London, 14 May 2014

Unaudited Q1 2014 Results

New World Resources Plc ('NWR' or the 'Company') today announces its unaudited financial results for the first quarter of 2014.

Q1 2014 Financial summary

- Revenues from continuing operations of EUR 173 million, down 18%.
- Coking coal average realised price of EUR 91/t, down 12%; Thermal coal average realised price of EUR 60/t, down 6%.
- Cash mining unit costs[1] of EUR 66/t, down 23% (18% on a constant currency basis) on 4% higher production.
- Selling and administrative expenses from continuing operations down 15% to EUR 36 million.
- EBITDA from continuing operations of EUR 10 million.
- Basic loss from continuing operations per A share of EUR (0.10).
- Net debt of EUR 651 million, including cash of EUR 159 million.
- Capital restructure negotiations continue with an expected resolution by the end of 2014.

Q1 2014 Operational summary

- Regrettably, two miners lost their lives this year. Safety metrics LTIFR[2] of 7.27 in Q1 2014, improvement of 2% vs. FY 2013. Drive for a fatality-free operation continues.
- Coal production of 2.2Mt, up 4% and coal sales of 1.9Mt, down 12%.
- Coal sales mix of 65% coking coal and 35% thermal coal.
- CAPEX of EUR 12 million for continuing operations, down 80%.
- Coal Inventory of 694kt, down 45% year on year.
- Total headcount in continuing operations including contractors down 10%.
- Financial support for the closure of the Paskov Mine approved by the Czech government in April 2014. The agreement remains subject to notification and approval by the European Commission.

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1 Cash mining costs per tonne reflect the operating costs incurred in production of both coking and thermal coal. They are principally calculated by deducting from the segmental Cost of sales the Change in inventories and D&A, and then divided by total coal production. Further non-cash adjustments to Cost of sales may apply in the calculation.

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

FY 2014 Prices[3] and targets

- Coking coal Q2 2014 average price agreed at EUR 85/t, down 6% on previous quarter.
- Thermal coal FY 2014 average price for 80% of expected production locked in at EUR 54/t, down 4% on FY 2013.
- Production and sales volume targets of 9 – 9.5Mt.
- Target of 55% – 60% coking coal in the sales mix.
- CAPEX below EUR 100 million.
- Further improvement in LTIFR towards the 2015 target of below 5.
- Cash mining unit costs in the mid EUR 60's including the Paskov Mine.

Review of NWR's capital structure

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

Chairman's statement

As has been well recorded, since the middle of 2011 we have experienced one of the longest and deepest coal market pricing adjustments on record. This sustained period of pricing weakness has continued further into 2014 with coking coal for delivery in the second quarter priced at EUR 85 a tonne, a 6 per cent decline on the realised price for the first three months of this year.

This pricing environment is clearly a challenge for us and it is critical that NWR does everything within its control to optimise its operations to better withstand both structural as well as cyclical headwinds and to position itself for a market recovery. Whilst we are encouraged by the tentative signs of recovery as indicated by rising steel production in NWR's core markets along with an increase in utilisation rates in the year to date, any such recovery is still far from robust and it is too early to assess its sustainability.

In the Spring of 2013, we launched cash enhancing and cost containment measures that we successfully executed and this strong focus has been carried over into 2014. I am very pleased

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

to report that cash mining costs per tonne for the quarter were 23 per cent down year on year (18 per cent on a constant currency basis) at EUR 66 a tonne, putting us firmly on track to meet our objective of a run rate in the mid EUR 60’s going forward including the Paskov Mine. We have made further improvements with respect to capital expenditure efficiencies: in the first quarter of this year, our CAPEX was EUR 12 million, an 80 per cent reduction on the corresponding period in 2013 and positions us well to reach our target of less than EUR 100 million in terms of CAPEX for the year. Optimisation of our working capital also remained a key focus area during the first quarter, reflected in the 45 per cent year on year decrease in inventory levels, thereby minimising the unproductive use of capital.

Our operational targets for 2014 remain unchanged with coal production and sales between 9 million and 9.5 million tonnes, with coking coal’s share of the sales mix in the range of 55 to 60 per cent.

The safety of our workforce is our priority and we remain committed to continuous improvement. I am sorry to report two fatal accidents in the year to date, that serve to remind us of our challenging work conditions and the importance of adopting a ‘safety first’ attitude throughout the Company.

On 28 April 2014 we announced an agreement with the Czech Government regarding the financial support for the closure of the high cost Paskov mine. Paskov will now remain in operation until 31 December 2017, and the state will provide CZK 600 million (approx. EUR 22 million) to cover the social costs of closure. The agreement is contingent on certain conditions being met, and remains subject to approval by the European Commission regarding state aid rules.

On 22 January 2014, we announced the initiation of a capital structure review in light of the prolonged weakness in coal prices, the downward revision of our mineral reserves and resources and the expiry of our RCF credit line. The review recognises and respects the interests of all stakeholders and so by its very nature, is an extensive and lengthy one. We will announce the outcome once we are in a position to do so.

Whilst our current focus is firmly on optimising our existing operations and capital structure, we remain committed to our longer-term strategy to become Europe’s leading miner and marketer of coking coal by 2017.

Gareth Penny
Executive Chairman of NWR

NEW WORLD RESOURCES

Selected financial and operational data (continuing operations) [4]

(EUR m, unless otherwise stated)	Q1 2014	Q1 2013	Chg
Revenues	173	211	(18%)
Cost of sales	147	235	(37%)
Excluding Change in inventories	167	227	(26%)
Cash mining unit costs (EUR/t)[5]	66	86	(23%)
Gross profit	26	(24)	-
Selling and administrative expenses	36	43	(15%)
EBITDA	10	(25)	-
Operating (Loss) / Profit	(10)	(67)	-
Loss for the period	(27)	(81)	-
Basic Loss per A share (EUR)	(0.10)	(0.31)	
Total assets	876	2,059[6]	(57%)
Cash and cash equivalents	159	193[6]	(18%)
Net debt	651	643[6]	1%
Net working capital	0	101[6]	-
Net cash flow from operations	(20)	(22)[6]	-
CAPEX	12	60[6]	(80%)
Total headcount incl. contractors	14,650	16,347	(10%)
LTIFR	7.27	5.78	26%

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

5 Cash mining costs per tonne reflect the operating costs incurred in production of both coking and thermal coal. They are principally calculated by deducting from the segmental Cost of sales the Change in inventories and D&A, and then divided by total coal production. Further non-cash adjustments to Cost of sales may apply in the calculation.

6 Including OKK, which the Company sold on 6 December 2013.

Production & Sales (kt)	**Q1 2014**	**Q1 2013**	**Chg**
Coal production	2,226	2,147	4%
External sales	1,906	2,171	(12%)
Coking coal[7]	1,243	1,135	10%
Thermal coal[8]	663	1,036	(36%)
Period end inventory	694	1,262	(45%)
Average realised prices (EUR/t)			
Coking coal	91	103	(12%)
Thermal coal	60	64	(6%)

Q1 2014 earnings call and webcast:

NWR's management will host an analyst and investor conference call on 14 May 2014 at 10:00 BST (11:00 CEST). The presentation will be made available via a live audio webcast on www.newworldresources.eu and then archived on the Company's website.

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

UK and the rest of Europe	+44 (0)20 3427 1905
US and the rest of North America	+1 212 444 0481
The Netherlands	+31 (0)20 716 8257
Czech Republic	800 701 229
Poland	00 800 121 4330
Participant's access code:	7317013

Contacts:

Investor Relations
Tel: +31 20 570 2244
Website: www.newworldresources.eu

Corporate Communications
Tel: +31 20 570 2229

About NWR:

New World Resources Plc is a Central European hard coal producer. NWR produces quality coking and thermal coal for the steel and energy sectors in Central Europe through its subsidiary OKD, the largest hard coal mining company in the Czech Republic.

7 In Q1 2014 approx. 49% of coking coal sales were mid-volatility hard coking coal, 43% were semi-soft coking coal and 8% were PCI coking coal.

8 In Q1 2014 approx. 87% of thermal coal sales were thermal coal and 11% middlings.

Condensed consolidated interim financial information

for the three-month period

ended 31 March 2014

New World Resources Plc

Consolidated statement of comprehensive income

EUR thousand	Three-month period ended 31 March 2014	2013 (restated)
Continuing operations		
Revenues	172,535	210,915
Cost of sales	(146,992)	(234,777)
Gross profit / (loss)	25,543	(23,862)
Selling expenses	(15,645)	(21,254)
Administrative expenses	(20,565)	(21,305)
Loss from sale of property, plant and equipment	(45)	-
Other operating income	962	642
Other operating expenses	(528)	(742)
Operating loss	(10,278)	(66,521)
Financial income	2,458	10,654
Financial expense	(18,009)	(38,536)
Loss before tax	(25,829)	(94,403)
Income tax (expense) / benefit	(835)	13,811
Loss from continuing operations	**(26,664)**	**(80,592)**
Discontinued operations		
Profit from discontinued operations, net of tax	-	264
Loss for the period	**(26,664)**	**(80,328)**
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:	(297)	(29,921)
Foreign currency translation differences	(341)	(27,129)
Derivatives - change in fair value	-	(2,599)
Derivatives - transferred to profit and loss	-	(2,405)
Income tax relating to components of other comprehensive income	44	2,212
Items that will never be reclassified to profit or loss	-	-
Total other comprehensive income for the period, net of tax	(297)	(29,921)
Total comprehensive income for the period	**(26,961)**	**(110,249)**
Loss attributable to:		
Shareholders of the Company	(26,664)	(80,328)
Total comprehensive income attributable to:		
Shareholders of the Company	(26,961)	(110,249)
(LOSS) / EARNINGS PER SHARE *(EUR)*		
A share		
Basic loss	(0.10)	(0.31)
Diluted loss	(0.10)	(0.31)
Basic loss from continuing operations	(0.10)	(0.31)
Diluted loss from continuing operations	(0.10)	(0.31)
Basic earnings from discontinued operations	-	0.00
Diluted earnings from discontinued operations	-	0.00
B share		
Basic earnings	76.20	117.40
Diluted earnings	76.20	117.40

The notes on pages 11 to 20 are an integral part of this condensed consolidated financial information.

New World Resources Plc
Consolidated statement of financial position

EUR thousand	31 March 2014	31 December 2013	31 March 2013
ASSETS			
Property, plant and equipment	522,879	533,737	1,426,446
Mining licences	-	-	138,034
Accounts receivable	4,495	5,769	5,735
Deferred tax	44,061	44,747	10,722
Restricted deposits	21,996	23,742	10,918
Derivatives	-	-	1
TOTAL NON-CURRENT ASSETS	593,431	607,995	1,591,856
Inventories	51,187	29,681	139,751
Accounts receivable and prepayments	70,223	89,352	132,662
Income tax receivable	2,242	2,243	2,193
Cash and cash equivalents	158,792	183,665	192,905
Restricted cash	-	7,000	-
TOTAL CURRENT ASSETS	282,444	311,941	467,511
TOTAL ASSETS	**875,875**	**919,936**	**2,059,367**
EQUITY			
Share capital	105,900	105,863	105,863
Share premium	2,368	2,368	2,368
Foreign exchange translation reserve	30,666	30,897	59,507
Restricted reserve	121,614	121,680	129,655
Equity-settled share based payments	15,239	15,421	14,213
Hedging reserve	-	-	3,168
Merger reserve	(1,631,161)	(1,631,161)	(1,631,161)
Other distributable reserve	1,684,463	1,684,463	1,684,463
Retained earnings	(636,000)	(609,629)	280,314
TOTAL EQUITY	(306,911)	(280,098)	648,390
LIABILITIES			
Provisions	166,062	167,449	176,407
Long-term loans	34,720	34,598	62,413
Bonds issued	761,478	760,870	759,279
Employee benefits	47,497	49,308	90,973
Deferred revenue	1,601	2,369	2,048
Deferred tax	814	814	92,796
Other long-term liabilities	444	526	793
Cash-settled share-based payments	1,137	1,279	1,883
Derivatives	5,836	6,303	8,674
TOTAL NON-CURRENT LIABILITIES	1,019,589	1,023,516	1,195,266
Provisions	5,570	2,945	7,020
Accounts payable and accruals	120,953	141,496	170,975
Accrued interest payable on bonds	20,978	16,548	16,406
Derivatives	1,738	1,734	7,349
Income tax payable	352	240	92
Current portion of long-term loans	13,601	13,555	13,869
Cash-settled share-based payments	5	-	-
TOTAL CURRENT LIABILITIES	163,197	176,518	215,711
TOTAL LIABILITIES	1,182,786	1,200,034	1,410,977
TOTAL EQUITY AND LIABILITIES	**875,875**	**919,936**	**2,059,367**

The notes on pages 11 to 20 are an integral part of this condensed consolidated financial information.

New World Resources Plc

Consolidated statement of cash flows

EUR thousand	Three-month period ended 31 March 2014	2013
Cash flows from operating activities		
Loss before tax from continuing operations	(25,829)	(94,403)
Profit before tax from discontinued operations	-	791
Loss before tax and non-controlling interest	(25,829)	(93,612)
Adjustments for:		
Depreciation and amortisation	20,136	43,492
Changes in provisions	(947)	(5,017)
Loss on disposal of property, plant and equipment	45	14
Interest expense, net	15,699	15,748
Change in fair value of derivatives	(464)	(3,304)
Loss on early bond redemption	-	8,116
Equity-settled share-based payment transactions	31	386
Operating cash flows before working capital changes	8,671	(34,177)
(Increase) / decrease in inventories	(21,506)	11,582
Decrease / (increase) in receivables	20,456	(2,618)
(Decrease) in payables and deferred revenue	(18,987)	(3,713)
Decrease in restricted cash and restricted deposits	1,734	2,127
Currency translation and other non-cash movements	125	12,367
Cash generated from operating activities	(9,507)	(14,432)
Interest paid	(10,913)	(5,294)
Corporate income tax paid	(17)	(2,372)
Net cash flows from operating activities	**(20,437)**	**(22,098)**
Cash flows from investing activities		
Interest received	358	510
Purchase of land, property, plant and equipment	(11,757)	(59,529)
Proceeds from sale of property, plant and equipment	5	63
Proceeds from disposal of discontinued operations	7,000	-
Net cash flows from investing activities	**(4,394)**	**(58,956)**
Cash flows from financing activities		
Senior Notes due 2015 redemption	-	(257,565)
Fees paid on Senior Notes due 2015 redemption	-	(4,749)
Proceeds from Senior Notes due 2021 issue	-	275,000
Transaction costs related to Senior Notes due 2021	-	(4,087)
Net cash flows from financing activities	**-**	**8,599**
Net effect of currency translation	(42)	(1,651)
Net decrease in cash and cash equivalents	**(24,873)**	**(74,106)**
Cash and Cash Equivalents at the beginning of period	183,665	267,011
Cash and Cash Equivalents at the end of period	**158,792**	**192,905**

The notes on pages 11 to 20 are an integral part of this condensed consolidated financial information.

New World Resources Plc

Consolidated statement of changes in equity

EUR thousand	*Share capital*	*Share premium*	*Foreign exchange translation reserve*	*Restricted reserve*	*Equity-settled share based payment*	*Hedging reserve*	*Merger reserve*	*Other distributable reserve*	*Retained earnings*	**Consolidated group total**
Balance at 1 January 2014	**105,863**	**2,368**	**30,897**	**121,680**	**15,421**	**-**	**(1,631,161)**	**1,684,463**	**(609,629)**	**(280,098)**
Loss for the period	-	-	-	-	-	-	-	-	(26,664)	**(26,664)**
Total other comprehensive income, net of tax	-	-	(231)	(66)	-	-	-	-	-	**(297)**
Total comprehensive income for the period	-	-	(231)	(66)	-	-	-	-	(26,664)	**(26,961)**
Transaction with owners recorded directly in equity										
Issue of A Shares under Deferred bonus plan	37	-	-	-	(213)	-	-	-	293	**117**
Share options for A Shares	-	-	-	-	31	-	-	-	-	**31**
Total transactions with owners	37	-	-	-	(182)	-	-	-	293	**148**
Balance at 31 March 2014	**105,900**	**2,368**	**30,666**	**121,614**	**15,239**	**-**	**(1,631,161)**	**1,684,463**	**(636,000)**	**(306,911)**
Balance at 1 January 2013	**105,863**	**2,368**	**81,735**	**132,691**	**13,827**	**7,825**	**(1,631,161)**	**1,684,463**	**360,642**	**758,253**
Loss for the period	-	-	-	-	-	-	-	-	(80,328)	**(80,328)**
Total other comprehensive income, net of tax	-	-	(22,228)	(3,036)	-	(4,657)	-	-	-	**(29,921)**
Total comprehensive income for the period	-	-	(22,228)	(3,036)	-	(4,657)	-	-	(80,328)	**(110,249)**
Transaction with owners recorded directly in equity										
Share options for A Shares	-	-	-	-	386	-	-	-	-	**386**
Total transactions with owners	-	-	-	-	386	-	-	-	-	**386**
Balance at 31 March 2013	**105,863**	**2,368**	**59,507**	**129,655**	**14,213**	**3,168**	**(1,631,161)**	**1,684,463**	**280,314**	**648,390**

The notes on pages 11 to 20 are an integral part of this condensed consolidated financial information.

New World Resources Plc
Operating and Financial Review
for the three-month period ended 31 March 2014 (‘3M 2014’)

1. Corporate Information

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

These consolidated financial statements comprise the Company and its subsidiaries (together the ‘Group’). The Group is primarily involved in coal mining. The objective of the Company is to act as a holding company and to provide management services for the Group.

2. Financial Results Overview

On 6 December 2013, the Group completed the sale of OKK Koksovny, a.s. (‘OKK’), representing its entire Coke segment, whose results are presented as a discontinued operation in the comparative period.

Continuing Operations

Revenues. The Group’s revenues decreased by 18% (14% on a constant currency basis), from EUR 211 million in 3M 2013 to EUR 173 million in 3M 2014. This is mainly attributable to lower sales volumes and lower realised prices of thermal coal, as well as to lower realised prices of coking coal that were partly offset by its higher sales volumes.

Cost of sales. Cost of sales decreased from EUR 235 million to EUR 147 million or by 37% (33% on a constant currency basis) in 3M 2014 compared to 3M 2013. This is mainly attributable to:
- lower depreciation following the impairment charge recognised in 2013;
- less development work combined with lower input costs per equipped coal panel resulting in lower consumption of mining material and spare parts;
- lower consumption of energy combined with lower energy prices resulting in lower energy costs; and
- reduction in headcount combined with lower holiday allowances, resulting in lower personnel expenses.

Cost of sales are further positively affected by a EUR 28 million year on year inventory impact driven by the Group producing thermal coal on stock.

Selling expenses. Selling expenses decreased from EUR 21 million to EUR 16 million or by 26% (23% on a constant currency basis) in 3M 2014, attributable to lower sales volumes and lower transport prices.

Administrative expenses. Administrative expenses of EUR 21 million remained flat with a decrease of personnel expenses offset by an increase in advisory expenses, principally relating to the capital restructuring as described in note 3.

EBITDA. 3M 2014 saw a positive EBITDA from continuing operations of EUR 10 million, an increase of EUR 35 million compared to negative EBITDA of EUR 25 million recorded in 3M 2013, attributable mainly to the decrease in operating expenses that outweighed the decrease in revenues.

Loss for the period. The reported loss from continuing operations for the period is EUR 27 million, compared to the loss of EUR 81 million in 3M 2013.

3. Basis of Presentation

The condensed consolidated interim financial statements (the ‘financial statements’) presented in this document are prepared:
- for the three-month period ended 31 March 2014, with the three-month period ended 31 March 2013 as the comparative period;
- based on the recognition and measurement criteria of International Financial Reporting Standards as adopted by European Union (‘adopted IFRS’) and on the going concern basis (see further on next page); and
- in accordance with IAS 34 Interim Financial Reporting.

The financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements as at and for the year ended 31 December 2013, which are contained within the 2013 Annual Report and Accounts of the Company, available on the Group's website at www.newworldresources.eu.

Going concern basis of accounting

The Group manages its liquidity through cash (EUR 159 million (31 December 2013: EUR 184 million)) and receivable financing.

At the present market prices for coal, the Group is currently cash flow negative and the current low coal price environment has placed significant pressure on the Group's liquidity position and also on its solvency resulting in the Group having net liabilities of EUR 307 million at 31 March 2014.

The Group is heavily geared with long term borrowings totalling EUR 825 million (nominal value). Following revisions of the long term pricing outlook for both thermal and coking coal and the associated write down of assets, on 22 January 2014, the Directors initiated a review of the Group's capital structure with a view to addressing the solvency and the mid-term liquidity of the Group. The review will be focused on the Group's balance sheet and will consider all available options. At the date of these financial statements due diligence being undertaken on behalf of a group of note holders is complete and the Group has commenced discussions with advisers to the Ad hoc Committee of note holders, who represent holders of both the EUR 500 million Senior Secured Notes due 2018 and the EUR 275 million Senior unsecured Notes due 2021 (and those holders that hold both notes). The Group's majority shareholder, BXR Mining B.V., has indicated its willingness to inject new capital into a revised and satisfactory capital structure. However, there can be no guarantee that it will be possible to successfully complete such a capital restructuring or that such implementation occurs within a timeframe that will secure the liquidity and solvency of the Group.

A failure to achieve a satisfactory capital structure for liquidity and solvency purposes would pose a significant risk of the Group ceasing to operate as a going concern. On current base case forecasts the Group anticipates a net cash outflow of approximately EUR 30-35 million per quarter and that its current cash balance will be exhausted in Q1 2015. However, an inability to renew receivables financing, further price deterioration, default on existing facilities or other factors such as lower than forecasted production could bring this point forward.

Absent the potential restructuring referred to above, the Directors anticipate that the Group will not be able to meet the revised requirements of the ECA Facility financial covenants when they are next tested after the end of Q4 2014.

The Directors recognise that the combination of these circumstances represents a material uncertainty that may cast significant doubt as to the Group's and Company's ability to continue as a going concern and that they may be unable to realise all their assets and discharge all of their liabilities in the normal course of business. Nevertheless, the Directors expect that the discussions with all of the Company's stakeholders – including the note holders and the ECA Facility lenders – as regards the restructuring of its debt will be successful and accordingly the financial statements have been prepared on a going concern basis and no break up adjustments have been made.

4. Significant Accounting Policies

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

The financial statements have been prepared on the basis of accounting policies and methods of compilation consistent with those applied in the consolidated financial statements as at and for the year ended 31 December 2013, with the exception described below.

New standards and interpretations

The Group adopted the following new/revised standards, which are effective for its accounting period starting 1 January 2014:

- IAS 27 *Separate Financial Statements* (as revised in 2011, effective 1 January 2014)
- IAS 28 *Investments in Associates and Joint Ventures* (as revised in 2011, effective 1 January 2014)
- Amendment to IAS 32 *Financial Instrument: Presentation* – Offsetting Financial Assets and Financial Liabilities (effective 1 January 2014)
- IFRS 10 *Consolidated Financial Statements* (effective 1 January 2014)
- IFRS 11 *Joint Arrangements* (effective 1 January 2014)
- IFRS 12 *Disclosure of Involvement with Other Entities* (effective 1 January 2014)

The adoption of the new/revised standards has no impact on the recognised assets, liabilities and comprehensive income of the Group.

Estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these consolidated financial statements, the significant judgements made by the management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements of the Company as at and for the year ended 31 December 2013.

5. Non-IFRS Measures

The Company defines:

- EBITDA as net profit/(loss) before income tax, net financial costs, depreciation and amortisation, impairment of property, plant and equipment (‘PPE’) and gains/losses from the sale of PPE.

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

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

6. Exchange Rates

(EUR/CZK)	3M 2014	3M 2013	y/y %
Average exchange rate	27.442	25.566	7%
End of period exchange rate	27.442	25.740	7%

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

7. Financial Performance of Continuing Operations

Revenues

The Group's largest source of revenue is the sale of coking coal, which accounted for 65% of total revenues in 3M 2014, whilst the sale of thermal coal accounts for 23% of total revenues in this period.

(EUR thousand)	3M 2014	3M 2013 (restated)	y-y	y/y %	ex-FX
External coking coal sales (EXW)*	112,627	116,443	(3,816)	(3%)	1%
External thermal coal sales (EXW)*	39,978	66,173	(26,195)	(40%)	(38%)
Coal transport	11,937	16,627	(4,690)	(28%)	(25%)
Sale of coal by-products	4,809	5,980	(1,171)	(20%)	(14%)
Other revenues	3,184	5,692	(2,508)	(44%)	(40%)
Total revenues	**172,535**	**210,915**	**(38,380)**	**(18%)**	**(14%)**

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

Total revenues decreased by 18% mainly as a result of lower sales volumes and lower realised prices of thermal coal (see table below). In addition, revenues decreased due to lower realised prices of coking coal that were partly offset by its higher sales volumes. Lower sales volumes and lower transport charges also resulted in a decrease of transport revenues, with a similar decrease in transport costs, for no material impact on profitability.

Average realised sales prices (EUR per tonne)	3M 2014	3M 2013 (restated)	y-y	y/y %	ex-FX
Coking coal (EXW)	91	103	(12)	(12%)	(8%)
Thermal coal (EXW)	60	64	(4)	(6%)	(3%)

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

Total production of coal in 3M 2014 increased by 4% compared to 3M 2013. Coal volumes sold were lower by 12% as a result of lower thermal coal sales, partially offset by increased sales of coking coal in 3M 2014.

Coal inventories increased by 314kt in 3M 2014 compared to a decrease by 25kt in 3M 2013.

Coal performance indicators (kt)	3M 2014	3M 2013 (restated)	y-y	y/y %
Coal production	2,226	2,147	79	4%
External coal sales	**1,906**	**2,171**	**(265)**	**(12%)**
Coking coal	1,243	1,135	108	10%
Thermal coal	663	1,036	(373)	(36%)
Period end inventory*	**694**	**1,262**	**(568)**	**(45%)**

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

Cost of Sales

(EUR thousand)	3M 2014	3M 2013 (restated)	y-y	y/y %	ex-FX
Consumption of material and energy	52,238	70,688	(18,450)	(26%)	(22%)
of which : mining material and spare parts	31,391	40,719	(9,328)	(23%)	(19%)
: energy consumption	18,362	27,400	(9,038)	(33%)	(28%)
Service expenses	37,854	42,555	(4,701)	(11%)	(5%)
of which : contractors	17,479	21,075	(3,596)	(17%)	(11%)
: maintenance	12,176	8,231	3,945	48%	55%
Personnel expenses	55,953	71,912	(15,959)	(22%)	(16%)
Depreciation and amortisation	18,900	40,048	(21,148)	(53%)	(49%)
Net gain from material sold	(617)	(1,154)	537	(47%)	(43%)
Change in inventories of finished goods and work in progress	(20,338)	7,462	(27,800)	-	-
Other operating expenses/(income)	3,002	3,266	(264)	(8%)	(1%)
of which : compensation of, and provision for mining damages	1,380	1,816	(436)	(24%)	(18%)
Total cost of sales	**146,992**	**234,777**	**(87,785)**	**(37%)**	**(33%)**
Excluding the change in inventories impact	**167,330**	**227,315**	**(59,985)**	**(26%)**	**(21%)**

Excluding the EUR 28 million year on year impact in change in inventories driven by the Group producing on stock, cost of sales decreased by EUR 60 million, namely as a result of:

- lower depreciation following the impairment charge recognised in 2013;
- a decrease in development work combined with lower input costs per equipped coal panel lowering consumption of mining material and spare parts;
- a decrease in consumption of energy combined with lower energy prices resulting in lower energy costs; and
- a 10% decrease in the number of employees combined with lower holiday allowances, resulting in lower personnel expenses.

Selling Expenses

(EUR thousand)	3M 2014	3M 2013 (restated)	y-y	y/y %	ex-FX
Transport costs	11,776	16,870	(5,094)	(30%)	(28%)
Personnel expenses	658	779	(121)	(16%)	(9%)
Allowance for inventories on stock	614	249	365	147%	165%
Other expenses	2,597	3,356	(759)	(23%)	(17%)
Total selling expenses	**15,645**	**21,254**	**(5,609)**	**(26%)**	**(23%)**

Lower sales volumes together with lower transport charges resulted in a reduction in transport costs by 30%, with a similar decrease in transport revenues, with no material impact on profitability.

Administrative Expenses

(EUR thousand)	3M 2014	3M 2013 (restated)	y-y	y/y %	ex-FX
Personnel expenses	10,403	12,778	(2,375)	(19%)	(13%)
Service expenses	6,988	5,554	1,434	26%	31%
Other expenses	3,174	2,973	201	7%	14%
Total administrative expenses	**20,565**	**21,305**	**(740)**	**(3%)**	**2%**

Administrative expenses of EUR 21 million remained flat with a decrease of personnel expenses offset by an increase in advisory expenses, principally relating to the capital restructuring as described in note 3.

Total Personnel Expenses and Headcount

(EUR thousand)	3M 2014	3M 2013 (restated)	y-y	y/y %	ex-FX
Personnel expenses	68,935	85,943	(17,008)	(20%)	(14%)
Employee benefit provision	(1,784)	(106)	(1,678)	-	-
Share-based payments	12	(214)	226	-	-
Total personnel expenses	**67,163**	**85,623**	**(18,460)**	**(22%)**	**(16%)**

Total personnel expenses have reduced principally through lower headcount (see below) and lower holiday allowances based on a new Collective Bargaining Agreement with employees.

	3M 2014	3M 2013 (restated)	y-y	y/y %
Employees headcount (average)	11,615	12,976	(1,361)	(10%)
Contractors headcount (average)	3,035	3,371	(336)	(10%)
Total headcount (average)	**14,650**	**16,347**	**(1,697)**	**(10%)**

EBITDA

(EUR thousand)	3M 2014	3M 2013 (restated)	y-y	y/y %	ex-FX
EBITDA from continuing operations	**9,903**	**(24,782)**	**34,685**	**-**	**-**

The Group’s EBITDA from continuing operations increased by EUR 35 million compared to 3M 2013 mainly as a result of lower operating expenses that outweigh the decrease in revenues.

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

(EUR thousand)	3M 2014	3M 2013 (restated)
Net loss after tax from continuing operations	(26,664)	(80,592)
Income tax	835	(13,811)
Net financial expenses	15,551	27,882
Depreciation and amortisation	20,136	41,739
Loss from sale of PPE	45	-
EBITDA from continuing operations	**9,903**	**(24,782)**

Financial Income and Expense

(EUR thousand)	**3M 2014**	**3M 2013 (restated)**	**y-y**	**y/y %**
Financial income	(2,458)	(10,654)	8,196	(77%)
Financial expense	18,009	38,536	(20,527)	(53%)
Net financial expense	**15,551**	**27,882**	**(12,331)**	**(44%)**

The decrease in net financial expense of EUR 12 million in 3M 2014 compared to 3M 2013 is mainly attributable to the loss recorded in the comparative period due to the repayment of the Senior Notes due 2015 (EUR 8 million), consisting of the write off of unamortised transaction costs (EUR 4 million) and the cost of early redemption (EUR 4 million), and to a decrease in realised and unrealised FX losses (EUR 3 million).

Loss from Continuing Operations before Tax

The loss before tax in 3M 2014 was EUR 26 million, down EUR 68 million compared to a loss of EUR 94 million in 3M 2013.

Income Tax

The Group recorded a net income tax expense of EUR 1 million in 3M 2014, compared to a net income tax benefit of EUR 14 million in 3M 2013.

Deferred tax assets are recognised to the extent that they are recoverable in the jurisdiction in which they were incurred. During 3M 2014, the Group recorded a loss before tax of EUR 26 million, for which no corresponding deferred tax asset has been recognised as the Group does not expect to be able to utilise these losses before their expiration date.

Loss from Continuing Operations

The Group recognised a loss from continuing operations of EUR 27 million in 3M 2014, which represents a decrease of EUR 54 million compared to the loss of EUR 81 million in 3M 2013.

8. (Loss) / Earnings per Share

(EUR)	**3M 2014**	**3M 2013 (restated)**		
	Total	Continuing operations	Discontinued operations	Total
A share – basic (loss) / earnings	(0.10)	(0.31)	0.00	(0.31)
A share – diluted (loss) / earnings	(0.10)	(0.31)	0.00	(0.31)
B share – basic earnings	76.20	117.40	-	117.40
B share – diluted earnings	76.20	117.40	-	117.40

The calculation of loss/earnings per share was based on profit/(loss) attributable to the shareholders of the Company and a weighted average number of shares outstanding during the three-month period ended 31 March:

(EUR thousand)	**3M 2014**	**3M 2013 (restated)**		
	Total	Continuing operations	Discontinued operations	Total
(Loss) / profit for the period	(26,664)	(80,592)	264	(80,328)
(Loss) / profit attributable to A shares	(27,444)	(81,421)	264	(81,157)
Profit attributable to B shares	762	1,174	-	1,174
Eliminations between Mining and Real Estate divisions	18	(345)	-	(345)

	3M 2014	**3M 2013**
Weighted average number of A shares (basic)	264,678,337	264,648,002
Weighted average number of A shares (diluted)	265,417,415	265,371,035
Weighted average number of B shares (basic)	10,000	10,000
Weighted average number of B shares (diluted)	10,000	10,000

9. Cash Flow

(EUR thousand)	3M 2014	3M 2013
Net cash flows from operating activities	(20,437)	(22,098)
Net cash flows from investing activities	(4,394)	(58,956)
Net cash flows from financing activities	-	8,599
Net effect of currency translation	(42)	(1,651)
Total decrease in cash	**(24,873)**	**(74,106)**

Cash Flow from Operating Activities
The Group's primary source of cash is its operating activities. Cash generated from operating activities, after working capital changes and before interest and tax payments in 3M 2014 was negative EUR 10 million, reflecting the fact the Group was producing on stock.

Cash Flow from Investing Activities
Capital expenditures amounted to EUR 12 million in 3M 2014, a decrease of EUR 48 million when compared to 3M 2013 (of which EUR 3 million spent in coke segment in 3M 2013).

Cash flow from investing activities was positively influenced by a release of EUR 7 million from an escrow account related to the sale of Coke segment in previous period (the Coke segment was sold for EUR 95 million with EUR 7 million paid on escrow account to be released three months after the date of sale, subject to the satisfaction of any claims by the purchaser under the OKK Share Purchase Agreement).

Cash Flow from Financing Activities
Cash flow from financing activities in the comparative period was influenced by issuance of new EUR 275 million Senior Notes due 2021 (the '2021 Notes') that were used to repay in full the outstanding amount of EUR 258 million under the Senior Notes due 2015 (the '2015 Notes'). Additional transaction costs of EUR 9 million were incurred in connection with the refinancing.

10. Borrowings, Liquidity and Capital Resources

The liquidity requirements of the Group arise primarily from the need to fund operating losses, working capital requirements and the need to fund capital expenditures. The principal uses of cash are anticipated to fund planned operating expenditures, capital expenditures, scheduled debt service on the Senior Notes and other borrowings, and other distributions.

Indebtedness and liquidity

As at 31 March 2014, the Group held cash and cash equivalents of EUR 159 million and had indebtedness of EUR 810 million (carrying value), of which EUR 14 million is contractually repayable in the next 12 months. This results in a net debt position for the Group of EUR 651 million, 4% higher when compared to EUR 625 million as at 31 December 2013.

As a reaction to the continuation of difficult trading conditions and price pressures and the expiry of the Group' EUR 100 million RCF credit line (expired on 7 February 2014), the Directors initiated a review of the Group's capital structure. For more information about the review, liquidity and going concern basis of accounting please refer to note 3 Basis of Presentation.

11. Segments and Divisions

Until the end of 2013, NWR's business was organised into two main segments - Coal and Coke segment. On 6 December 2013, the Group completed the sale of its entire Coke segment, following a strategic decision to focus on its mining business. Coke segment is presented separately as discontinued operations within comparative period (see Note 12). Financial and other performance measures of the remaining Coal segment are regularly evaluated by the Chief Operating Decision Maker ('CODM'). The CODM is the Company's Board of Directors.

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

Business Segments	**Three-month period ended 31 March 2014**				**Three-month period ended 31 March 2013 (restated)**			
EUR thousand	Mining division	Real Estate division	Eliminations & adjustments[1]	**Group operations total**	Mining division	Real Estate division	Eliminations & adjustments[1]	**Group operations total**
Segment revenues								
Sales to third parties	172,535	-	-	**172,535**	195,765	-	-	**195,765**
Sales to continuing segments	-	104	(104)	**-**	-	191	(191)	**-**
Sales to discontinued segments	-	-	-	**-**	15,150	-	-	**15,150**
Total revenues	**172,535**	**104**	**(104)**	**172,535**	**210,915**	**191**	**(191)**	**210,915**
Cost of sales	(147,118)	-	126	**(146,992)**	(234,889)	-	112	**(234,777)**
Gross profit / (loss)	**25,417**	**104**	**22**	**25,543**	**(23,974)**	**191**	**(79)**	**(23,862)**
Selling expenses	(15,645)	-	-	**(15,645)**	(21,254)	-	-	**(21,254)**
Administrative expenses	(20,536)	(29)	-	**(20,565)**	(21,305)	-	-	**(21,305)**
Loss from sale of property, plant and equipment	(45)	-	-	**(45)**	-	-	-	**-**
Other operating income	962	-	-	**962**	643	74	(75)	**642**
Other operating expenses	(528)	-	-	**(528)**	(742)	(30)	30	**(742)**
SEGMENT OPERATING (LOSS) / INCOME	**(10,375)**	**75**	**22**	**(10,278)**	**(66,632)**	**235**	**(124)**	**(66,521)**
EBITDA	**9,931**	**76**	**(104)**	**9,903**	**(24,782)**	**253**	**(253)**	**(24,782)**
Financial income	2,458	865	(865)	**2,458**	10,489	1,177	(1,012)	**10,654**
Financial expenses	(18,873)	(1)	865	**(18,009)**	(39,381)	(1)	846	**(38,536)**
(Loss) / profit before tax	(26,790)	939	22	**(25,829)**	(95,524)	1,411	(290)	**(94,403)**
Income tax expense	(654)	(177)	(4)	**(835)**	14,103	(237)	(55)	**13,811**
(LOSS) / PROFIT FROM CONTINUING OPERATIONS	**(27,444)**	**762**	**18**	**(26,664)**	**(81,421)**	**1,174**	**(345)**	**(80,592)**
Attributable to:								
SHAREHOLDERS OF THE COMPANY	(27,444)	762	18	**(26,664)**	(81,421)	1,174	(345)	**(80,592)**
Assets and liabilities								
Total segment assets	862,468	41,996	(28,589)	**875,875**	2,043,640	30,159	(14,432)	**2,059,367**
Total segment liabilities	1,201,487	7,943	(26,644)	**1,182,786**	1,411,101	14,308	(14,432)	**1,410,977**
Other segment information:								
Capital expenditures	11,757	-	-	**11,757**	56,558	-	-	**56,558**
Depreciation and amortisation	20,262	-	(126)	**20,136**	41,851	-	(112)	**41,739**
Interest income	382	-	-	**382**	466	1	-	**467**
Interest income - divisional CAP	-	857	(857)	**-**	-	846	(846)	**-**
Interest expense	16,109	-	-	**16,109**	16,219	-	-	**16,219**
Interest expense - divisional CAP	857	-	(857)	**-**	846	-	(846)	**-**

[1] Eliminations of transactions between the divisions (e.g. lease charges, service fees, annual fees for providing real estates).

12. Discontinued Operations

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

The Coke segment is presented as discontinued operations in the comparative consolidated statement of comprehensive income.

a) Result of discontinued operations

EUR thousand	3M 2013
Revenues	44,370
Cost of sales	(36,678)
Gross profit	7,692
Selling expenses	(6,071)
Administrative expenses	(1,011)
Other operating income	165
Other operating expenses	(43)
Operating income	732
Financial income	77
Financial expense	(19)
Profit before tax	790
Income tax expense	(526)
Profit from discontinued operations for the period (operating activities)	**264**

b) Cash flows from discontinued operations

EUR thousand	3M 2013
Net cash flows from operating activities	4,718
Net cash flows from investing activities	(2,908)
Net cash flow from discontinued operations	**1,810**

13. Contingencies and Other Commitments

Contingent assets and liabilities

Contingent liabilities relate to several litigation proceedings. As inherent in such proceedings, outcomes cannot be predicted with certainty and there is a risk of unfavourable outcomes to the Group. The Group disputes all pending and threatened litigation claims of which it is aware and which it considers unjustified. No provision has been set up as at 31 March 2014 for any of the litigation proceedings. At the date of these financial statements, based on advice of counsel, the management of the Group believes that the litigation proceedings have no significant impact on the Group's financial position as at 31 March 2014. A summary of the main litigation proceedings is included in the 2013 Annual Report and Accounts of the Company. There have been no significant developments in any of these matters since.

Contractual obligations

The Group is subject to commitments resulting from its indebtedness. These result mainly from the loans drawn by the Group and Notes issued. The following table includes the contractual obligations resulting from the ECA loan, the 7.875% Senior Notes due 2018 and the 7.875% Senior Notes due 2021 as at 31 March 2014 in nominal values.

(EUR thousand)	**1/4/2014 - 31/3/2015**	**1/4/2015 - 31/3/2017**	**After 31/3/2017**
7.875% Senior Notes due 2018	-	-	500,000
7.875% Senior Notes due 2021	-	-	275,000
ECA loan	14,246	21,370	14,246
TOTAL	**14,246**	**21,370**	**789,246**

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

The Group has contractual obligations to acquire property, plant and equipment in the total amount of EUR 37 million, all of which are spread within one year. The Group is also subject to contractual obligations under lease contracts in the total amount of EUR 4 million, of which EUR 1 million are short-term obligations.

14. Subsequent Events and Other Information

Paskov update

On 17 September 2013 the Company announced the closure of the Paskov mine with the phasing and terms of the closure to be determined after discussions with the Czech government and other stakeholders. Rough estimate of closure costs amounts to EUR 41 million, consisting of EUR 19 million of mine restoration and rehabilitation costs (for which a provision has been recognised as at 31 March 2014 in accordance with the standard practice of providing for such costs during the life of the mine) and EUR 22 million of social costs (for which no provision has been made as at 31 March 2014 as there is an on-going discussion with various stakeholders at the moment, with a detailed plan of the closure and its associated costs to be prepared and announced one the discussion finalised).

On 6 January 2014, the Group and the Czech Government entered into a non-binding Memorandum of Understanding (the “Memorandum”) in a joint effort to minimise the negative social, regional and economic impact of the mine closure.

On 22 April 2014, the Group has reached an agreement with certain members of government on a proposal to be submitted to government as regards financial support of the closure of its Paskov Mine. The main elements of the proposal are:

a) OKD extends the operation of the mine until 31 December 2017 for its own account;
b) the state provides an amount of CZK 600 million (approx. EUR 22 million) covering the social costs of the closure;
c) if coking coal prices drop below 110 USD per tonne for three consecutive quarters (according to the International hard coking coal benchmark) in period of between 1 July 2014 and 31 December 2017, the agreement is invalid and both parties will renegotiate the agreement in good faith;
d) OKD retains the flexibility to continue mining at Paskov after 2017 should it decide so; the agreement also becomes invalid if the net result of the Paskov mine is positive (cumulatively) for at least four consecutive quarters.

On 28 April 2014, the Government of the Czech Republic approved the agreement regarding financial support of the closure of the Paskov Mine. The agreement is further subject to notification and approval by the European Commission.

There is no guarantee of approval of the proposal by the European Commission. If such approvals are not received, the Group will have to fund all of the costs of the closure of the Paskov mine and re-assess the timing of the mine closure.

15. Certain Relationships and Related Party Transactions

Description of the relationship between the Group, BXR Group Limited (the controlling Shareholder) and entities affiliated to the BXR Group is included on pages 87-89 of the 2013 Annual Report and Accounts of NWR. There have been no substantive changes to the nature, scale or terms of these arrangements during the three-month period ended 31 March 2014.

16. Principal Risk and Uncertainties

It is not anticipated that the nature of the principal risks and uncertainties that affect the business, and which are set out on pages 26 to 36 of the 2013 Annual Report and Accounts of NWR, will change within the next nine months of the financial year, subject to successful outcome of capital restructuring.

Forward Looking Statements

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

Factors, risk and uncertainties that could cause actual outcomes and results to be materially different from those projected include, but are not limited to, the following: risks relating to changes in political, economic and social conditions in the Czech Republic, Poland and the CEE region; future prices and demand for the Company's products and demand for the Group's customers' products; coal mine reserves; remaining life of the Group's mines; coal production; trends in the coal industry and domestic and international coal market conditions; risks in coal mining operations; future expansion plans and capital expenditures; the Group's relationship with, and conditions affecting, the Group's customers; competition; railroad and other transport performance and costs; availability of specialist and qualified workers; and weather conditions or catastrophic damage; risks relating to Czech or Polish law, regulations and taxation, including laws, regulations, decrees and decisions governing the coal mining industry, the environment and currency and exchange controls relating to Czech and Polish entities and their official interpretation by governmental and other regulatory bodies and by the courts; and risks relating to global economic conditions and the global economic environment. Additional risk factors are described in the Company’s 2013 Annual Report and Accounts. A failure to achieve a satisfactory capital structure for liquidity and solvency purposes would pose a significant risk of the Group ceasing to operate as a going concern.

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, 13 May 2014

Board of Directors

Directors' Statement of Responsibility

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union;

- the three-month period management report includes a fair review of the information required by:

  (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first three months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining nine months of the year; and

  (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first three months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

The Board

The Board of Directors that served during all or part of the three-month period to 31 March 2014 and their respective responsibilities can be found on pages 68 to 73 of the 2013 Annual Report and Accounts of NWR (except of Jan Fabian, who resigned with effect from 31 December 2013 as described on page 73 of the 2013 Annual Report and Accounts of NWR).

On 24 February 2014, Kostyantin Zhevago, Non-Independent Non-Executive Director resigned from the Board.

Approved by the Board and signed on its behalf by

Marek Jelínek
Executive Director and Chief Financial Officer
13 May 2014