

PRESS RELEASE

MND Gas Storage Germany GmbH Successfully Completes the First Injection Period at the Stockstadt and Hähnlein UGSs to Launch Officially the Operation of the Two Facilities

Gernsheim, 6 October 2016 - MND Gas Storage Germany GmbH, a member of the MND international group, has put into service underground gas storage facilities in Stockstadt and Hähnlein, Germany. The launch of their operation today was attended by Thomas Raschel (Stockstadt), Peter Burger (Gernsheim), Werner Amend (Riedstadt), and Georg Rausch (Alsbach-Hähnlein). MND Gas Storage Germany purchased the storage facilities in April of this year from the German company Uniper Energy Storage (formerly E.ON Gas Storage), and has now successfully completed the first injection period. Thanks to the added capacity, MND Gas Storage Germany GmbH will be able to provide the necessary flexibility to its business partners who rely on the firm's storage products and services.

Both facilities are located in the Hesse region between Darmstadt and Frankfurt, approximately 30 km southeast from Darmstadt. The central part of Germany is an optimal location, not only from the geographical viewpoint, but also because it is an area that is due to historical reasons crisscrossed by a very dense network of pipelines. *"Both our gas storage facilities are connected to the Open Grid Europe (OGE) gas network, mainly through the Gernsheim compression station, which provides a link to the MEGAL and METG transit pipelines, as well as to the most important part of the regional infrastructure, the Main-Neckar pipeline,"* explains MND Gas Storage Germany GmbH Executive Sebastian Van Delden. In the past, both the Stockstadt UGS and the Hähnlein UGS served for the storage of town gas. During the 1980s, the two facilities were converted for the storage of high-calorific-value natural gas, the so-called "H Gas". Throughout their service life, both UGSs have been used to supply energy on the German market, mainly by providing ample

gas storage capacity for the needs of residential customers in Oberrheintalgraben during the heating season.

The technical aspects of the operation of the facilities will continue to be secured by Open Grid Europe (OGE), formerly E.ON Gas Transport (EGT), even after their acquisition by MND Gas Storage Germany. Because it oversaw their operation for many years, OGE, which was created from the Gas Transport Division of the former Ruhrgas AG, possesses the necessary expertise and experience to run the two facilities.

Since the two UGSs operate under the business name of MND Gas Storage Germany and because their operations take place in Hesse, MND Gas Storage Germany GmbH will move its registered office in Germany from Essen to the municipality of Alsbach-Hähnlein, which is in the immediate vicinity of the two facilities, as of 1 January 2017. *"We are very much looking forward to working together with our partners from OGE. Thanks to their extensive experience, they possess the necessary know-how, and I am confident that operations will remain glitch-free in the future. For the past 40 years, the two facilities have been in service with no incidents,"* adds MND Gas Storage Germany GmbH Executive Karel Luner.

MND Gas Storage Germany GmbH was established in August 2014 to operate underground gas storage facilities in Germany. The company's development strategy includes an enlargement of its storage portfolio by the addition of other facilities in Europe. MND Gas Storage GmbH is a member of MND, an international group that is, among others, the largest corporation in the Czech Republic specializing in crude oil exploration and production and the production and storage of natural gas. For the past two decades, the group has been operating storage systems (underground gas storage facilities) in the Czech Republic, and it possesses extensive geological, technical, organizational, and management expertise in the field. Overall, MND's storage facilities in Austria, the Czech Republic, and Germany feature a capacity in excess of 6.3 TWh. The Uhřice UGS, which is run by MND, is one of the fastest storage facilities in the Czech Republic. Likewise, the Dambořice UGS, launched by MND in collaboration with Moravia Gas Storage in June of this year, is the most advanced storage facility in the Czech territory.

A very important part of the MND Group is MND Drilling and Services, a company that not only provides a comprehensive array of services for the wells at the Stockstadt and Hähnlein UGSs, including well logging, but also drills geothermal wells in many European countries, including Germany.

The MND Group is a member of the KKCG Investment Group.

Technical specifications of the Stockstadt and Hähnlein underground gas storage facilities

Stockstadt UGS:

Reservoir type: Aquifer

Average depth: 500 m

Working gas volume: 135 million m³

Withdrawal rate: 3.3 million m³/day

Injection rate: 2.2 million m³/day

Hähnlein UGS:

Reservoir type: Aquifer

Average depth: 550 m

Working gas volume: 80 million m³

Withdrawal rate: 2.4 million m³/day

Injection rate: 1.5 million m³/day

MND Group

The MND Group is the largest Czech company specializing in crude oil and natural gas exploration and extraction, drilling, servicing, and electricity and natural gas storage and trading. Apart from the Czech Republic, the MND Group conducts exploration and production operations in Georgia, Germany, Russia, and Ukraine. The MND Group currently employs over 400 workers. For more information, visit www.mnd.cz.

KKCG

The KKCG Investment Group holds assets worth over two billion euros and employs more than

2,500 workers. The group's long-term investment strategies focus on crude oil and natural gas production, lotteries, tourism, and new technologies. KKCG holds shares in more than 25 Czech and foreign corporations, including MND Group, SAZKA Group, VÍTKOVICE, FISCHER Travel Group, Conectart, DataSpring, SafeDX, Springtide Ventures, and others. KKCG operates in 10 countries worldwide.

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