	746
Other operating expenses	(7,576)	(5,275)
Operating income	37,644	17,907
Financial income	9,072	15,239
Financial expense	(36,077)	(46,668)
Profit/(loss) before tax	10,639	(13,522)
Income tax expense	(7,202)	(2,113)
Profit/(loss) from continuing operations	**3,437**	**(15,635)**
Discontinued operations		
Profit from discontinued operations (net of income tax)	-	1,150
Profit/(loss) for the period	**3,437**	**(14,485)**
Attributable to:		
Non-controlling interests	-	-
SHAREHOLDERS OF THE COMPANY	**3,437**	**(14,485)**
EARNINGS PER SHARE *(EUR/share)*		
Basic earnings per A share	0.01	(0.06)
Diluted earnings per A share	0.01	(0.06)
Basic earnings per A share from continuing operations	0.01	(0.06)
Diluted earnings per A share from continuing operations	0.01	(0.06)
Basic earnings per A share from discontinued operations	0.00	0.00
Diluted earnings per A share from discontinued operations	0.00	0.00
Basic earnings per B share	67.60	52.10
Diluted earnings per B share	67.60	52.10

The notes on pages 10 to 400 are an integral part of this condensed consolidated financial information.

New World Resources N.V.

Consolidated statement of comprehensive income

For the three-month period ended 31 March 2011

EUR thousand	*Foreign exchange translation reserve*	*Restricted reserve*	*Hedging reserve*	*Profit for the period*	***Total comprehensive income***
Profit for the period	-	-	-	3,437	**3,437**
Other comprehensive income					
Foreign currency translation differences	27,971	2,811	477	-	**31,259**
Derivatives - change in fair value	-	-	2,104	-	**2,104**
Derivatives - transferred to profit and loss	-	-	(1,258)	-	**(1,258)**
Other movements	-	-	-	(1)	**(1)**
Total other comprehensive income for the period including tax effects	27,971	2,811	1,323	(1)	**32,104**
Total comprehensive income for the period attributable to shareholders of the Company	**27,971**	**2,811**	**1,323**	**3,436**	**35,541**

For the three-month period ended 31 March 2010

EUR thousand	*Foreign exchange translation reserve*	*Restricted reserve*	*Hedging reserve*	*Loss for the period*	***Total comprehensive income***
Loss for the period	-	-	-	(14,485)	**(14,485)**
Other comprehensive income					
Foreign currency translation differences	43,971	5,119	1,106	-	**50,196**
Derivatives - change in fair value	-	-	3,419	-	**3,419**
Derivatives - transferred to profit and loss	-	-	(1,674)	-	**(1,674)**
Other movements	-	-	-	940	**940**
Total other comprehensive income for the period including tax effects	43,971	5,119	2,851	940	**52,881**
Total comprehensive income for the period attributable to shareholders of the Company	**43,971**	**5,119**	**2,851**	**(13,545)**	**38,396**

All components of Other comprehensive income are presented net of tax. There is no tax related to Foreign currency translation differences and Other movements as these items are non-taxable.

The notes on pages 10 to 400 are an integral part of this condensed consolidated financial information.

New World Resources N.V.

Consolidated statement of financial position

EUR thousand	31 March 2011	31 December 2010	31 March 2010
ASSETS			
Property, plant and equipment	1,307,390	1,280,892	1,235,851
Mining licences	162,821	161,586	166,096
Long-term receivables	8,726	12,872	1,226
Deferred tax asset	8,630	8,601	8,347
Restricted cash	10,686	11,025	10,843
Derivatives	81	58	58
TOTAL NON-CURRENT ASSETS	1,498,334	1,475,034	1,422,421
Inventories	48,313	56,013	84,199
Accounts receivable and prepayments	183,391	197,746	122,668
Derivatives	1,527	34	3,127
Income tax receivable	160	143	728
Cash and cash equivalents	545,330	529,241	480,636
TOTAL CURRENT ASSETS	778,721	783,177	691,358
ASSETS HELD FOR SALE	-	-	102,946
TOTAL ASSETS	**2,277,055**	**2,258,211**	**2,216,725**
EQUITY			
Share capital	105,883	105,883	105,736
Share premium	66,326	66,326	60,449
Foreign exchange translation reserve	107,314	79,343	63,049
Restricted reserve	135,980	133,169	131,185
Equity-settled share based payments	18,584	17,157	15,284
Hedging reserve	24,645	23,322	32,798
Retained earnings	289,397	384,195	191,930
EQUITY ATRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY	748,129	809,395	600,431

New World Resources N.V.

Consolidated statement of financial position (continued)

EUR thousand	31 March 2011	31 December 2010	31 March 2010
LIABILITIES			
Provisions	111,159	106,491	104,953
Long-term loans	90,702	89,377	92,691
Bonds issued	746,218	745,497	260,378
Employee benefits	93,755	95,892	101,733
Deferred revenue	2,519	2,524	2,901
Deferred tax liability	122,432	118,938	106,131
Other long-term liabilities	482	576	609
Cash-settled share-based payments payable	186	-	-
Derivatives	15,834	19,280	21,300
TOTAL NON-CURRENT LIABILITIES	1,183,287	1,178,575	690,696
Provisions	8,281	5,820	13,513
Accounts payable and accruals	258,907	204,793	200,146
Accrued interest payable on bonds	23,806	9,029	7,400
Derivatives	3,341	4,771	4,600
Income tax payable	33,855	29,138	1,008
Current portion of long-term loans	15,272	15,276	653,779
Short-term loans	-	7	10
Cash-settled share-based payments payable	2,177	1,407	1,636
TOTAL CURRENT LIABILITIES	345,639	270,241	882,092
LIABILITIES CLASSIFIED AS HELD FOR SALE	-	-	43,506
TOTAL LIABILITIES	1,528,926	1,448,816	1,616,294
TOTAL EQUITY AND LIABILITIES	**2,277,055**	**2,258,211**	**2,216,725**

The notes on pages 10 to 400 are an integral part of this condensed consolidated financial information.

New World Resources N.V.

Consolidated statement of cash flows

EUR thousand	1 January 2011- 31 March 2011	1 January 2010- 31 March 2010
Cash flows from operating activities		
Profit/(loss) before tax and non-controlling interest from continuing operations	10,639	(13,522)
Profit before tax and non-controlling interest from discontinued operations	-	1,419
Profit/(loss) before tax and non-controlling interest	10,639	(12,103)
Adjustments for:		
Depreciation	41,748	37,225
Amortisation	2,191	2,192
Changes in provisions	727	4,465
Profit on disposal of property, plant and equipment	(16)	(46)
Interest expense, net	15,011	10,322
Change in fair value of derivatives	(5,110)	4,378
Cash-settled share-based payment transactions	956	(735)
Equity-settled share-based payment transactions	1,427	1,860
Unrealised foreign exchange gains on long-term borrowings	-	6,019
Operating cash flows before working capital changes	67,573	53,577
(Increase) / Decrease in inventories	7,700	1,695
(Increase) / Decrease in receivables	41,641	18,092
(Decrease) / Increase in payables	2,976	(40,900)
Changes in deferred revenue	(4)	457
Decrease in restricted cash	134	6,277
Currency translation and other non-cash movements	1,931	(3,264)
Cash generated from operating activities	121,951	35,934
Interest paid	(1,495)	(7,266)
Corporate income tax received / (paid)	(1,496)	(1,740)
Net cash flows from operating activities	**118,960**	**26,928**
Cash flows from investing activities		
Interest received	2,488	558
Purchase of land, property, plant and equipment	(65,865)	(63,458)
Proceeds from sale of property, plant and equipment	5	344
Net cash flows from investing activities	**(63,372)**	**(62,556)**

New World Resources N.V.

Consolidated statement of cash flows (continued)

EUR thousand	1 January 2011- 31 March 2011	1 January 2010- 31 March 2010
Cash flows from financing activities		
Repayments of Senior Secured Facilities	-	(32,083)
Proceeds of long-term borrowings	-	18,253
Repayments of short-term borrowings	-	(18,885)
Proceeds of short-term borrowings	-	4,151
Dividends paid	(40,000)	-
Net cash flows from financing activities	**(40,000)**	**(28,564)**
Net effect of currency translation	501	1,617
Net increase/(decrease) in cash and cash equivalents	16,089	(62,575)
Cash and Cash Equivalents at the beginning of period classified as Assets held for sale	-	11,471
Cash and Cash Equivalents at the beginning of period	529,241	547,827
Cash and Cash Equivalents classified as Assets held for sale	**-**	**16,087**
Cash and Cash Equivalents at the end of period	**545,330**	**480,636**

The notes on pages 10 to 400 are an integral part of this condensed consolidated financial information.

New World Resources N.V.

Consolidated statement of changes in equity

For the three-month period ended 31 March 2011

EUR thousand	*Share capital*	*Share premium*	*Foreign exchange translation reserve*	*Restricted reserve*	*Equity-settled share based payment*	*Hedging reserve*	*Retained earnings*	***Total***
Balance at 1 January 2011	105,883	66,326	79,343	133,169	17,157	23,322	384,195	**809,395**
Total comprehensive income for the period attributable to shareholders of the Company*	-	-	27,971	2,811	-	1,323	3,436	**35,541**
Transaction with owners recorded directly in equity								
Contributions by and distributions to owners								
Share options for A Shares	-	-	-	-	1,427	-	-	**1,427**
Dividends declared A Shares	-	-	-	-	-	-	(58,234)	**(58,234)**
Dividends paid B Shares	-	-	-	-	-	-	(40,000)	**(40,000)**
Total transactions with owners	-	-	-	-	1,427	-	(98,234)	**(96,807)**
Balance at 31 March 2011	**105,883**	**66,326**	**107,314**	**135,980**	**18,584**	**24,645**	**289,397**	**748,129**

* see consolidated statement of comprehensive income on page 3.

The notes on pages 10 to 400 are an integral part of this condensed consolidated financial information.

New World Resources N.V.

Consolidated statement of changes in equity

For the three-month period ended 31 March 2010

EUR thousand	*Share capital*	*Share premium*	*Foreign exchange translation reserve*	*Restricted reserve*	*Equity-settled share based payment*	*Hedging reserve*	*Retained earnings*	***Total***
Balance at 1 January 2010	105,736	60,449	19,078	126,066	13,424	29,947	205,475	**560,175**
Total comprehensive income for the period attributable to shareholders of the Company*	-	-	43,971	5,119	-	2,851	(13,545)	**38,396**
Transaction with owners recorded directly in equity								
Contributions by and distributions to owners								
Share options for A Shares	-	-	-	-	1,860	-	-	**1,860**
Total transactions with owners	-	-	-	-	1,860	-	-	**1,860**
Balance at 31 March 2010	**105,736**	**60,449**	**63,049**	**131,185**	**15,284**	**32,798**	**191,930**	**600,431**

* see consolidated statement of comprehensive income on page 3.

The notes pages 10 to 400 are an integral part of this condensed consolidated financial information.

New World Resources N.V.
Operating and Financial Review
for the three-month period ended 31 March 2011

Corporate Information

New World Resources N.V. ("the Company") is a public limited liability company with its registered office at Jachthavenweg 109h, 1081 KM Amsterdam, the Netherlands. The Company is the sole producer of hard coal in the Czech Republic and a leading producer of hard coal in Central Europe on the basis of revenues and volume, and serves customers in the Czech Republic, Poland, Austria, Slovakia, Hungary and Germany, among others. The Company is primarily focused on hard coal mining and coke production.

The Company operates four mines and four coking batteries in the Czech Republic and serves several large Central and Eastern European steel and energy producers. Among its key customers are Arcelor Mittal Steel, US Steel, Dalkia, Moravia Steel, voestalpine, Verbund and ČEZ. The majority of coal sales are based on long-term framework agreements, with thermal coal being priced on an annual calendar year basis. The majority of coking coal sales was priced for the Japanese Fiscal Year during 2010, until March 2011. Starting April 2011, 100% of our coking coal sales will now be priced on a quarterly basis. This shift should allow the Company to further align its coking coal pricing with that of the international coal markets.

The Company's largest source of revenue is coking coal, which accounted for EUR 168,645 thousand and EUR 134,459 thousand in external sales during the three-month period ended 31 March 2011 and 31 March 2010 respectively. Additionally, external thermal coal sales amounted to EUR 109,561 thousand in the three-month period ended 31 March 2011 and EUR 80,715 thousand in the same period in 2010. External coke sales totalled EUR 60,738 thousand during the three-month period ended 31 March 2011, compared to EUR 53,767 thousand in the same period in 2010.

Financial Results Overview

Revenues. The Company's revenues increased by 17%, from EUR 328,563 thousand in the three-month period ended 31 March 2010 to EUR 384,799 thousand in the three-month period ended 31 March 2011. This is mainly attributable to increased revenues from coking coal and coke, driven by higher prices as well as to increased revenues from thermal coal, driven by both higher sales volumes and prices.

Operating expenses. Total operating expenses including depreciation and amortisation increased from EUR 304,219 thousand to EUR 337,600 thousand or by 11% for the three-month period ended 31 March 2011 compared to the same period in 2010. This is attributable to increased mine development and planned maintenance of mining equipment, resulting in higher mining material consumption and maintenance costs, to the increase in basic wages by 4% (in CZK terms) as agreed with the Trade Unions resulting in higher personnel expenses and to the increase in prices of external purchased coal resulting in higher costs for external coal consumption used for coking.

EBITDA. EBITDA from continuing operations increased by 42% from EUR 57,278 thousand in the three-month period ended 31 March 2010 to EUR 81,567 thousand in the three-month period ended 31 March 2011. This is mainly due to an increase in revenues from continuing operations of EUR 56,236 thousand, partially offset by a decrease in change in inventories of EUR 3,851 thousand and an increase in operating expenses of EUR 33,381 thousand. Total EBITDA, which includes the results of discontinued operations in 2010, increased by 37%, from EUR 59,653 thousand in the three-month period ended 31 March 2010 to EUR 81,567 thousand in the three-month period ended 31 March 2011.

Basis of Presentation

General information

The condensed consolidated interim financial information ("financial information") presented in this document is prepared for the three-month period ended 31 March 2011. The financial information for the period ended 31 March 2010 represents the comparative period.

The financial information includes New World Resources N.V. and its following subsidiaries (collectively "the Group") as of 31 March 2011:

Consolidated subsidiaries

Entity	*% Equity voting*	*Nature of Activity*
Entities directly owned by New World Resources N.V.:		
OKD, a.s.	100 %	Coal mining
OKK Koksovny, a.s.	100 %	Coke production
NWR KARBONIA S.A.	100 %	Coal mining
Entity directly owned by OKD, a.s.:		
OKD, HBZS, a.s.	100 %	Emergency services, waste processing

The objective of the Company is to act as a holding and financing entity for the Group.

See note "Changes in the consolidated group" on page 13 for information on the comparable period.

All of the Company's consolidated subsidiaries are incorporated in the Czech Republic, with the exception of NWR KARBONIA S.A. ("NWR Karbonia"), which is incorporated in Poland.

Statement of compliance

The presented unaudited financial information is prepared based on IFRS recognition and measurement criteria as adopted by the European Union.

These consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Company as at and for the year ended 31 December 2010.

The financial information has been prepared on the basis of accounting policies and methods of compilation consistent with those applied in 31 December 2010 annual financial statements contained within the 2010 Annual Report and Accounts of the Group, which is available on the Company's website at www.newworldresources.eu. Changes in accounting policies are described in the following section.

Accounting policies

The accounting policies applied by the Group in these interim consolidated financial statements are identical to those applied in the 31 December 2010 annual consolidated financial statements.

Basis of preparation

The financial information is prepared on the historical cost basis, except for derivative and other financial instruments, which are stated at their fair value. It is presented in Euros (EUR) and is rounded to the nearest thousand. Financial information of operations with functional currency other than EUR was translated to the Group presentation currency (EUR).

The functional currency of the Company is EUR. The functional currency of NWR KARBONIA is Polish Zloty (PLN). The functional currency of the remaining consolidated companies is Czech Koruna (CZK).

The Group is organised into two divisions: the Mining Division 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 two divisions. The A Shares track the financial performance and economic value of the Mining Division, but do not track the financial performance or economic value of the Real Estate Division, which is represented by the B Shares. The B Shares are owned solely by the BXR Group, which also holds approximately 64% of the A Shares. The ownership of the A Shares and the B Shares represents an ownership interest in the Group as a whole, but does not represent a direct legal interest in the assets and liabilities of the assets of the Mining Division or the Real Estate Division, respectively. The financial statements of the Group reflect the results of operations and the financial position and performance of the assets and businesses currently owned and operated by the Mining Division and the Real Estate Division. As the A Shares and B Shares are tracking stocks of the same legal entity, separate financial statements are not provided. With effect from 31 December 2007, the Group has tracked the financial performance of the two divisions and presents corresponding financial information in the segmental information in its consolidated financial statements. See "Divisions and segments" for the segmental analysis of the Group.

In addition to the divisional segment reporting, the Group presents within the Mining Division the financial information on its main operations in three sub-segments: the coal sub-segment, the coke sub-segment and the other sub-segment, containing the holding entity. Comparative information includes separate, electricity trading sub-segment, within the discontinued operations and the electricity distribution business, within the continuing operations as part of other sub-segments. The energy business was sold on 21 June 2010. See also next section Changes in the consolidated group.

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 interim 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 for the year ended 31 December 2010.

Changes in the consolidated group

The changes listed below include all changes in the consolidated group for the period from 1 January 2010 to 31 March 2011 to ensure comparability of the presented periods.

A business combination involving entities or businesses under common control is a business combination in which all of the Group entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and such control is not transitory.

In the absence of more specific guidance, the Group entities consistently applied the book value measurement method to all common control transactions. Differences between consideration paid and carrying value of acquired net assets are recognised as a change in consolidated equity.

On 24 June 2009 the Board of Directors of the Company ("the Board") approved its intention to sell the energy business of the Group. The energy business of the Group entailed NWR Energy, a.s., NWR Energetyka PL Sp. z o.o. and CZECH-KARBON s.r.o. Based on the Board's decision to sell the energy business, part of the energy business, which historically was presented as the electricity trading segment, is presented as discontinued operations in comparatives of this financial information. The sale was closed on 21 June 2010.

Non-IFRS Measures

The Company defines EBITDA as net profit after tax from continuing operations before non-controlling interest, income tax, net financial costs, depreciation and amortisation, impairment of property, plant and equipment ("PPE") and gains/losses from sale of PPE. While the amounts included in EBITDA are derived from the Company's condensed consolidated financial statements, it is not a financial measure determined in accordance with IFRS. Accordingly, EBITDA should not be considered as an alternative to net income or operating income as an indication of the Company's performance or as an alternative to cash flows as a measure of the Company's liquidity. The Company currently uses EBITDA in its business operations to, among other things, evaluate the performance of its operations, develop budgets, and measure its performance against those budgets. The Company considers EBITDA a useful tool to assist in evaluating performance because it excludes interest, taxes and other non-cash charges.

The Company defines net debt as total debt less cash and cash equivalents. Total debt includes issued bonds, long-term interest-bearing loans and borrowings, including their current portions, plus short-term interest-bearing loans and borrowings. Total debt is defined as gross amount of debt less related expenses. Interest-bearing loans, bond issues, and borrowings are measured at amortised cost.

Exchange Rates

(CZK/EUR)	Three-month period ended 31 March 2011	2010	y/y %
Average exchange rate	24.375	25.868	(6%)
End of period exchange rate	24.543	25.440	(4%)

The Czech Koruna appreciated (based on the average exchange rate) by 6% between the period ended 31 March 2011 and the same period of 2010.

Throughout this presentation of the operating results, the financial results and performance compared to the prior period, both in absolute and percentage terms, are expressed in Euros. The Company may also, where deemed significant, present variances in terms of constant foreign exchange rates, marked ex-FX, which exclude the effect of currency translation differences and is a non-IFRS financial measure. The financial information and described trends could differ considerably if the financial information was presented in CZK.

Financial Performance

Revenues

Revenues of the Group increased by 17% to EUR 384,799 thousand in the three-month period ended 31 March 2011 compared to the same period in 2010.

(EUR thousand)	Three-month period ended 31 March		Change		
Revenues	**2011**	**2010**	**y-y**	**y/y %**	**ex-FX**
External coking coal sales (EXW)	168,645	134,459	34,186	25%	21%
External thermal coal sales (EXW)	109,561	80,715	28,846	36%	32%
External coke sales (EXW)	60,738	53,767	6,971	13%	12%
Coal and coke transport by OKD	27,046	30,151	(3,105)	(10%)	(13%)
Sale of coke by-products	3,828	3,452	376	11%	5%
OKD other sales	12,646	10,267	2,379	23%	18%
Other revenues	2,335	15,752	(13,417)	(85%)	(86%)
Total	**384,799**	**328,563**	**56,236**	**17%**	**14%**

The increase in total revenues mainly reflects higher revenues from sales of coking coal, thermal coal and coke. The increase in coking coal and coke revenues is attributable to higher prices, while the increase in thermal coal revenues is attributable to both an increase in sales volumes and higher prices. Partly offsetting the increase in revenues from sales is a decrease in Other revenues, which results from the sale of the energy business in June 2010. Other revenues in 2010 contain EUR 13,672 thousand of electricity distribution revenues.

The following table shows average realised coal and coke prices for the three-month period ended 31 March 2011 and 2010.

	Three-month period ended 31 March		Change		
Average sales prices per ton (EUR)	**2011**	**2010**	**y-y**	**y/y %**	**ex-FX**
Coking coal	159	98	61	62%	56%
Thermal coal	70	63	7	11%	7%
Coke	337	193	144	75%	74%

The following table shows coal production and sales for the three-month period ended 31 March 2011 and 2010.

	Three-month period ended 31 March		Change	
Coal performance indicators (kt)	**2011**	**2010**	**y-y**	**y/y %**
Coal production	2,582	2,747	(165)	(6%)
Sales to OKK	(158)	(206)	48	(23%)
External coal sales	**2,637**	**2,652**	**(15)**	**(1%)**
- of which				
Coking coal	1,062	1,374	(312)	(23%)
Thermal coal	1,575	1,278	297	23%
Period end inventory	46	216	(170)	(79%)

Total production of coal in the three-month period ended 31 March 2011 decreased by 6% compared to production volume in the same period in 2010. Coal volumes sold to third parties decreased by 1%. Inventories decreased by 215kt in the three-month period ended 31 March 2011 compared to a decrease of 275kt in the same period in 2010.

The following table shows coke production and sales for the three-month period ended 31 March 2011 and 2010.

	Three-month period ended 31 March		Change	
Coke performance indicators (kt)	**2011**	**2010**	**y-y**	**y/y %**
Coke production	202	251	(49)	(20%)
Coke sales	180	279	(99)	(35%)
Period end inventory	45	175	(130)	(74%)

The closing of the Jan Sverma coking plant and the centralisation of all coke production into the Svodoba coking plant, lead to a reduction in the Company's coke production capacity, which is now a maximum of about 850 kt of coke per year. This is the main factor that lead to the 20% decrease of coke production in the three-month period ended 31 March 2011 when compared to the same period in 2010. Lower production also influenced sales of coke, which decreased by 35% in comparison to 2010. Higher sale volumes in 2010 resulted in a decrease of inventories by 44 kt compared to a decrease of 5 kt in the same period in 2011.

Operating Expenses

Total operating expenses including depreciation and amortisation increased from EUR 304,219 thousand to EUR 337,600 thousand or by 11% for the three-month period ended 31 March 2011 compared to the same period in 2010. This is attributable to the increased development works and maintenance of mining equipment in OKD, resulting in higher costs for consumption of mining material (EUR 5,766 thousand) as well as higher maintenance cost (EUR 6,129 thousand). The 4% basic wage increase (in CZK terms) agreed with the Trade Unions and higher accrual for holiday allowance led to higher personnel expenses (EUR 8,682 thousand). Furthermore, the increase in prices of external purchased coal led to higher costs of external coal consumption used for coking (EUR 3,831 thousand).

Consumption of Material and Energy

The following table sets out the Group's costs for the consumption of material and energy:

(EUR thousand)	Three-month period ended 31 March		Change		
Consumption of material and energy	**2011**	**2010**	**y-y**	**y/y %**	**ex-FX**
Mining material	35,758	29,992	5,766	19%	14%
Spare parts	14,314	13,139	1,175	9%	4%
Energy for coal mining (OKD)	27,761	25,189	2,572	10%	4%
Energy for coking (OKK)	2,481	3,835	(1,354)	(35%)	(39%)
Other consumption of material and energy	4,050	6,136	(2,086)	(34%)	(29%)
Sub-total	**84,364**	**78,291**	**6,073**	**8%**	**3%**
External coal consumption for coking	14,778	10,947	3,831	35%	32%
Total	**99,142**	**89,238**	**9,904**	**11%**	**6%**

The costs for consumption of externally purchased coal for coking operations increased due to higher prices of coal, partly offset by decrease in consumed volumes.

The increase in the line items Mining material and Spare parts results from higher input costs per equipped longwall due to more demanding geological conditions, as the Company mines in greater depths and the use of higher grades of steel for reinforcement underground.

In the three-month period ended 31 March 2011 the cost of energy consumption for coal mining increased by 10% mainly due to an increase in the price of electricity and distribution in the Czech Republic by 11% (in CZK terms) slightly offset by a decrease of 1% in electricity consumption volumes. The cost of energy for coking decreased by 35% as a result of lower consumption of electricity and heat, following the closure of Jan Sverma coking plant and reduced production volumes of coke.

Service Expenses

Service expenses increased by 17% in the three-month period ended 31 March 2011 compared to the same period in 2010, as set forth in the table below.

(EUR thousand)	Three-month period ended 31 March		Change		
Service expenses	**2011**	**2010**	**y-y**	**y/y %**	**ex-FX**
Coal and coke transport costs	28,402	29,356	(954)	(3%)	(6%)
Contractors OKD	23,823	19,770	4,053	21%	14%
Maintenance for OKD/OKK	12,672	6,543	6,129	94%	84%
Advisory expenses on holding level	3,591	2,184	1,407	64%	55%
Other service expenses	22,421	19,690	2,731	14%	11%
Total	**90,909**	**77,543**	**13,366**	**17%**	**13%**

The increase in service expenses is mainly attributable to an increase in the maintenance costs, as planned, due to an overhaul of reinforcement in the Karvina mine in the amount of EUR 4,308 thousand.

The increase in Contractors costs (OKD) is the result of a 4% increase in unit costs per shift combined with a 16% increase in number of shifts worked, which also led to an increase in contractor headcount as reflected in the table below.

Advisory expenses include accrual for one-off cost associated with the re-incorporation process in amount of EUR 1,500 thousand.

The increase in Other service expenses is attributable mainly to an increase in geological works by EUR 1,047 thousand and IT outsourcing by EUR 1,292 thousand (IT has been outsourced as of July 2010).

	Three-month period ended 31 March		Change	
Contractors headcount	**2011**	**2010**	**y-y**	**y/y %**
Total	3,755	3,204	551	17%
- of which OKD mining	3,374	2,878	496	17%

Personnel Expenses

The following table shows personnel expenses excluding employee benefits for the three-month period ended 31 March 2011 and 2010.

(EUR thousand)	Three-month period ended 31 March		Change		
	2011	**2010**	**y-y**	**y/y %**	**ex-FX**
Personnel expenses excl. employee benefits	100,223	91,541	8,682	9%	5%

Personnel expenses (excluding employee benefits) increased by 5%,ex-FX, reflecting a 4% increase in basic wage per employee at OKD in CZK terms as agreed with the Trade Unions and higher accrual for holiday allowance by EUR 2,508 thousand when compared to the three-month period ended 31 March 2010. This increase is partly offset by a headcount decrease of 8%. Personnel expenses also

include the costs for share-based payments to Directors and employees in the amount of EUR 2,360 thousand and EUR 2,656 thousand for the three-month period ended 31 March 2011 and 2010, respectively. Share-based payments are described in detail in the Share-based payments section of this document.

The following table shows the average number of employees:

	Three-month period ended 31 March		Change	
Employees headcount	**2011**	**2010**	**y-y**	**y/y %**
Own employees	14,303	15,575	(1,272)	(8%)
- of which OKD mining	9,158	9,637	(479)	(5%)

For the three-month period ended 31 March 2011, the average number of employees decreased by 8% compared to the average number of employees in the same period of 2010. This decrease, however, was partly offset by the increase in contractors headcount, leading to a decrease in total headcount of 4%. The total number of workers decreased mainly due to higher productivity at mines as well as the closure of the Jan Sverma coking plant at the end of 2010.

Other Operating Income and Expenses

The following table reflects other operating income and expenses for the three-month period ended 31 March 2011 and 2010.

(EUR thousand)	Three-month period ended 31 March		Change		
	2011	**2010**	**y-y**	**y/y %**	**ex-FX**
Other operating income	549	746	(197)	(26%)	(30%)
Other operating expenses	(7,576)	(5,275)	(2,301)	44%	36%
Net other operating income	**(7,027)**	**(4,529)**	**(2,498)**	**(55%)**	**(47%)**

Other operating income and expenses is composed of insurance costs and payments, mining damage and indemnity, related provisions and their release and other fees. Since the amounts are relatively low, they are sensitive to one-time effects and seasonal fluctuations. Other operating expenses increased in the three-month period ended 31 March 2011 mainly due to higher provision for mining damages by EUR 2,055 thousand when compared to the same period in 2010.

EBITDA

The following table compares EBITDA for the three-month period ended 31 March 2011 and 2010.

(EUR thousand)	Three-month period ended 31 March		Change		
	2011	**2010**	**y-y**	**y/y %**	**ex-FX**
EBITDA from continuing operations	81,567	57,278	24,289	42%	44%
EBITDA from discontinued operations*	-	2,375	(2,375)	(100%)	(100%)
Total EBITDA	81,567	59,653	21,914	37%	39%

* EBITDA from discontinued operations in 2010 includes the result of electricity trading business. Energy business was sold on 21 June 2010.

The Company's EBITDA from continuing operations for the three-month period ended 31 March 2011 was EUR 81,567 thousand, which is EUR 24,289 thousand higher than in the three-month period ended 31 March 2010, representing a 42% increase between the periods.

As EBITDA is a non-IFRS measure, the following tables provide a reconciliation of EBITDA from continuing operations and EBITDA from discontinued operations to IFRS line items of the income statement.

Continuing Operations

(EUR thousand)	Three-month period ended 31 March	
	2011	**2010**
Net Profit/(Loss) after Tax from Continuing Operations	3,437	(15,635)
Income Tax	7,202	2,113
Net Financial Expenses	27,005	31,429
Depreciation and Amortisation	43,939	39,417
Gains from Sale of PPE	(16)	(46)
EBITDA from continuing operations	**81,567**	**57,278**

Depreciation

The following table shows depreciation for the respective periods.

(EUR thousand)	Three-month period ended 31 March		Change		
	2011	**2010**	**y-y**	**y/y %**	**ex-FX**
Depreciation	41,748	37,225	4,523	12%	6%

The majority of property, plant and equipment of the Group are located in the Czech Republic, therefore most of the depreciation costs is recorded in CZK. Excluding the impact of changes in the exchange rate, depreciation increased by 6% in the period compared to 2010. This increase is mainly due to higher depreciation charges on new mining equipment, in particular the POP 2010 mining equipment and higher depreciation charges for OKK due to the activation of the new coking battery No.10.

Financial Income and Expense

Net financial loss decreased by 14% for the three-month period ended 31 March 2011 compared to 2010 as set forth in the table below.

(EUR thousand)	Three-month period ended 31 March		Change	
	2011	**2010**	**y-y**	**y/y %**
Financial income	9,072	15,239	(6,167)	(40%)
Financial expense	(36,077)	(46,668)	10,591	(23%)
Financial result	**(27,005)**	**(31,429)**	**4,424**	**14%**

Both financial income and financial expenses decreased as a result of decrease in foreign exchange gains and losses. Additionally, financial expenses decreased due to decrease in loss on derivative instruments and decrease in interest expense on senior secured loan that was refinanced in May 2010. These positive impacts on financial expenses were partly offset by increased bond interest expenses resulting from the issuance of the Senior Secured Notes due 2018 in May 2010, which refinanced the above mentioned senior secured loan.

Profit/(Loss) from Continuing Operations before Tax

Profit from continuing operations before tax for the three-month period ended 31 March 2011 was EUR 10,639 thousand, an increase of EUR 24,161 thousand compared to a loss of EUR 13,522 thousand for the same period of 2010.

Income Tax

The Group recorded a net income tax expense of EUR 7,202 thousand in the three-month period ended 31 March 2011, compared to a net income tax expense in the amount of EUR 2,113 thousand in the same period of 2010. Higher income tax expense corresponds to the increase in profitability, mainly in OKD and OKK.

Profit from Discontinued Operations

Profit from discontinued operations, reflecting the result of the electricity trading business, equals to EUR 1,150 thousand for the period ended 31 March 2010. The energy business was sold on 21 June 2010.

Profit/(Loss) for the Period

Profit for the three-month period ended 31 March 2011 was EUR 3,437 thousand, which represents an increase of EUR 17,922 thousand compared to the loss of EUR 14,485 thousand for the same period of 2010. This increase was the result of increased profit before tax, which was partly reduced by an increase in the income tax expense.

Share-based Payments

Introduction to share-based payments of the Company

The cost of equity-settled transactions with employees is measured by reference to the fair value at the grant date and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. The fair value is determined by reference to the share price on the grant date. In valuing equity-settled transactions of the Company, no account is taken of any vesting conditions because no market conditions apply for vesting. At each balance sheet date, before the end of the vesting period, the cumulative expense is calculated, representing the extent to which the vesting period has expired and of the number of equity instruments that is expected to ultimately vest. The movement in cumulative expense compared to the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity or liability, based on the type of share-based scheme.

For cash-settled share-based payment transactions, the Company measures the liability incurred at the fair value of the liability. The Company re-measures the fair value of the liability at the date of settlement and at the end of each reporting period until the liability is settled, with any changes in fair value recognised in profit or loss for the period.

The impact of the Group's share-based remuneration schemes on the diluted earnings per share is calculated according to the requirements of IFRS 2 and IAS 33.

The Company offers independent members of the Board and certain employees of the Group share-based remuneration packages (see below).

a) Shares granted to Independent Directors

No shares were granted to Independent Directors within the three-month period ended 31 March 2011 and 2010.

b) Shares and share options granted to Executive Directors

On 31 August 2008 Mr. Miklos Salamon was granted options for A Shares with exercise price of EUR 0.01 in the amount equal to 0.5 % of the issued share capital of the Company. This remuneration package is classified as an equity-settled share-based payment transaction and is presented correspondingly, in a separate equity category in the balance sheet of the Company. 263,800, 264,351 and 265,150 options vested on 1 September 2008, 1 September 2009 and 1 September 2010, respectively. On each of the following two subsequent anniversaries an additional 20% of the granted options will vest. The accrued expense for the granted share options has an impact of EUR 501 thousand for the three-month period ended 31 March 2011, compared to EUR 1,224 thousand for the same period in 2010.

Mr. Salamon's option plan has no dilutive impact as the stock option plan forms an integral part of Mr. Salamon's base compensation, i.e. the fair value of the weighted average number of shares that would have been issued at average market price is offset by the fair value of services the Company received from Mr. Salamon.

According to his employment contract with OKD, the Executive Director of the Company and the Chief Executive Officer of OKD, Mr. Klaus-Dieter Beck is entitled to receive 250,045 A Shares for each full year of his engagement, starting as of 1

July 2007, up to a maximum total amount of 1,250,225 A Shares. The remuneration package is classified as an equity-settled share-based payment transaction with cash alternative and is presented accordingly as a short-term liability.

Mr. Beck's incentive plan has no dilutive impact as the share plan forms an integral part of Mr. Beck's base compensation, i.e. the fair value of the weighted average number of shares that would have been issued at average market price is offset by the fair value of services the Group received from Mr. Beck.

c) Share options granted to employees of the Group

A group of eligible employees and Directors of the Group were granted options for A Shares of the Company in accordance with its Stock Option Plan for Executive Directors, senior management and key employees ("the NWR Share Option Plan"). This remuneration package is classified as equity-settled. The Company grants options once a year. The exercise price of the options granted on 9 May 2008 is GBP 13.25. The corresponding vesting period for these share options, numbering 603,601 in total, runs from 9 May 2008 to 9 May 2011. The second granting of options to certain employees and Directors took place on 24 June 2009. The exercise price of these options is GBP 2.8285. The corresponding vesting period for these share options, numbering 3,188,835 in total, runs from 24 June 2009 to 24 June 2012. The third granting of options to certain employees and Directors took place on 17 March 2010. The exercise price of these options is GBP 7.1280. The corresponding vesting period for these share options, numbering 1,722,319 in total, runs from 17 March 2010 to 17 March 2013.

Similarly to the options granted to Mr. Salamon, the fair value of the options per grant date was calculated by using the Black-Scholes model.

Due to the Company's average share price for the three-month period ended 31 March 2011, which is lower than the exercise price of options granted under the NWR Share Option Plan on 9 May 2008, these are out-of-the-money and therefore, do not have any dilutive potential regarding the calculation of the diluted earnings per share.

The second tranche of granted options is in-the-money. The average share price for the three-month period ended 31 March 2011 was GBP 9.8512. The dilutive impact of the second tranche is 2,273,250 shares.

The third tranche of granted options is in-the-money. The average share price for the three-month period ended 31 March 2011 was GBP 9.8512. The dilutive impact of the second tranche is 476,108 shares.

Due to the implementation of the Deferred Bonus Plan, the Board decided to terminate the Stock Option Plan as of 31 December 2010. Subsequently, no further options may be granted, although the provisions of the Stock Option Plan will continue in relation to options already granted.

d) Deferred Bonus Plan

Starting 1 January 2011, the Company implemented new remuneration program, Deferred Bonus Plan. A group of eligible employees and Directors of the Group, after meeting specified conditions, will be entitled to the annual bonus, part of which will be payable in cash and part will be deferred into A shares for a period of three years. Next to it, each participant will have put option which enables the holder to sell the

shares back to the Company at market price set at the time the A shares are issued or delivered. The period to exercise the put option is limited to three years.

On 3 March 2011, a total of 101,136 deferred A shares were awarded, with a current value of GBP 9.414 per A share. This grant is not subject to any performance criteria but is subject to the continuing provisions of the Deferred Bonus Plan. The dilutive impact of this grant is 31,465 shares.

The following table presents the impact of the various share-based remuneration schemes on the profit of the Company.

Share-based remuneration schemes

(EUR thousand)	**Three-month period ended 31 March**	
	2011	**2010**
Independent Directors	-	-
Miklos Salamon	501	1,224
Klaus-Dieter Beck	746	796
Other	926	636
Deferred bonus plan	187	-
Total	**2,360**	**2,656**

Earnings per Share ("EPS")

The diluted earnings per A Share amounted to EUR 0.01 per A Share for the three-month period ended 31 March 2011 compared to EUR (0.06) per A Share for the same period of 2010.

Earnings per share	**Three-month period ended 31 March 2011**		
(EUR)	A Shares	B Shares	The Company
Basic EPS	0.01	67.60	0.01
Number of shares	264,698,715	10,000	264,708,715
Adjusted EPS	0.01	67.60	0.01
Adjusted number of shares*	264,698,715	10,000	264,708,715
Diluted EPS	0.01	67.60	0.01
Diluted number of shares	267,479,538	10,000	267,489,538

Earnings per share	**Three-month period ended 31 March 2010**		
(EUR)	A Shares	B Shares	The Company
Basic EPS	(0.06)	52.10	(0.05)
Number of shares	264,330,100	10,000	264,340,100
Adjusted EPS	(0.06)	52.10	(0.05)
Adjusted number of shares*	264,330,100	10,000	264,340,100
Diluted EPS	(0.06)	52.10	(0.05)
Diluted number of shares	266,174,685	10,000	266,184,685

* adjusted to the actual number of A Shares as of 31 March 2011

Cash Flow

The following table compares the main cash flow categories for the three-month period ended 31 March 2011 and 2010.

(EUR thousand)	Three-month period ended 31 March	
Cash flow	**2011**	**2010**
Net cash flows from operating activities	118,960	26,928
Net cash flows from investing activities	(63,372)	(62,556)
Net cash flows used in financing activities	(40,000)	(28,564)
Net effect of currency translation	501	1,617
Total cash flow	**16,089**	**(62,575)**

Cash Flow from Operating Activities

The Group's primary source of cash is its operating activities. Net cash flows from operating activities for the three-month period ended 31 March 2011 amounted to EUR 118,960 thousand, EUR 92,032 thousand higher than in the same period of 2010. This increase was mainly attributable to improved working capital as well as to higher EBITDA, driven mainly by increased revenues from sales of coal and coke. Working capital was improved mainly by decrease in receivables in three-month period ended 31 March 2011 while, in the same period of 2010, it was influenced by decrease in payables and thus resulted in positive impact by EUR 67,425 when compared to previous period.

Cash Flow from Investing Activities

Capital expenditure amounted to EUR 65,865 thousand for the period ended 31 March 2011 and remained reasonable stable when compared to the same period of 2010.

Cash Flow Used in Financing Activities

On 28 February 2011, the Company paid an interim distribution from the dividend reserve B to the sole holder of the B shares, RPG Property B.V., in the amount of EUR 40 million. The dividend was mostly comprised of the proceeds from the sale of NWR Energy attributable to the Real Estate Division.

Liquidity and Capital Resources

The Company is a holding company and relies on dividends or other distributions from subsidiaries, inter-company loans or other capital contributions to fund its liquidity requirements. The liquidity requirements of the Group arise primarily from working capital requirements, interest and principal payments on the ECA loan, the Company's 7.375% Senior Notes and the 7.875% Senior Notes, dividend payments, the need to fund capital expenditures and, on a selective basis, acquisitions. The dividends, distributions or other payments from subsidiaries are expected to be funded by cash from their operations. The Group continuously reviews its cash flow and operations, and believes that the cash generated from its operations and borrowing capacity will be sufficient to meet its principal uses of cash, which include future planned operating expenditures, anticipated capital expenditures (including acquisitions or mining equipment), scheduled debt and interest payments and

distributions. To augment the existing cash and liquidity resources, the Company continues to evaluate a range of transactions, including debt financings. The Company may consider, from time to time, carrying out transactions to acquire, repay or discharge its outstanding debt (or portions thereof). The Group is leveraged at a standard level and its debt obligations consist of mandatory interest and principle payments.

As at 31 March 2011, the Group held cash and cash equivalents of EUR 545,330 thousand.

The Company's policy is to hedge up to 70% of foreign currency exposure of the Group on a yearly basis. The Group currently uses forwards to cover such exposure and applies hedge accounting for such forward currency contracts. The following table shows the impact of realised forward currency contracts in the respective periods.

	Three-month period ended 31 March		**Change**	
(EUR thousand)	**2011**	**2010**	**y-y**	**y/y %**
Revenues (OKD hedging)	2,353	2,104	249	12%
Consumption of material and energy	326	157	169	108%
Service expenses	395	200	195	98%
Personnel expenses	627	329	298	91%

As at 31 March 2011 the Company's net debt was EUR 306,862 thousand, 4% lower when compared to EUR 320,916 thousand as at 31 December 2010.

The Indenture governing the 7.375% Senior Notes ("the 7.375% Indenture") and Indenture governing the 7.875% Senior Notes ("the 7.875% Indenture") also impose restrictions on the Company's ability to pay dividends. Generally the Company may not pay dividends or make other restricted payments, which exceed, in the aggregate, 50% of consolidated net income since 1 April 2007 (as such amounts are accrued on a quarterly basis) plus the net proceeds from the primary tranche of the 2008 IPO and certain other adjustments (the "restricted payment build-up capacity"). The purchase price for investments in entities other than majority owned subsidiaries would also constitute restricted payments.

The restricted payment basket as defined by the 7.375% Indenture and the 7.875% Indenture amounted to approximately EUR 158,190 thousand as of 31 March 2011.

The Group is subject to certain covenants under the ECA loan agreement. The Group was in compliance with those covenants in the reported periods.

Unrestricted Subsidiaries and Non-Core Real Estate

There was no consolidated subsidiary defined as Unrestricted Subsidiary for the three-month period ended 31 March 2011.

Divisions and Segments

Introduction

IFRS requires an entity to report information about operating segments which are separately available and which are regularly evaluated by the so called “chief operating decision maker” (“CODM”). IFRS 8 requires an entity to identify a single set of components to identify a segment. Due to the listing of the Company’s A shares the Company has to provide segment reporting showing separately the performance of the Mining Division (“MD”), tracked by the A shares, and the Real Estate Division (“RED”), tracked by the B shares. The accounting principles of such segment disclosures are described below.

The divisional segment reporting is driven by its listing and is essential for the evaluation of the equity attributable to the listed part of the Group. However to enable users of the Group’s financial statements to evaluate the nature, performance and financial effects of its business activities, the Company furthermore presents separate sub-segments for its main operating activities, i.e. coal mining and coking. To provide understandable and useful information, the Company decided to combine the divisional and operational disclosure in one table, with coal, coke and other sub-segments within mining division.

Divisional Segment Disclosure

In 2007 the Company separated the real estate of the Group into a new division in order to provide higher transparency to the mining and real estate assets. The Group began operating two segments determined by differences in their assets and products and services produced and provided. The segments were represented by the Mining Division (“the MD”) and the Real Estate Division (“the RED”), established internally by the Divisional Policy Statements as of 31 December 2007, at 23:59. The segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a separate strategic division that offers different products and services. The MD engages in coal extraction, production of coke and related operations and businesses. The RED solely provides inter-divisional service, i.e. provides real estate to the MD (see below). In connection to the newly operated segments MD and RED, no legal entity was established. The Company issued B Shares to track the financial performance of the RED. As of 1 January 2008 the divisions are operated separately for accounting and reporting purposes to reflect the results of operations and the financial position of each division and to provide relevant information to the holders of the A Shares and B Shares, the CODM for the two reportable segments is the Board.

The RED comprises all of all real estate assets owned by the Group at the time of the establishment of the divisions (“the Real Estate Assets”).

In order to ensure fair treatment of all shareholders, the Company has adopted the Divisional Policy Statements. The fundamental and overriding principles are that the MD has the right to maintain:

- the undisturbed continuation of its mining, coking and related operations that are currently, or which are expected by the Board to be in the future, conducted using certain of the Real Estate Assets; and
- unrestricted access to the Real Estate Assets in connection with such mining, coking and related operations.

Based on these principles the MD is provided with unrestricted access to all Real

Estate Assets necessary for its mining, coking and related operations for the time period, until these operations cease to exist. The Real Estate Assets include two groups of assets - buildings, constructions and similar real estate assets ("the Buildings") and land.

Disclosures on Buildings

The RED provides the Buildings to the MD based on the fundamental principles provided by the Divisional Policy Statements. The management considers this relation between the divisions as a leasing relationship, where the RED provides property to the MD against remuneration. Following this approach, for the Buildings the following criteria for identifying the relation between the divisions as financial leasing are met:

- the lease term is for the major part of the economic life of the asset, and
- the leased assets are of such a specialised nature that only the lessee can use them without major modifications.

The Buildings are recorded at the carrying amount in the balance sheet of the MD. Commencing 1 January 2008 the MD depreciates the Buildings. The deferred tax assets, liabilities and their impacts on the financial result of the Group related to the Real Estate Assets are divided between the divisions correspondingly to the allocation of the assets.

The Company did not revaluate the Real Estate Assets for the purpose of presentation in the segment reporting. The assets are presented in the segment reporting at book values. These values also represent the basis for depreciation. Under IFRS finance lease assets shall be valued at the present value of minimum lease payments, which would also be the basis for depreciation under standard finance lease conditions. The RED does not charge lease payments to the MD for the access to the Real Estate Assets. Therefore, the Group decided to apply the book values for the allocation of the Real Estate Assets value between the divisions. The value of the Buildings provided to the MD at 31 March 2011 was EUR 261,172 thousand.

When the demand for unrestricted access to certain Real Estate Assets by the MD terminates, the overriding rules do not apply anymore and the Real Estate Assets are transferred back from the MD to the RED. This transfer becomes effective when the assets are not used for mining, coking and related operations anymore. Since the respective Buildings meet the criteria mentioned above, they will generally be fully depreciated at the moment, when mining, coking and related operations stop in the future. Therefore, the transfer should include only fully depreciated assets with a zero book value. IAS 16 assumes some residual value of assets, which should equal to its estimated market value at the end of its useful life. However, the Company is unable to make a reliable estimate of such residual value due to the character of the assets.

The Divisional Policy Statements determined in 2008 the annual fee paid for Real Estate Assets provided by the RED to the MD (the "CAP") to be EUR 3,600 thousand per year (subject to inflation and other adjustments reflecting disposals of subsidiaries – "adjusted CAP"). The annual fee paid by the MD to the RED represents the financing costs on the Buildings provided. The CAP is accounted for as financial expense in the MD and as financial revenue in the RED. The adjusted CAP for the year 2011 amounts to EUR 3,581 thousand.

There is no consideration required from the MD to repay the present value of the Buildings provided in compliance with the Divisional Policy Statement. Therefore, the

respective amount, or the book value, of the Buildings provided to the MD as at 31 March 2011 is presented in the equity of the MD.

Disclosures on land

Land is provided to the MD without any consideration. However the IFRS criteria for financial leasing cannot be met for land. IFRS do not provide a specific guideline for the presentation of such relationship. The Company decided to present this relationship in the segment analysis as a right to use land by the MD granted by the RED. The right is depleted over the expected lifetime of mining, coking and related businesses using a linear amortisation method. Management determined the value of the right being the book value of land at 31 December 2007, the date when the divisions were established. The residual amount of the right as of 31 March 2011 was EUR 14,797 thousand. The book value of the land provided as of 31 March 2011 was EUR 17,362 thousand.

Deferred revenue corresponding to the amount of the right to use is presented in the balance sheet of the RED. The deferred revenue will be released into revenues over the period correspondingly to the depletion of the right to use the land.

The revenues of the Real Estate Division consisted for the three-month period ended 31 March 2011 mainly of the CAP received. The revenues and expenses also include depreciation, income tax and other immaterial revenues and expenses related to assets allocated to the RED, not provided to the MD.

Operational Segment Disclosure (within Mining division)

The main business activities of the Group include coal mining and coking operations, representing the Coal and Coke sub-segments. The Company also held entities active in electricity distribution and trading, which were sold in 2010. Electricity distribution was not reviewed by the CODM as a separate sub-segment and was allocated to the Other sub-segment together with the operations of the holding entity, which provides mainly holding and financing activities to all entities of the Group. Electricity trading was treated as separate sub-segment within discontinued operations.

Coal sub-segment

The Coal sub-segment comprises of entities with core activities related to actual or potential extraction, processing and sale of coal and direct supporting activities (safety). Therefore this sub-segment aggregates the following entities (with adjustments to their standalone financial performance as described below):
OKD
NWR Karbonia
OKD, HBZS, a.s.

Coke sub-segment

The Coke sub-segment comprises of OKK Koksovny, a.s. (“OKK”), the only entity with coke production as its core business (with adjustments to its standalone financial performance as described below).

Other sub-segment

The Other sub-segment aggregated other entities with different types of business activities. As of 2011, the Other sub-segment comprises only New World Resources N.V., as the holding entity providing holding and financing activities to the Group.

Energy business entities were sold on 21 June 2010. The entities were active in electricity trading and distribution, production of heat and compressed air. The results of the electricity distribution are part of other sub-segment in comparative period.

Electricity trading

In 2008, the electricity-trading activities saw robust growth in sales volume, thus the management of the Group decided to present and follow the financial performance of the electricity trading business separately. In June 2009 the Board approved the intention to dispose of the energy business. Therefore the electricity trading sub-segment is classified and presented as discontinued operations in comparative period.

Segment accounting policies, measurement and disclosure

The operational segment information is based on standalone financial statements of entities as allocated above, prepared under IFRS. Intercompany transactions between entities allocated to the same segment are fully eliminated. Intercompany transactions between entities allocated to different segments are eliminated in the reconciliation of the segment results to the Group's consolidated results. The operational segment information includes also the impact of Divisional Statements Policy application.

Sales between segments are priced on arm's length basis. However margin on inventory held, not yet consumed by the acquiring segment, is eliminated from the sales of the selling segment in such period. The inventory value of the acquiring segment is adjusted correspondingly. The adjustment is reversed when the inventory is consumed. Thus the margin becomes realized only in the period when the acquiring segment (in a customer's position) consumes the purchased goods.

The Group is selling coal and coke through the sales department at OKD. Thus all coke is first sold from OKK to OKD and then from OKD to third parties. Sales from OKK to OKD are eliminated as described above. OKD's coke sales, coke inventory and all related costs, including transportation and charge or reversal of coke inventory price adjustments are included in the financial information of the Coke sub-segment.

Coal purchased by OKD from third parties for the purpose of coking is included in the financial information of the Coke sub-segment. Any inventory on such coal is allocated to the Coke sub-segment as well.

The operating income represents the segment result as reviewed by the CODM. The allocation of other items of the income statement would decisively depend on assumptions made by the management. Therefore such items are not allocated to individual segments and are not reviewed by the CODM. The CODM only reviews results from continuing operations.

The result of foreign exchange rate hedging operations in the operating income of the Group results from the financing role of the holding entity and is therefore presented in the Other sub-segment.

All assets, except for special items described in this section, are allocated to the segments based on the allocation of the entities holding such assets except for advance payments for property, plant and equipment. Those are allocated based on the segment using the assets to be acquired. Investments in other entities of the Group and related intercompany balances (liabilities, receivables and other similar

rights) are eliminated from the value of assets for the purpose of segment presentation.

Other than previously mentioned consolidation adjustments and eliminations are not allocated to individual segments.

The following tables present the financial data reviewed by the CODM for the presented periods.

Business Segments *EUR thousand*	*Mining division segment*					***Real Estate division segment***	*Inter-segment eliminations & adjustments*	***Continuing operations total***
	Coal sub-segment	*Coke sub-segment*	*Other sub-segment*	*Eliminations & adjustments*	***Mining division segment - total***			
	Continuing operations	*Continuing operations*	*Continuing operations*		*Continuing operations*	*Continuing operations*		
	1/1/2011 - 31/3/2011	*1/1/2011 - 31/3/2011*	*1/1/2011 - 31/3/2011*	*1/1/2011 - 31/3/2011*	***1/1/2011 - 31/3/2011***	***1/1/2011 - 31/3/2011***	*1/1/2011 - 31/3/2011*	***1/1/2011 - 31/3/2011***
Segment revenues								
Continuing operations								
Sales to third parties	314,086	70,553	77	-	**384,716**	**83**	-	**384,799**
Sales to continuing sub-segments	28,364	13	150	*(28,527)*	**-**	**-**	-	**-**
Inter-segment sales	-	-	-	-	**-**	**199**	*(199)*	**-**
Total revenues	**342,450**	**70,566**	**227**	*(28,527)*	**384,716**	**282**	*(199)*	**384,799**
Change in inventories of finished goods and work-in-progress	(9,964)	(2,143)	-	*325*	**(11,782)**	**-**	-	**(11,782)**
Consumption of material and energy*	(80,069)	(47,346)	308	*27,966*	**(99,141)**	**(1)**	-	**(99,142)**
Service expenses	(78,316)	(9,634)	(3,194)	*236*	**(90,908)**	**(1)**	-	**(90,909)**
Personnel expenses	(87,405)	(4,688)	(3,941)	-	**(96,034)**	**-**	-	**(96,034)**
Depreciation	(39,342)	(2,363)	(39)	-	**(41,744)**	**(4)**	-	**(41,748)**
Amortization	(2,191)	-	-	-	**(2,191)**	**-**	-	**(2,191)**
Amortization of rights to use land - divisional adjustment	(115)	(84)	-	-	**(199)**	**-**	*199*	**-**
Reversal of impairment of receivables	-	-	-	-	**-**	**-**	-	**-**
Net gain from material sold	1,614	48	-	-	**1,662**	**-**	-	**1,662**
Gain from sale of property, plant and equipment	10	6	-	-	**16**	**-**	-	**16**
Other operating income	460	68	30	*(11)*	**547**	**2**	-	**549**
Other operating expenses	(7,626)	122	(83)	*11*	**(7,576)**	**-**	-	**(7,576)**
SEGMENT OPERATING INCOME/(LOSS)	**39,506**	**4,552**	**(6,692)**	-	**37,366**	**278**	**-**	**37,644**
EBITDA	**81,144**	**6,993**	**(6,653)**	-	**81,484**	**282**	*(199)*	**81,567**

* Consumption of material and energy in other sub-segment is influenced by impact of hedging operations in amount of EUR 326 thousand.

Business Segments
EUR thousand

	Mining division segment					***Real Estate division segment***	*Inter-segment eliminations & adjustments*	***Continuing operations total***
	Coal sub-segment	*Coke sub-segment*	*Other sub-segment*	*Eliminations & adjustments*	***Mining division segment - total***			
	Continuing operations	*Continuing operations*	*Continuing operations*		*Continuing operations*	*Continuing operations*		
	1/1/2011 - 31/3/2011	*1/1/2011 - 31/3/2011*	*1/1/2011 - 31/3/2011*	*1/1/2011 - 31/3/2011*	***1/1/2011 - 31/3/2011***	***1/1/2011 - 31/3/2011***	*1/1/2011 - 31/3/2011*	***1/1/2011 - 31/3/2011***
Financial income					**9,013**	**969**	*(910)*	**9,072**
Financial expenses					**(36,573)**	**(414)**	*910*	**(36,077)**
Profit on disposal of energy business					**-**	**-**	-	**-**
Profit before tax					**9,806**	**833**	-	**10,639**
Income tax expense					**(7,045)**	**(157)**	-	**(7,202)**
PROFIT FOR THE PERIOD					**2,761**	**676**	**-**	**3,437**
Assets and liabilities as of 31.3.2011								
Total segment assets	1,962,235	181,862	951,970	*(828,225)*	**2,267,842**	**39,478**	*(30,265)*	**2,277,055**
Total segment liabilities	1,021,878	102,980	1,229,853	*(828,177)*	**1,526,534**	**32,657**	*(30,265)*	**1,528,926**
Other segment information:								
Capital expenditures	61,375	4,490	-	-	**65,865**	**-**	-	**65,865**
Interest income	586	2	10,354	*(9,647)*	**1,295**	**47**	*(8)*	**1,334**
Interest income - divisional CAP	-	-	-	-	**-**	**902**	*(902)*	**-**
Interest expense	7,610	1,554	17,450	*(9,647)*	**16,967**	**8**	*(8)*	**16,967**
Interest expense-divisional CAP	810	92	-	-	**902**	**-**	*(902)*	**-**

Business Segments *EUR thousand*	*Mining division segment*						*Real Estate division segment*	*Inter-segment eliminations & adjustments*	*Continuing operations total*
	Coal sub-segment	*Coke sub-segment*	*Other sub-segment*	*Electricity trading sub-segment*	*Eliminations & adjustments*	*Mining division segment - total*			
	Continuing operations	*Continuing operations*	*Continuing operations*	*Discontinued operations*		*Continuing operations*	*Continuing operations*		
	1/1/2010 - 31/3/2010	*1/1/2010 - 31/3/2010*	*1/1/2010 - 31/3/2010*	*1/1/2010 - 31/3/2010*	*1/1/2010 - 31/3/2010*	***1/1/2010 - 31/3/2010***	***1/1/2010 - 31/3/2010***	*1/1/2010 - 31/3/2010*	***1/1/2010 - 31/3/2010***
Segment revenues									
Continuing operations									
Sales to third parties	251,922	62,837	12,505	-	-	**327,264**	**78**	-	**327,342**
Sales to continuing sub-segments	26,708	32	17,042	-	*(43,782)*	**-**	**-**	-	**-**
Sales to discontinued sub-segment	26	-	1,195	-	-	**1,221**	**-**	-	**1,221**
Inter-segment sales	-	-	-	-	-	**-**	**193**	*(193)*	**-**
Discontinued operations									
Sales to third parties	-	-	-	28,357	*(28,357)*	**-**	**-**	-	**-**
Sales to continuing sub-segments	-	-	-	12,319	*(12,319)*	**-**	**-**	-	**-**
Total revenues	**278,656**	**62,869**	**30,742**	**40,676**	*(84,458)*	**328,485**	**271**	*(193)*	**328,563**
Change in inventories of finished goods and work-in-progress	(5,156)	(2,266)	-	**-**	*(509)*	**(7,931)**	**-**	-	**(7,931)**
Consumption of material and energy	(70,472)	(42,864)	(19,594)	(39,456)	*83,149*	**(89,237)**	**(1)**	-	**(89,238)**
Service expenses	(66,351)	(8,201)	(3,606)	(67)	*683*	**(77,542)**	**(1)**	-	**(77,543)**
Personnel expenses	(83,278)	(5,361)	(4,105)	(156)	*156*	**(92,744)**	**-**	-	**(92,744)**
Depreciation	(35,541)	(1,547)	(117)	-	-	**(37,205)**	**(20)**	-	**(37,225)**
Amortization	(2,192)	-	-	-	-	**(2,192)**	**-**	-	**(2,192)**
Amortization of rights to use land - divisional adjustment	(113)	(79)	(1)	-	-	**(193)**	**-**	*193*	**-**
Reversal of impairment of receivables	(2)	-	-	-	-	**(2)**	**-**	-	**(2)**
Net gain from material sold	673	16	9	-	*4*	**702**	**-**	-	**702**
Gain from sale of property, plant and equipment	15	1	48	-	-	**64**	**(18)**	-	**46**
Other operating income	439	63	269	1,418	*(1,445)*	**744**	**-**	-	**746**
Other operating expenses	(4,320)	(579)	(381)	(40)	*45*	**(5,275)**	**2**	-	**(5,275)**
SEGMENT OPERATING INCOME/(LOSS)	**12,358**	**2,052**	***3,264***	**2,375**	*(2,375)*	**17,674**	**233**	**-**	**17,907**
EBITDA	**50,189**	**3,677**	**3,334**	**2,375**	*(2,375)*	**57,200**	**271**	*(193)*	**57,278**

Business Segments
EUR thousand

	Mining division segment						**Real Estate division segment**	Inter-segment eliminations & adjustments	**Continuing operations total**
	Coal sub-segment	Coke sub-segment	Other sub-segment	Electricity trading sub-segment	Eliminations & adjustments	**Mining division segment - total**			
	Continuing operations	Continuing operations	Continuing operations	Discontinued operations		Continuing operations	Continuing operations		
	1/1/2010 - 31/3/2010	1/1/2010 - 31/3/2010	1/1/2010 - 31/3/2010	1/1/2010 - 31/3/2010	1/1/2010 - 31/3/2010	**1/1/2010 - 31/3/2010**	**1/1/2010 - 31/3/2010**	1/1/2010 - 31/3/2010	**1/1/2010 - 31/3/2010**
Financial income						**15,231**	**980**	*(972)*	**15,239**
Financial expenses						**(47,071)**	**(569)**	*972*	**(46,668)**
Profit on disposal of energy business						**-**	**-**	-	**-**
Profit before tax						**(14,166)**	**644**	-	**(13,522)**
Income tax expense						**(1,990)**	**(123)**	-	**(2,113)**
PROFIT/(LOSS) FOR THE PERIOD						**(16,156)**	**521**	-	**(15,635)**
Assets and liabilities as of 31.3.2010									
Total segment assets	1,932,198	200,718	*525,929*	49,483	*(508,572)*	**2,199,756**	**35,139**	*(18,170)*	**2,216,725**
Total segment liabilities	866,922	148,255	1,079,048	29,814	*(508,572)*	**1,615,467**	**18,997**	*(18,170)*	**1,616,294**
Other segment information:									
Capital expenditures	40,747	19,092	3,619	**-**	-	**63,458**	**-**	-	**63,458**
Interest income	416	7	1,680	6	*(1,304)*	**805**	**9**	-	**814**
Interest income - divisional CAP	-	-	-	-	-	**-**	**972**	*(972)*	**-**
Interest expense	2,876	1,037	8,035	9	*(1,307)*	**10,650**	**-**	-	**10,650**
Interest expense-divisional CAP	808	89	75	-	-	**972**	**-**	*(972)*	**-**

Disclosures on main assets and liabilities allocated between the divisions

	Mining division	Real Estate division	Eliminations & Adjustments	Total Group
EUR thousand	*31/3/2011*	*31/3/2011*	*31/3/2011*	*31/3/2011*
Land	9,400	19,563	-	**28,963**
Buildings and constructions	599,970	311	-	**600,281**
Plant and equipment	614,085	-	-	**614,085**
Other assets	7,131	-	-	**7,131**
Construction in progress	56,930	-	-	**56,930**
Rights to use land of Real Estate Division	14,797	-	(14,797)	**-**
Mining licences	162,821	-	-	**162,821**
Long-term receivables	8,726	-	-	**8,726**
Deferred tax asset	8,630	-	-	**8,630**
Restricted cash	10,686	-	-	**10,686**
Derivatives	81	-	-	**81**
TOTAL NON-CURRENT ASSETS	1,493,257	19,874	(14,797)	**1,498,334**
Inventories	48,313	-	-	**48,313**
Accounts receivable and prepayments	198,407	91	(15,107)	**183,391**
Derivatives	1,527	-		**1,527**
Income tax receivable	521	-	(361)	**160**
Cash and cash equivalents	525,817	19,513	-	**545,330**
TOTAL CURRENT ASSETS	774,585	19,604	(15,468)	**778,721**
TOTAL ASSETS	**2,267,842**	**39,478**	**(30,265)**	**2,277,055**
TOTAL EQUITY	**741,308**	**6,821**	**-**	**748,129**
Provisions	111,159	-	-	**111,159**
Long-term loans	90,702	-	-	**90,702**
Bond issued	746,218	-	-	**746,218**
Employee benefits	93,755	-	-	**93,755**
Deferred revenue	2,519	14,019	(14,019)	**2,519**
Deferred tax liability	122,432	-	-	**122,432**
Other long-term liabilities	668	-	-	**668**
Derivatives	15,834	-	-	**15,834**
TOTAL NON-CURRENT LIABILITIES	1,183,287	14,019	(14,019)	**1,183,287**
Short-term provisions	8,281	-	-	**8,281**
Accounts payable and accruals	258,989	15,803	(15,885)	**258,907**
Accrued interest payable on bond	23,806	-	-	**23,806**
Derivatives	3,341	-	-	**3,341**
Income tax payable	31,381	2,835	(361)	**33,855**
Current portion of long-term loans	15,272	-	-	**15,272**
Short-term loans	0	-	-	**0**
Cash-settled share-based payments payable	2,177	-	-	**2,177**
TOTAL CURRENT LIABILITIES	343,247	18,638	(16,246)	**345,639**
TOTAL LIABILITIES	**1,526,534**	**32,657**	**(30,265)**	**1,528,926**
TOTAL EQUITY AND LIABILITIES	**2,267,842**	**39,478**	**(30,265)**	**2,277,055**

Discontinued Operations and Assets Held for Sale

The comparative information includes the results of the energy business of the Group that was sold on 21 June 2010. The assets and liabilities of energy business were presented as assets and liabilities held for sale before the sale was closed. Part of the energy business, presented as Electricity trading sub-segment in the past, is presented as discontinued operations in this comparative information.

The following table shows the detail of discontinued operations:

EUR thousand	1 January 2010 - 31 March 2010
Revenues	40,676
Consumption of material and energy	(39,457)
Service expenses	(67)
Personnel expenses	(156)
Depreciation	-
Impairment of receivables	-
Gain from sale of property, plant and equipment	-
Other operating income	1,418
Other operating expenses	(39)
Operating profit	2,375
Financial income	1,728
Financial expense	(2,684)
Profit from sale of energy business	-
Profit before tax	1,419
Income tax expense	(269)
PROFIT FROM DISCONTINUED OPERATIONS	**1,150**

EBITDA from discontinued operations for the period ended 31 March 2010 amounted to EUR 2,375 thousand.

The following table shows the cash flows from discontinued operations:

EUR thousand	1 January 2010 - 31 March 2010
Net cash flows from operating activities	(9,183)
Net cash flows from investing activities	(2)
Net cash flows from financing activities	4,082
Net effect of currency translation	331
Net cash flow from discontinued operations	**(4,772)**

Subsequent Events

The Company paid an interim dividend of EUR 58,234 thousand to A shareholders on 15 April 2011.

On 11 April 2011, the boards of New World Resources N.V. (Existing NWR) and New World Resources Plc (New NWR) announced a recommended share offer for all of

the "A" ordinary shares of EUR 0.40 each in the capital of Existing NWR (the "Existing A Shares") (the "Offer"). The full terms and conditions of the Offer were set out in a combined prospectus and offer document jointly published by Existing NWR and New NWR on 11 April 2011 (the "Combined Prospectus and Offer Document").

On 5 May 2011 (being the first closing date of the Offer), valid acceptances were received in respect of 256,780,388 Existing A Shares (representing approximately 97 per cent of the issued Existing A Shares) and the Offer therefore became unconditional as to acceptances.

On 6 May 2011, 256,780,388 of its 'A' ordinary shares (the "New A Shares") were admitted (i) to the premium segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange plc's main market for listed securities under the ticker "NWR", and (ii) unconditionally to trading on the main market of the Prague Stock Exchange also under the ticker "NWR". New NWR also confirmed that the resolution adopted by the Management Board of the Warsaw Stock Exchange to conditionally admit the New A Shares to trading on the main market of the Warsaw Stock Exchange had become unconditional and trading was expected to commence on the Warsaw Stock Exchange on 9 May 2011. Accordingly, the Offer then became wholly unconditional in all respects.

Off-Balance Sheet Arrangements

In the ordinary course of business, the Group is a party to certain off balance sheet arrangements. These arrangements include assets related to the construction and related geological survey work at Frenštát. These assets are maintained by OKD but are not reflected in its books. The assets were booked as costs and have not been utilised. The original cost of these assets, spent in the years 1980 to 1989, was CZK 921 million (equivalent of EUR 37 million translated with the exchange rate as of 31 March 2011), of which CZK 815 million (EUR 33 million) was the value of assets located under ground and CZK 106 million (EUR 4 million) is the value of assets located on the surface. Liabilities related to these arrangements are not reflected in the Group's balance sheet and management does not expect that these off balance sheet arrangements will have material adverse effects on the Group's financial condition, results of operations or cash flows.

Other Commitments

Contingent liabilities

Contingent liabilities include clean-up liabilities related to a decommissioned coking plant owned by OKK, and the Group's involvement in several litigation proceedings. It is not possible to estimate the exact potential exposure related to such proceedings, as the monetary value of some of the claims have not been specified and the likely outcome of such proceedings cannot be assessed at this time. However, based on advice of counsel, management believes that the current litigation and claims will not have a significant impact on the Group's financial position. An updated summary of the main litigation proceedings is included in the 2010 annual financial statements of the Company.

The Group is liable for all environmental damage caused by mining activities since the original privatisation. These future costs can be broadly split into two categories of restoration and mining damages. Restoration liabilities are liabilities to restore the land to the condition it was in, prior to the mining activities or as stated in the

exploration project. Mining damages are liabilities to reimburse all immediate danger caused by mining activities to third party assets.

Provisions for restoration costs are recognised as the net present value of the estimated costs. Restoration costs represent a part of the acquisition cost of fixed assets and such assets are amortised over the useful life of the mines using the sum of the digits method. The provision is compounded every year to reflect the current price level. In addition the Group analyses the accuracy of the estimated provision annually. Any change in the estimate of restoration costs is recognised within fixed assets and is depreciated over the remaining useful life of the mines.

The sale and purchase agreement between the Company and Dalkia Česká Republika, a.s. provides for put and call options, as well as a pre-emption right of NWR, in respect of the energy assets and businesses transferred to Dalkia or replacing such energy assets or businesses upon the occurrence of certain events.

In connection with the sale of energy business, NWR will continue to purchase utilities from NWR Energy, a.s. (renamed to Dalkia Industry, a.s. after sale) and CZECH-KARBON, s.r.o. under a long term agreement, expiring in 2029.

The sale price from sale of energy business is still subject to an adjustment relating to the performance of Czech Karbon's electricity trading portfolio, which may result in a reduction of the sale price of no more than approximately EUR 2 million. This potential reduction relates to audited results for the years 2010 and 2011.

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 contractual obligations resulting from the ECA loan, the 7.375% Senior Notes due 2015 and the 7.875% Senior Notes due 2018 as of 31 March 2011 in nominal values.

(EUR thousand)	**1/4/2011 - 31/3/2012**	**1/4/2012 - 31/3/2013**	**After 31/3/2013**
7.375% Senior Notes due 2015	-	-	267,565
7.875% Senior Notes due 2018	-	-	500,000
ECA loan	14,246	28,493	64,109
TOTAL	**14,246**	**28,493**	**831,674**

Interest has to be paid semi-annually on both the 7.375% Senior Notes and the 7.875% 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 with a fixed margin.

The Group has contractual obligations to acquire property, plant and equipment in the total amount of EUR 98 million, of which EUR 19 million result from the PERSPective 2015 programme relating to the general improvement of coal operations. PERSPective focuses not only on technological development, but also on improvement in areas such as People, Efficiency, Reserves, Safety and Predictability.

The Group is also subject to contractual obligations under lease contracts in the total amount of EUR 12 million, of which EUR 2 million are short-term obligations.

The restricted payment basket as defined by the Indenture amounts currently to EUR 158,190 thousand.

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 Company's customers' products; coal mine reserves; remaining life of the Company'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 Company's relationship with, and conditions affecting, the Company's customers; competition; railroad and other transportation 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 annual report for the period ended 31 March 2010.

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, 18 May 2011

Board of Directors

Directors' Statement of Responsibility

The Directors are responsible for preparing the interim consolidated financial report in accordance with the Dutch laws and regulations implementing the Transparency Directive*. The Directors hereby declare that, to the best of their knowledge:

(a) The condensed consolidated financial information, which has been prepared based on IFRS recognition and measurement criteria as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation as a whole, and

(b) The management report includes a fair review of the development and performance of the business and the position of NWR and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Marek Jelínek
Director, Chief Financial Officer
18 May 2011

* Transparency Directive in full is called:
Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC.