CEZ GROUP: THE LEADER IN POWER MARKETS OF CENTRAL AND SOUTHEASTERN EUROPE

Investment story, November 2012

DISCLAIMER

Certain statements in the following presentation regarding CEZ's business operations may constitute "forward looking statements." Such forward-looking statements include, but are not limited to, those related to future earnings, growth and financial and operating performance. Forward-looking statements are not intended to be a guarantee of future results, but instead constitute CEZ's current expectations based on reasonable assumptions. Forecasted financial information is based on certain material assumptions. These assumptions include, but are not limited to continued normal levels of operating performance and electricity demand at our distribution companies and operational performance at our generation businesses consistent with historical levels, as well as achievements of planned productivity improvements and incremental growth from investments at investment levels and rates of return consistent with prior experience. Actual results could differ materially from those projected in our forward-looking statements due to risks, uncertainties and other factors. CEZ undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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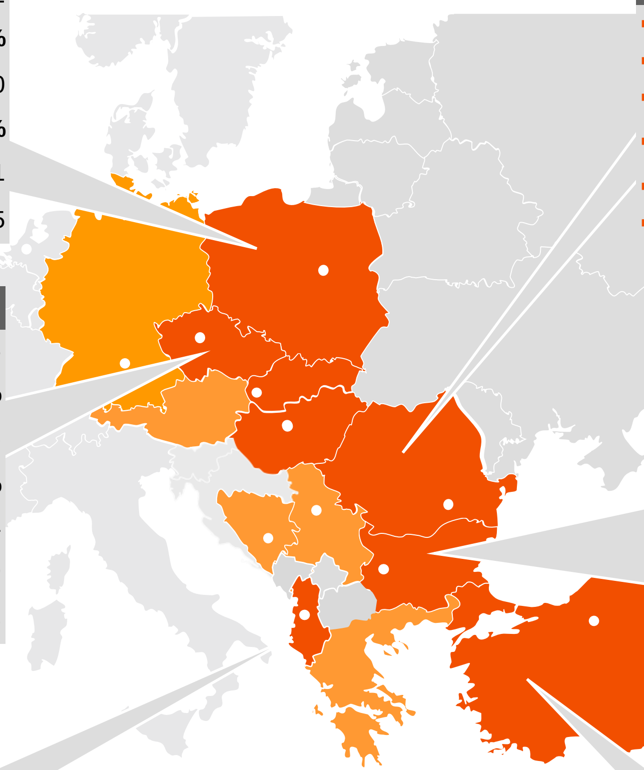
AGENDA

CEZ GROUP IS AN INTERNATIONAL UTILITY WITH A STRONG POSITION IN CEE

Energy Assets
Trading Activities
Active subsidiary



CEZ Group in Poland
(100% stake in Skawina, 100% in Elcho)

Electricity generation, gross (TWh)	2.2
Market share	**1.4%**
Installed capacity (MW)	730
Market share	**2.0%**
Number of employees	421
Sales (EUR million)	115

CEZ Group in the Czech Republic

Electricity generation, gross (TWh)	63.3
Market share	**72%**
Number of connection points (million)	3.6
Market share	**61%**
Installed capacity (MW)	12,814
Number of employees	20,559
Sales (EUR million)	6,601

CEZ Group in Albania
(76% stake in CEZ Shpërndarje)

El. sales to end customers (TWh)	4.6
Number of connection points (million)	1.1
Number of employees	4,523

CEZ Group in Romania
(100% stakes in CEZ Distributie, CEZ Vanzare, Tomis Team, Ovidiu Development, TMK Hydroenergy Power)

El. sales to end customers (TWh)	3.5
Number of connection points (million)	1.4
Market share	**16.1%**
Installed capacity	318 MW
Number of employees	1,975
Sales (EUR million)	400

CEZ Group in Bulgaria
(67% stake in CEZ Razpredelenie Bulgaria, CEZ Electro Bulgaria, 100% in TPP Varna)

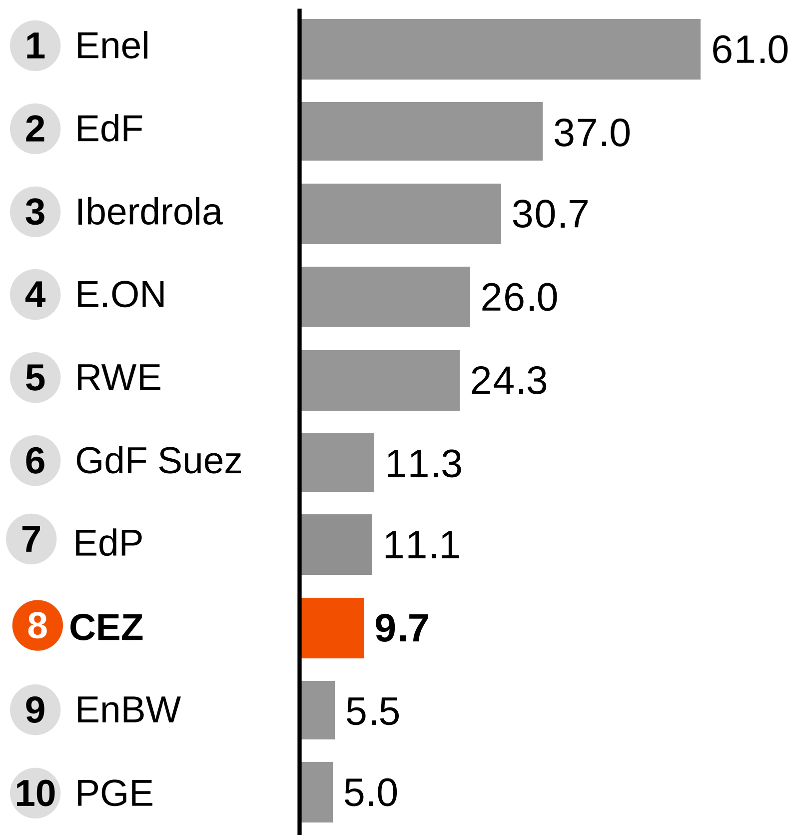
El. sales to end customers (TWh)	10.0
Number of connection points (million)	2.1
Market share	**40%**
Installed capacity (MW)	1,260
Market share	**11.9%**
Number of employees	3,910
Sales (EUR million)	840

CEZ Group in Turkey
(44.3% stake in SEDAS through AkCez, 37.36% stake in Akenerji)

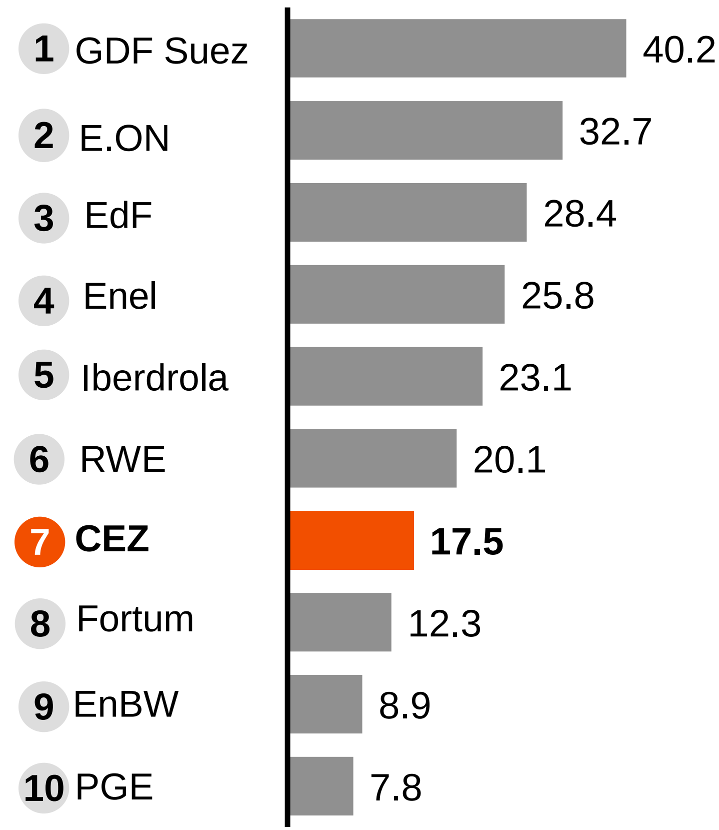
El. sales to end customers (TWh)	6.1
Number of connection points (million)	1.3
Market share	**6.5 %**
Installed capacity (MW)	715
Market share	**1.1%**

CEZ GROUP RANKS AMONG THE TOP 10 LARGEST UTILITY COMPANIES IN EUROPE

Top 10 European power utilities
Number of customers in 2011, in millions



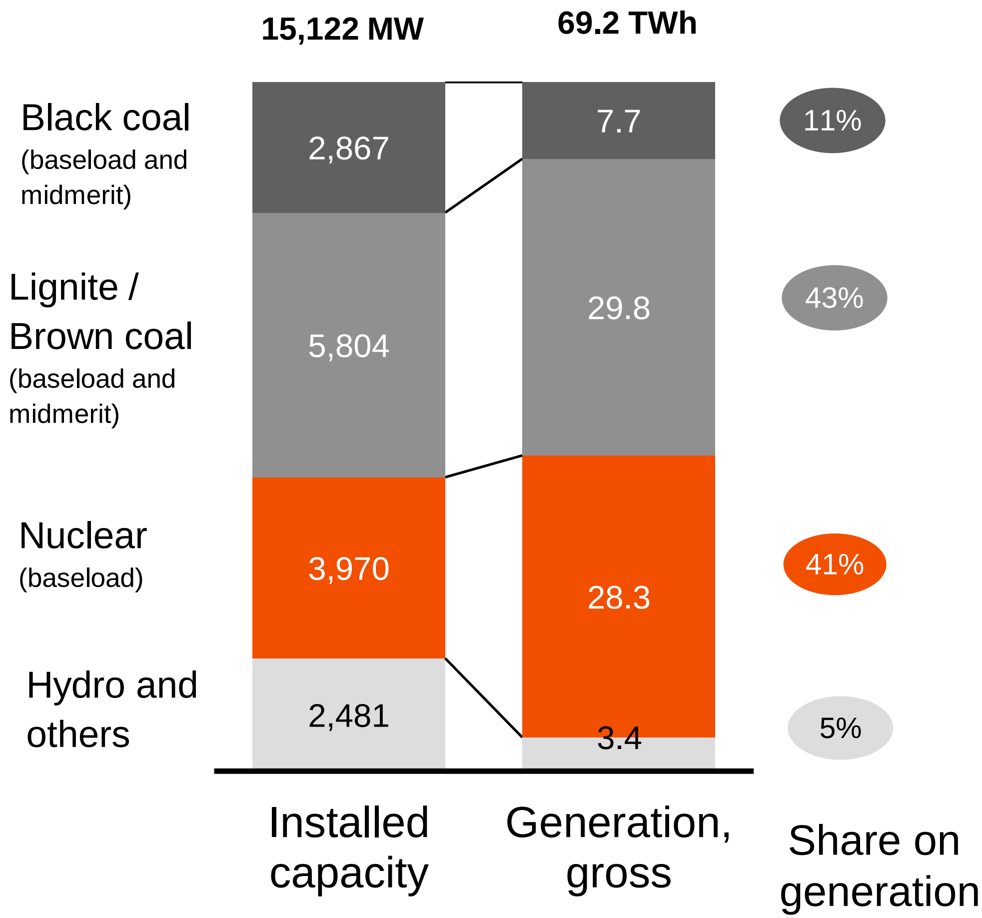
Top 10 European power utilities
Market capitalization in EUR bn, as of November 9, 2012



Source: Bloomberg, Annual reports, companies websites and presentations

CEZ GROUP IS BENEFITING FROM LOW COST GENERATION FLEET

CEZ Group installed capacity and generation (2011)



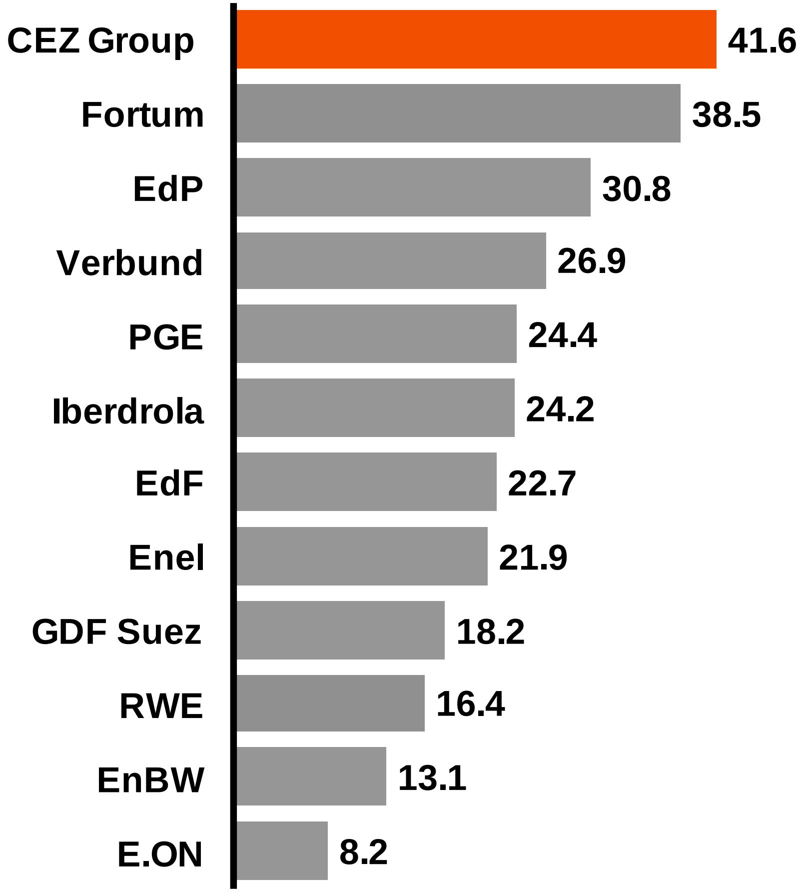
- **Coal power plants are using mostly lignite from CEZ's own mine** (63% of lignite needs sourced internally, remaining volume through medium-term supply contracts)
- **Nuclear plants have very low operational costs**

CEZ has a long-term competitive advantage of low and relatively stable generation costs

Source: CEZ

CEZ GROUP IS ONE OF THE MOST PROFITABLE EUROPEAN UTILITIES

EBITDA* margin, 2011
Percent



* EBITDA as reported by companies, source: company data

KEY STRENGTHS OF CEZ GROUP

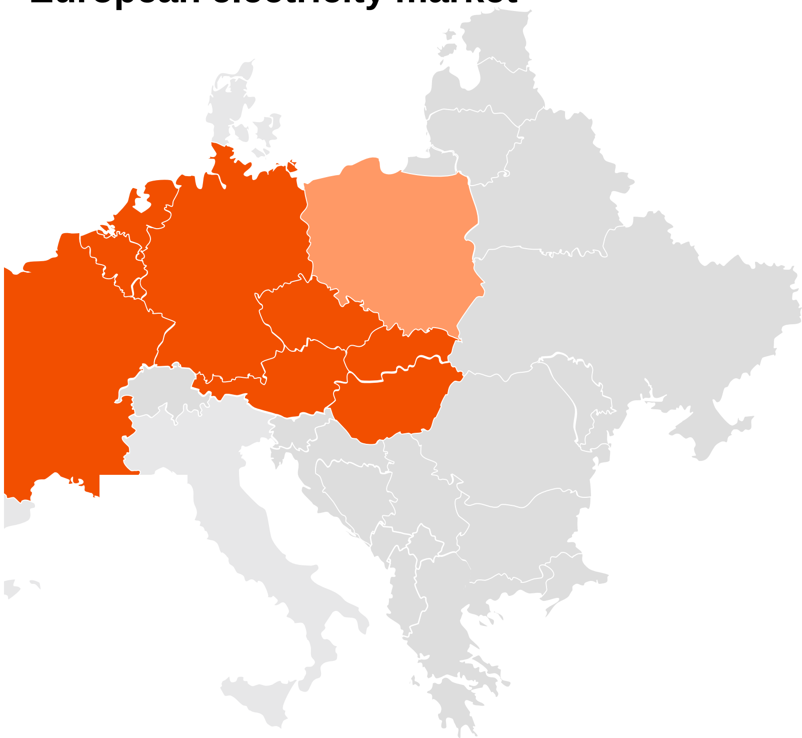
- Low cost generation fleet
- Clear path towards low emission portfolio
- Nuclear expertise
- Portfolio of high quality foreign assets purchased at attractive prices
- Strong balance sheet
- Attractive dividends

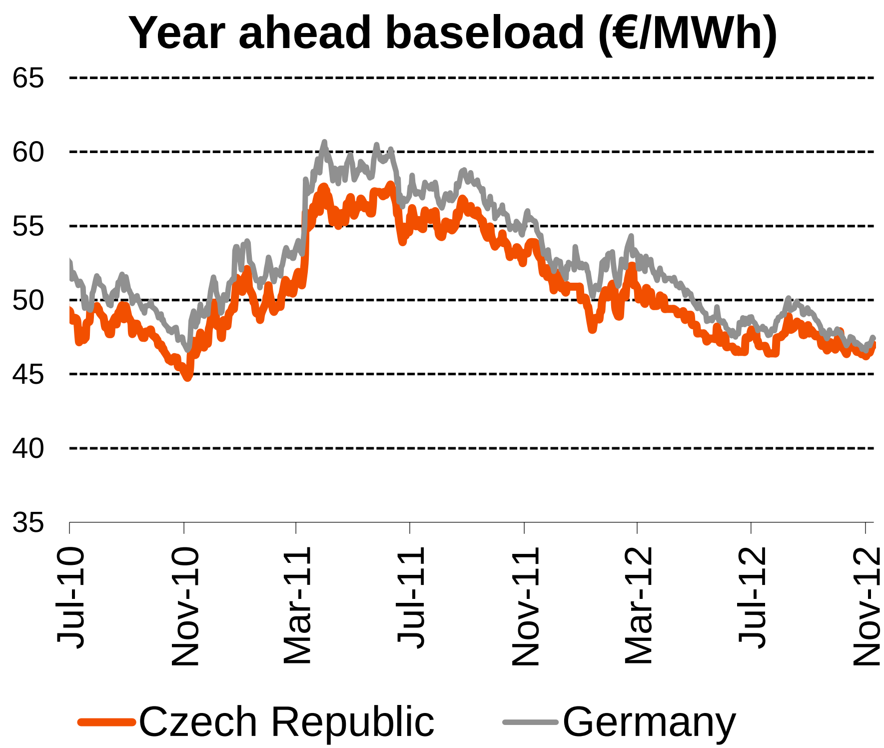
AGENDA

CZECH ELECTRICITY MARKET HAS CONVERGED WITH GERMANY DUE TO STRONG CROSS-BORDER INTEGRATION

- **Czech market is an integral part of wider European electricity market**
- **Czech power prices are fully liberalized and are driven by the same fundamentals as German market**
- **There are no administrative interventions from the side of the government**

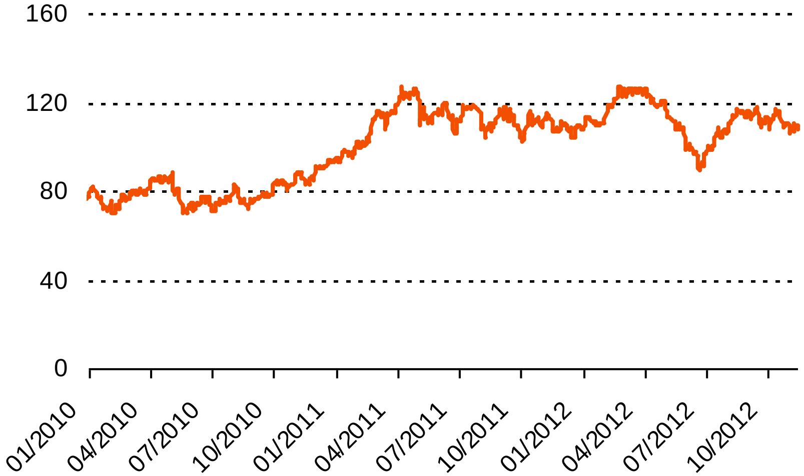
European electricity market



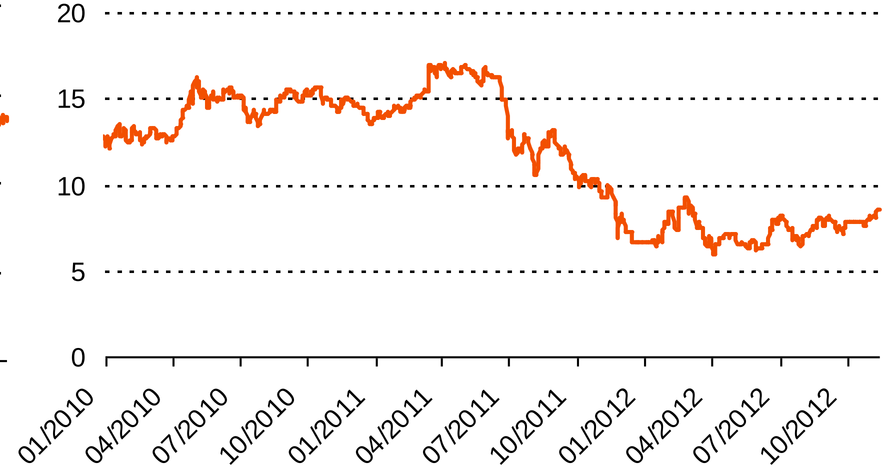


HISTORICAL DEVELOPMENT OF PRICES OF INPUT COMMODITIES

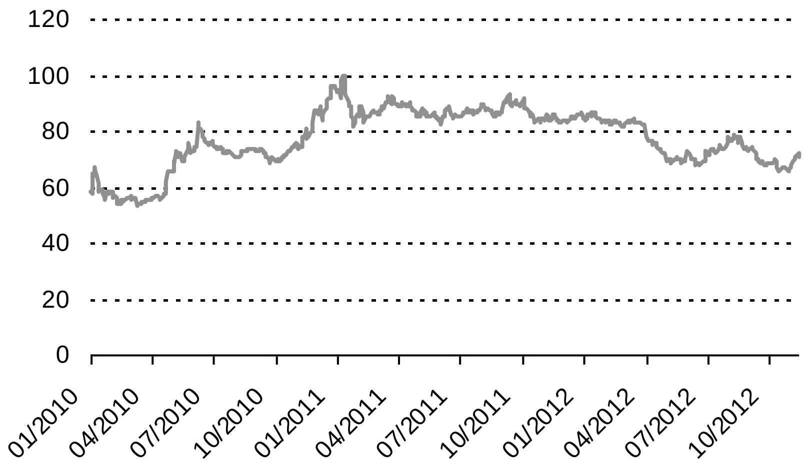
Oil Brent (USD/bl)



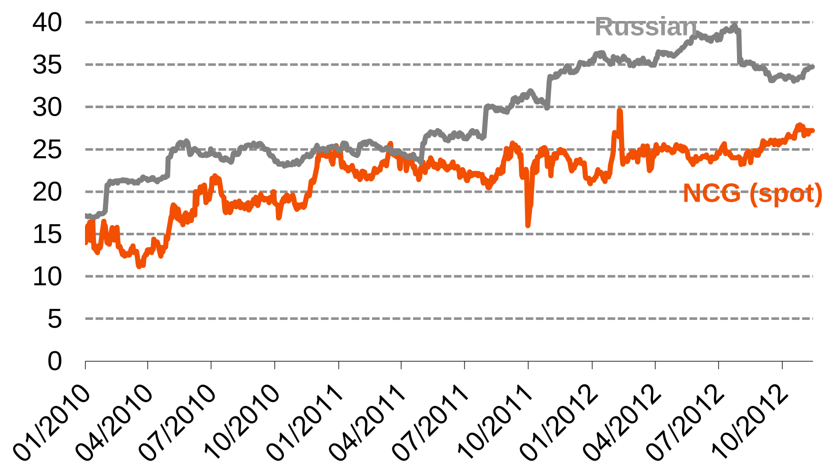
CO_2 allowances (EUR/t)



Coal (EUR/t)

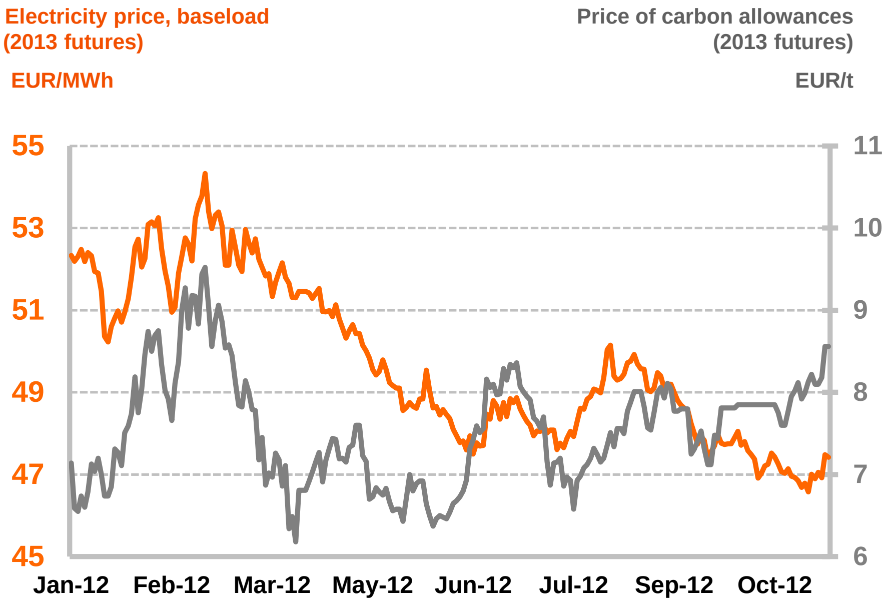


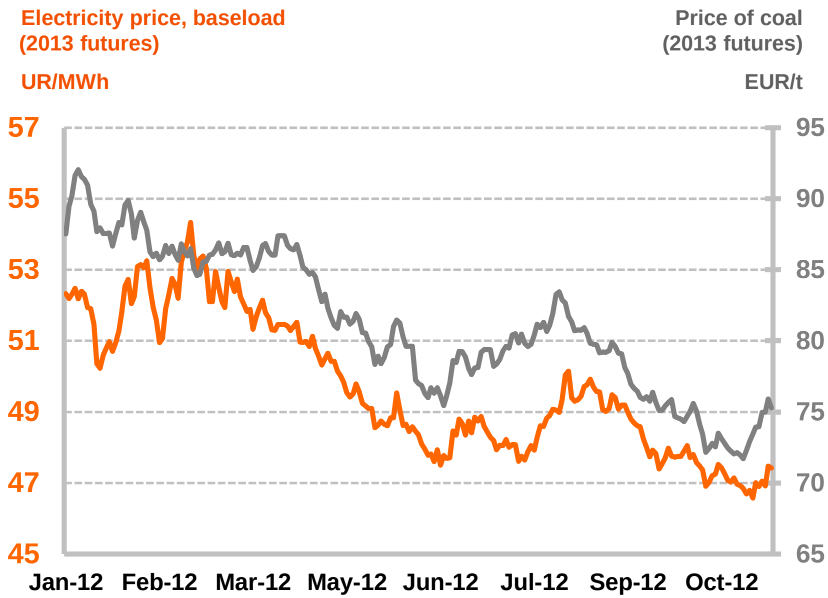
Gas (EUR/MWh, in Germany)



Note: next month deliveries or spot

PRICE OF ELECTRICITY ON DOWNWARD PATH DUE FALLING PRICES OF CARBON ALLOWANCES AND COAL





Prices of EUA allowances are at low levels

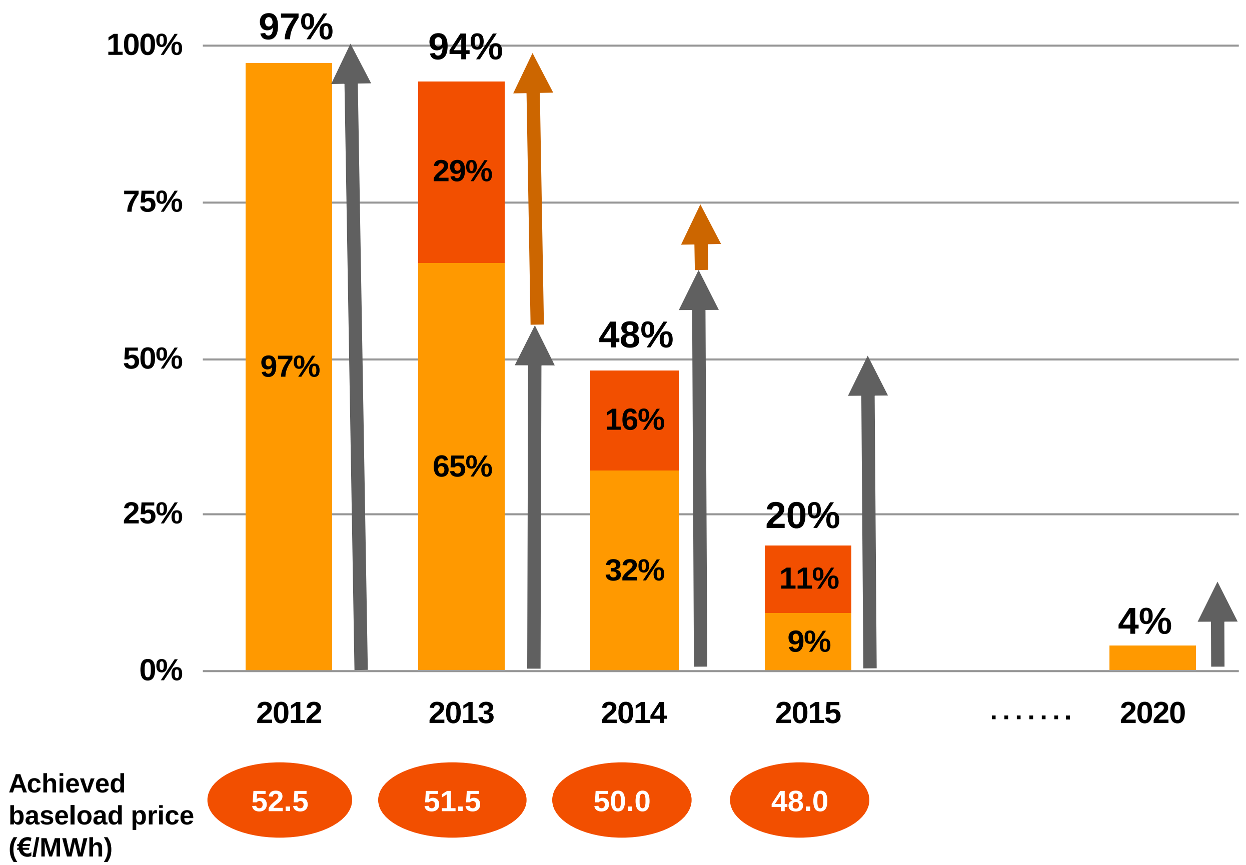
- at these price levels, the EU ETS system fails to fulfil its function of an incentive for reduction of CO2 emissions during electricity production
- the European Commission aims to reduce volume of emission allowances planned for auctions in the first three years of NAP 3 by 0.9 bn and bringing them back later.

Prices of coal are declining

- Prices have dropped from 115 USD/t to levels around 95 USD/t, where they stabilised recently
- Weakening growth of global economy and growing volumes of shale gas extraction are the probable reasons

ČEZ, A. S., CONTINUES HEDGING ITS REVENUES FROM SALES OF ELECTRICITY IN LINE WITH STANDARD POLICY

Share of hedged generation from ČEZ, a. s. power plants
(as of November 1, 2012, 100 % corresponds to 50 – 55 TWh)



- ČEZ, a. s., applies a standard concept of hedging its open positions from electricity generation portfolio against price risks and of hedging currency risk
- Within this strategy ČEZ, a.s. sells electricity on forward basis for years Y+1 to Y+3 and hedges currency for years Y+1 to Y+5
- ČEZ, a. s. concluded new long-term contracts with delivery by 2020

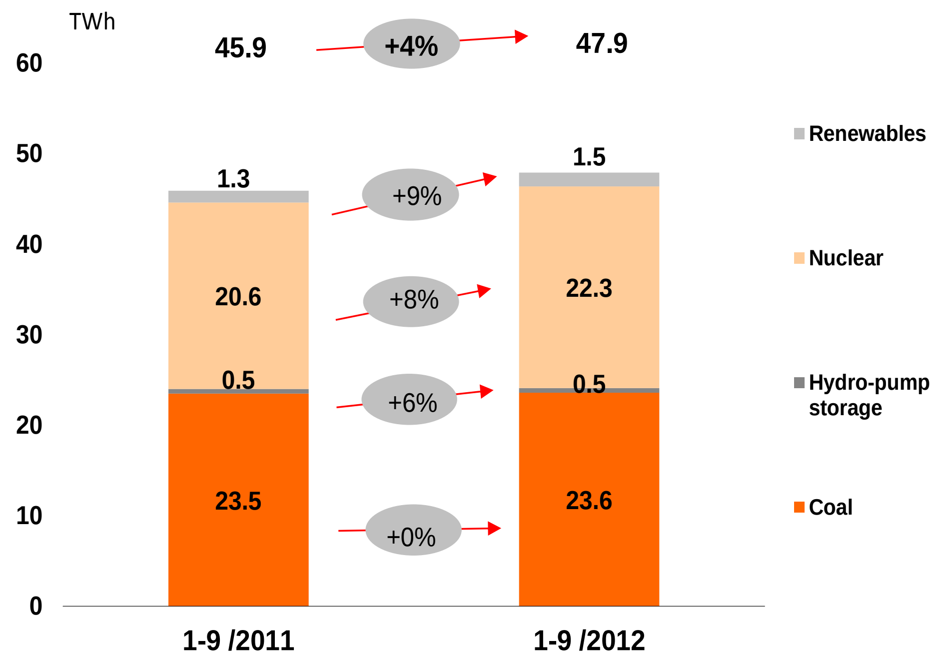
Electricity hedging

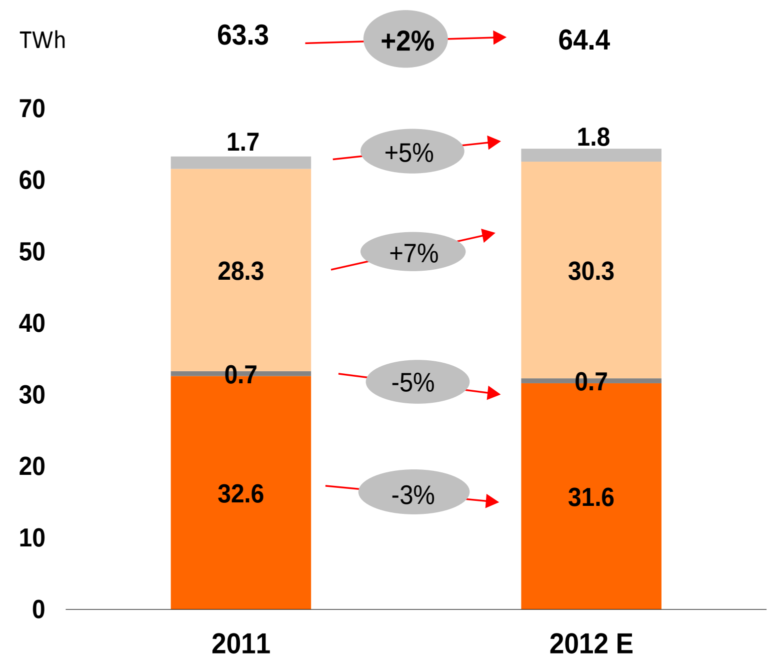
- Hedged volume from August 1, 2012 to November 1, 2012
- Hedged volume at August 1, 2012

Currency hedging

- Transaction currency hedging (hedge accounting)
- Natural currency hedging – costs, investment and other expenses, debts in EUR (hedge accounting)

ELECTRICITY GENERATION OF CEZ GROUP IN THE CZECH REPUBLIC IS EXPECTED TO INCREASE MODERATELY





Nuclear power plants (+8%)

+ increase in installed capacity of the Dukovany nuclear power plant
+ shorter outages of the Temelín nuclear power plant

Coal-fired power plants (0%)

+ increase in production launching Tušimice power plant into operation after its complex refurbishment
− initiation of complex refurbishment of 3 units of the Prunéřov II plant from September 1, 2012

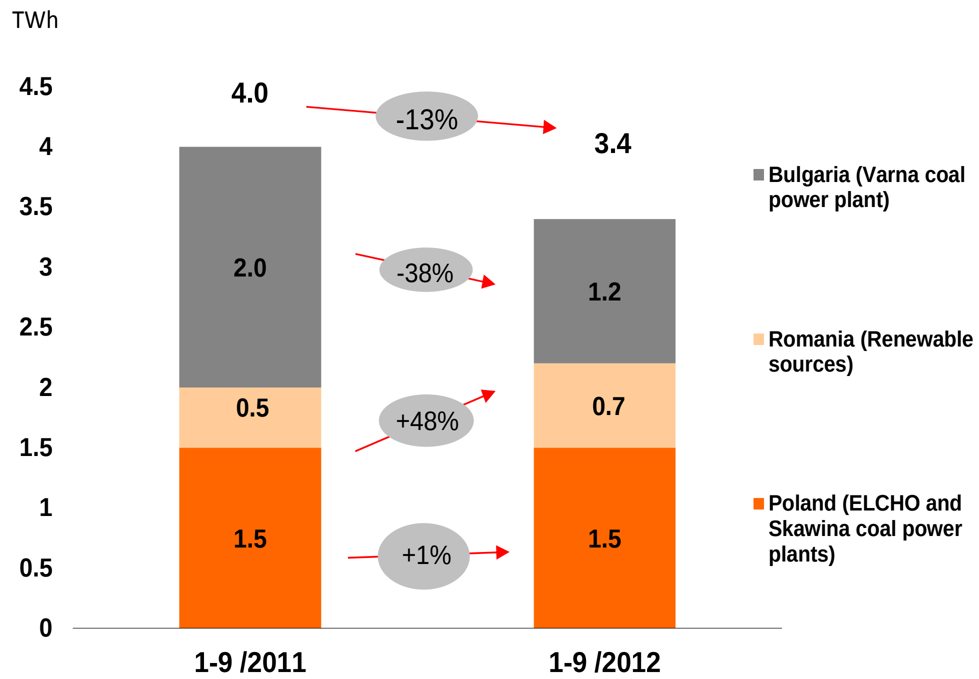
Nuclear power plants (+7%)

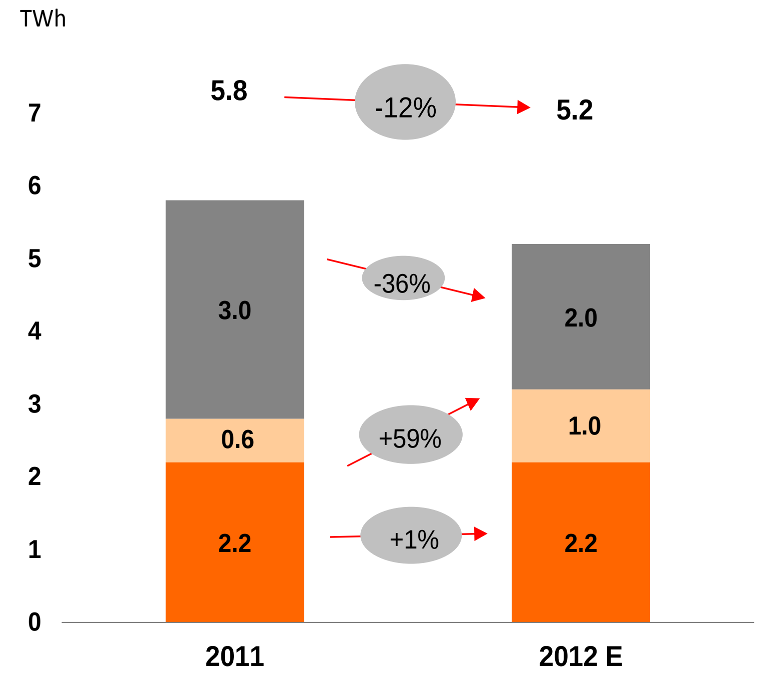
+ increase in installed capacity and shortening of planned outages of the Dukovany nuclear power plant in 2012
+ shorter outages of the Temelín nuclear power plant

Coal-fired power plants (-3%)

− initiation of complex refurbishment of 3 units of the Prunéřov II plant from September 1, 2012

Y-O-Y DECREASE OF PRODUCTION ABROAD PARTLY COMPENSATED BY GRADUAL FINISHING OF A WIND FARM IN ROMANIA





Romania renewable resources (+48%)

+ gradual connection of the last 20 wind turbines in Fântânele and further 73 turbines in Cogealac

+ slightly positive effect of the new acquisition of the Reşița hydroelectric plant

Poland - coal-fired power plants ELCHO and Skawina (+1%)

+ increased production from biomass

Bulgaria - coal-fired power plant Varna (-38%)

− decline in production due to lower demand for supplies on the regulated market

Romania renewable resources (+59%)

+ connection of all wind turbines in Fântânele

+ production from the gradually connected wind turbines in Cogealac from January 2012, completion of the entire farm by the end of 2012

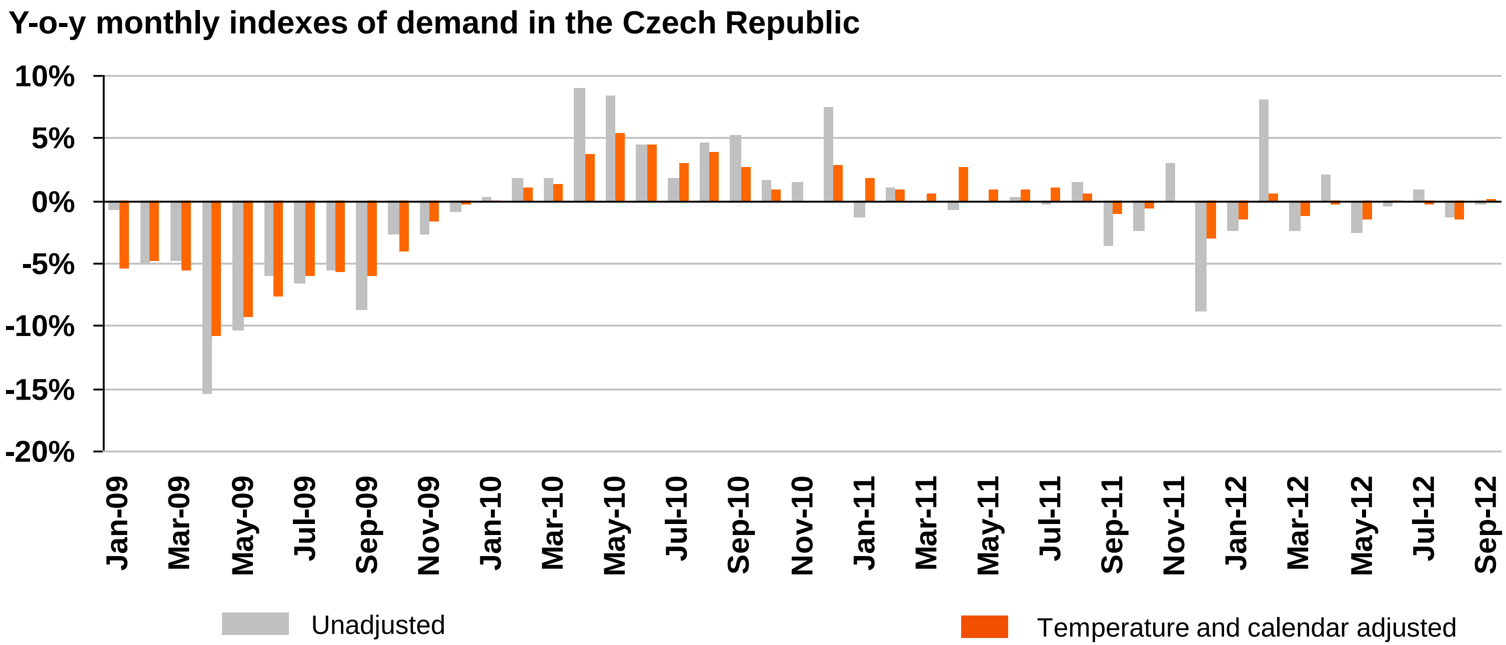
Poland - coal-fired power plants ELCHO and Skawina (+1%)

+ increased production from biomass

Bulgaria - coal-fired power plant Varna (-36%)

- lower production planned for the regulated market (lower activation of cold reserve, lower declared quota for the second half of 2012)

ELECTRICITY CONSUMPTION IN THE CZECH REPUBLIC SLIGHTLY DECREASES BY 0.5%



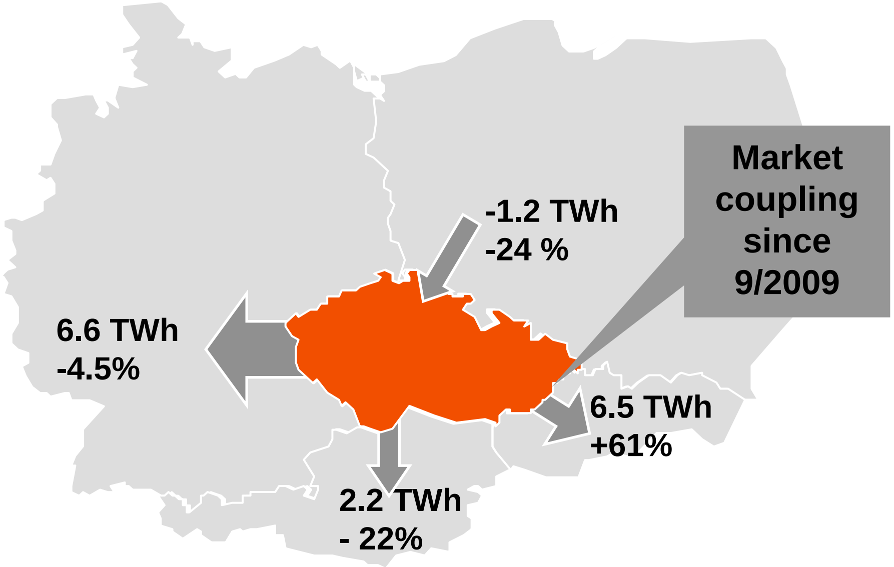
- In 9M 2012 temperature adjusted electricity consumption decreased by 0.4% y-o-y in the Czech Republic
- Unadjusted consumption of individual segments in 9M 2012 was as follows :
  - -0.2 % wholesale customers
  - +1.5 % households
  - +1.6 % small business

Source: CEZ, ERU

CZECH REPUBLIC REMAINS NET EXPORTER OF ELECTRICITY

Balance of cross border trades of the Czech Republic in 9M 2012

(Net exports in TWh, y-o-y changes in %)

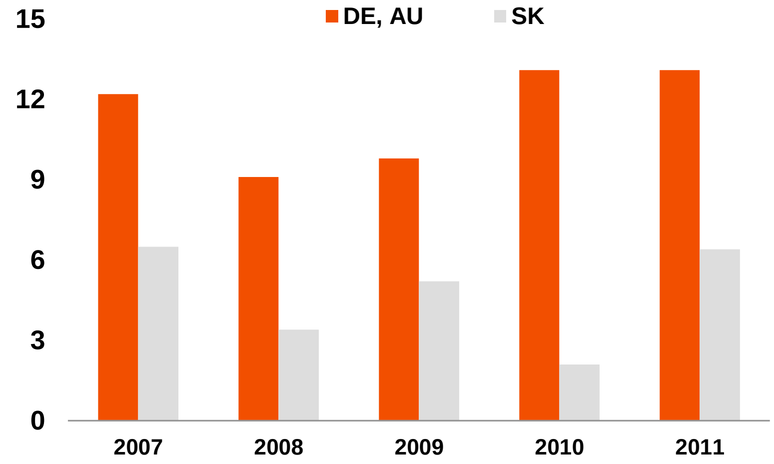


Total net exports: 14.1 TWh, +16%

- CEZ is selling electricity on the wholesale market
- Czech Republic remains net exporter of power
- There are no bottlenecks on the borders (except Poland)

Development of balance of cross border trades

TWh



TWh	2008	2009	2010	2011	9M 2012
DE, AU	9.1	9.8	13.1	13.1	8.8
SK	3.4	5.2	2.1	6.4	6.5
PL	-0.8	-0.7	-0.5	-2.1	-1.2
	11.7	14.3	14.8	17.5	14.1

AGENDA

THE KEY BLOCKS OF OUR STRATEGY WILL INCREASE THE STABILITY AND VALUE OF CEZ GROUP

NEW VISION

1. **New nuclear units**
2. **Securing fuel availability**
3. **Performance**
4. **Regional energy business**
5. **Renewables**

For each of these building blocks, we have defined:

- **Aspiration -** what will the initiative deliver?
- **Target -** how will the initiative work?
- **Next steps -** how will we get from the present to the desired target?

WE STRIVE TO ENSURE THE FUTURE DEVELOPMENT OF CEZ GROUP IN THE FIELD OF NUCLEAR AND CONVENTIONAL POWER PLANTS AND ALSO INCREASING EMPHASIS ON PERFORMANCE IMPROVEMENTS

Strategy block	Aspiration	Current status
1 **New nuclear power plant units**	For the new unit of NPP Temelín: ▪ achieve the conditions that enable the implementation of the project and its financing ▪ solve associated construction and regulatory risks	▪ supplier selection in progress ▪ environmental impact assessment (EIA) in progress ▪ preparing request for approval of locating new NPP unit in the Temelín area
2 **Securing fuel availability**	▪ settle relations with coal suppliers and secure enough fuel for operations of our coal-fired plants ▪ use biomass and alternative fuels to the highest extent possible in order to increase value of conventional power plants	▪ draft of medium-term plan, preparation of assignment ▪ negotiations with suppliers
3 **Performance**	▪ secure additional cash-flow until 2015 for our development initiatives ▪ improve performance of CEZ Group in the long term	▪ optimise investments of Severočeské doly and ČEZ Distribuce - application of Design to Cost methodology ▪ develop service provision concept in CEZ Group - create shared service centre (consolidate support functions and subsidiary companies)

WE ARE PREPARING SPECIFIC PLAN TO REACH OUR AMBITIONS IN THE REGIONAL ENERGY INDUSTRY AND WE ARE BROADENING OUR PRESENCE IN RENEWABLES

Strategy block	Aspiration	Current status
4 **Regional energy business**	▪ build strong position in the regions ▪ strengthen business activity in the fields of heat generation, co-generation, use of waste and biomass in energy production	▪ draft of medium-term plan, preparation of assignment
5 **Renewables**	▪ by 2016 substantially increase installed capacity of wind and hydro power plants in the target markets – Germany, Poland, Romania ▪ achieve attractive returns ▪ increase share of stable sources of cash flow of CEZ Group ▪ readily available and liquid assets to divest in case of balance sheet weakness and/or rating pressures	▪ setting up a central team to negotiate with developers, technical evaluation of projects, purchasing and construction ▪ purchase of 67% stake in Eco – Wind Construction S.A. (leading Polish wind park developer) ▪ additional investment opportunities totaling 1,100 MWe in capacity are being negotiated with individual counterparties ▪ structuring non-recourse financing; CEZ s participation is limited to up-front equity contribution only

CEZ GROUP INTENDS TO DEVELOP A PIPELINE OF PROJECTS OF RENEWABLE GENERATION RESOURCES; PROJECTS TO BE REALISED BASED ON AVAILABLE DEBT CAPACITY AND FINANCED ON NON-RECOURSE BASIS

Expected schedule of creation of projects' pipeline in renewable generation:

2011 | 2012 | 2013 | 2014 | 2015

Setup of organization
Target markets defined
Resources allocated
First quick wins

- Target markets Germany, Poland and Romania
- One project launched by 2011(developer's acquisition)
- Structuring non-recourse financing
- Setting project structure allowing for flexible divestiture of ready-to-builc projects as well as of the finished projects

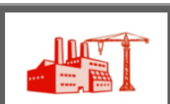
Searching for and buying projects

- Completion of the Cogealac project
- Further acquisition of developers
- Non-recourse financing in place
- Seeking new expansion opportunities
- Divesting projects not fitting CEZ s balance-sheet

Completion of acquisitions
Project realization/ construction
Cash contribution of completed projects

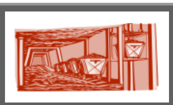
- Construction works portfolio project
- Investment-wise most demanding period
- Finishing the projects and generating stable cash flow to the group
- Divesting projects not fitting CEZ s balance-sheet

STRATEGIC PRIORITIES OF CEZ GROUP FOR 2012



New nuclear units

- starting the evaluation of bids submitted by potential suppliers for the completion of nuclear units 3 and 4 in Temelín



Securing fuel availability

- completion of negotiations on coal supplies to key brown coal power plants for the forthcoming years

Performance

- identifying possible improvements in the internal functioning of CEZ Group as part of the “Performance” initiative and thus generate resources for our strategic activities

Regional energy business

- launch of the first projects in selected regions as part of the new regional strategy

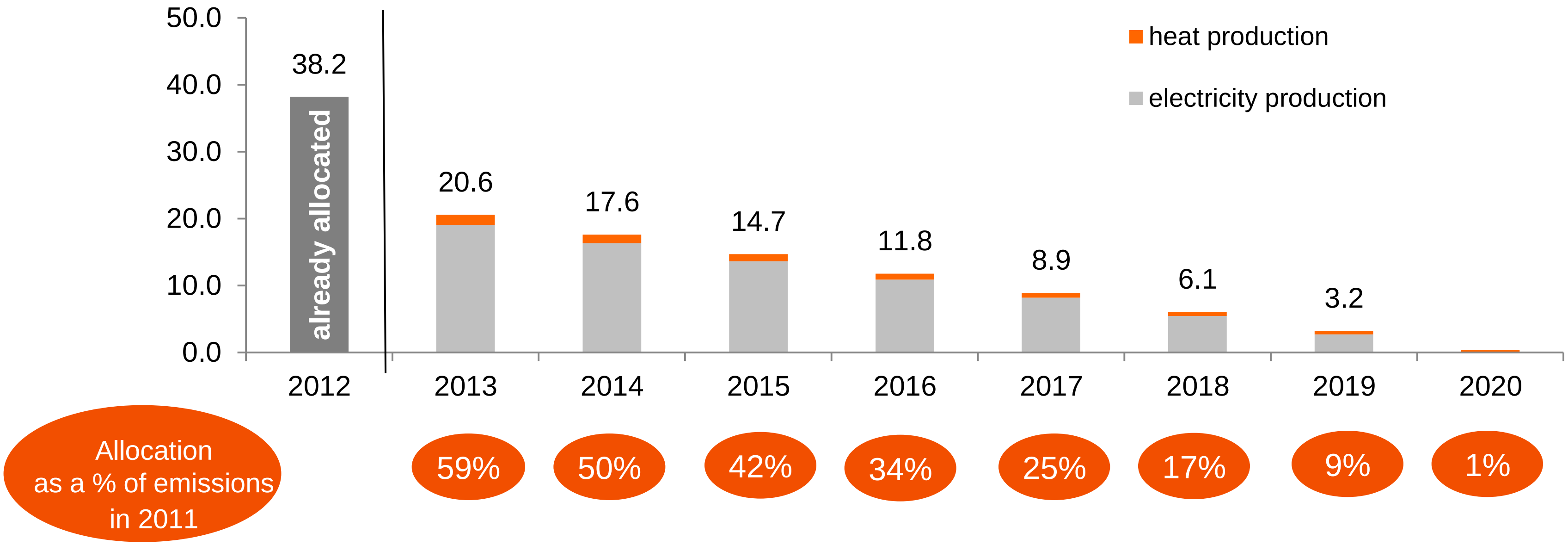
Renewables

- completion of the Cogealac wind farm, seeking of other interesting opportunities in renewable sources of energy abroad

DIRECTORATE-GENERAL FOR CLIMATE ACTION OF THE EUROPEAN COMMISSION APPROVED DEROGATION OF ALLOWANCES FOR THE CZECH REPUBLIC

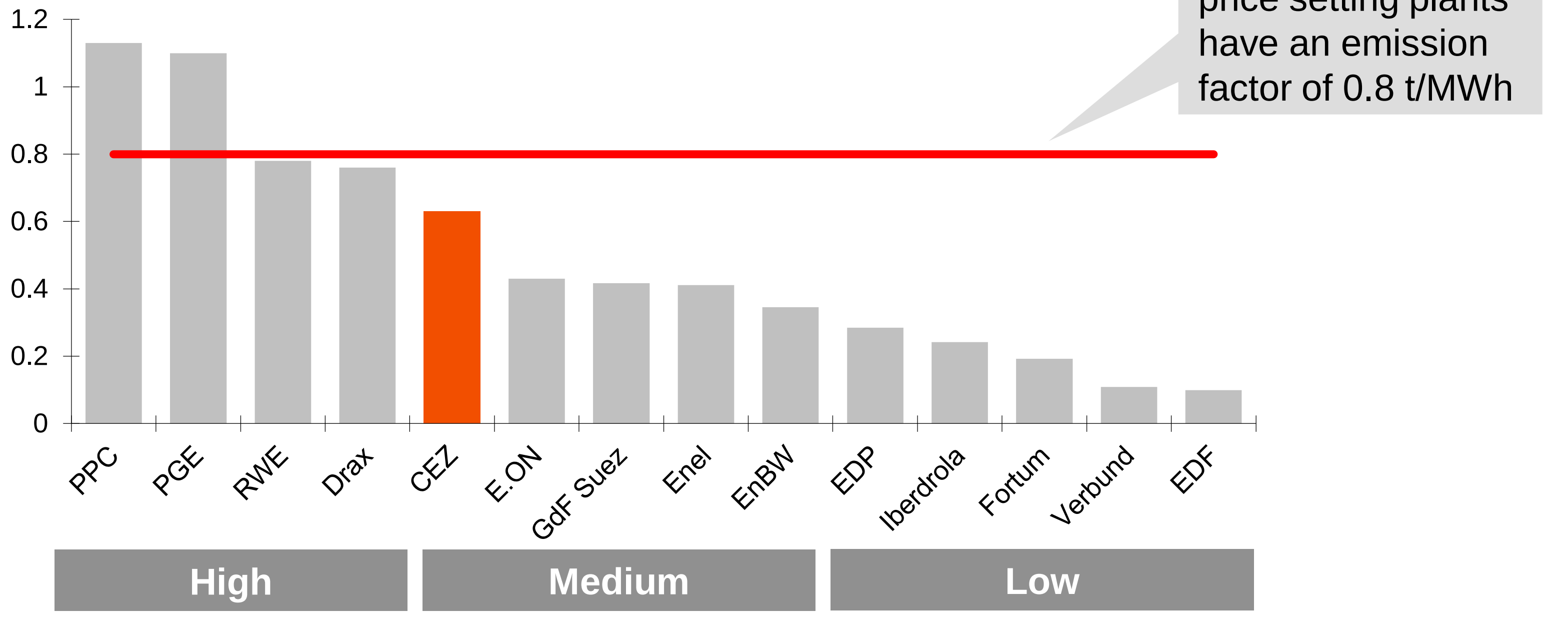
- on July 6, 2012, the EC's DG Climate Action approved the Czech Republic's request, including the National Investment Plan (NIP), allowing direct allocation of some emission allowances for electricity production from 2013 - derogation
- the NIP is subject to notification to the EC's DG Competition, the result is expected in October 2012; the final allocation of allowances among the individual installations in the Czech Republic is the responsibility of the Ministry for the Environment
- within the derogation, the Czech Republic will allocate a total of 108 million allowances for electricity production between 2013 and 2019
- CEZ Group in the Czech Republic* expects the allocation of a total of about 76 million allowances for electricity production between 2013 and 2019 in exchange for a commitment to make investments at least in the amount of the allocated allowances

Expected allocation of allowances for CEZ Group in the Czech Republic*
(millions)



OUR CO_2 INTENSITY IS ALREADY NOW BELOW EUROPEAN PRICE SETTING PLANT

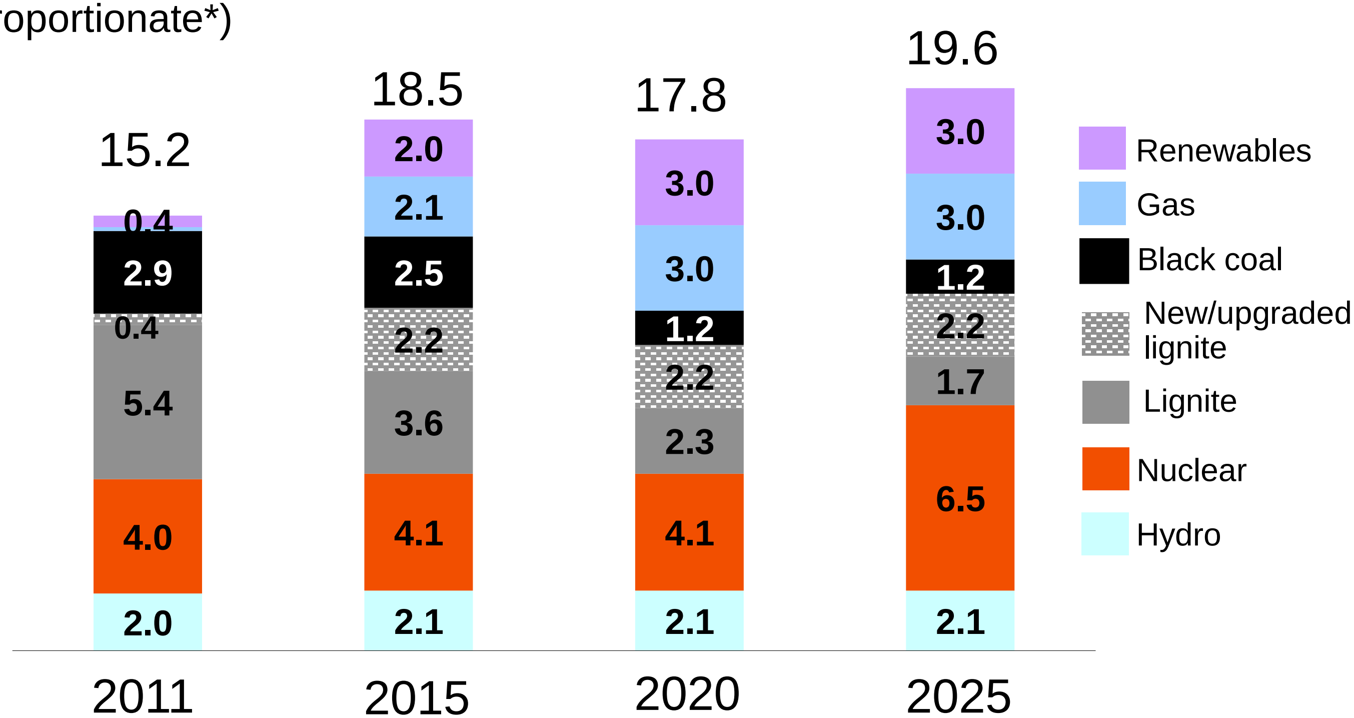
Carbon intensity of selected European utilities
(2011, t/MWh)



Increase in CO_2 price has a positive impact on CEZ profitability

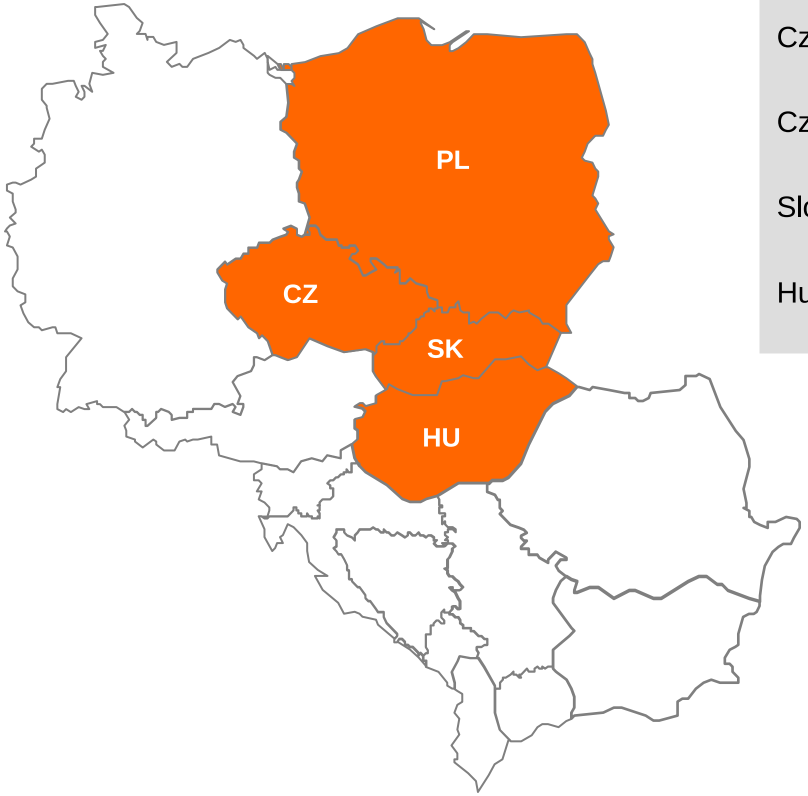
INVESTMENT PROGRAM WILL ALLOW CEZ TO REDUCE THE AVERAGE CO_2 EMISSION FACTOR BY ALMOST 50%

Expected installed capacity (GW)
(proportionate*)



	2011	2015	2020	2025
Total CO_2 emissions ($m\ t\ CO_2$)	38.4	44.1	33.6	33.6
Emission intensity ($t\ CO_2$/MWh supplied)	0.61	0.52	0.41	0.34

CEZ PLANS CCGTS IN LOCATIONS WITH SUITABLE CONDITIONS



Location	Name	Size (MW)	Expected start of operation
Czech Rep.	**Pocerady**	840	2013
Czech Rep.	**Melnik**	840	-
Slovakia	**Slovnaft** (JV with MOL)	840 +160	-
Hungary	**Dufi** (JV with MOL)	840	-

WE ARE ADVANCING IN PREPARATION FOR CONSTRUCTION OF NEW UNITS AT TEMELIN NUCLEAR POER PLANT

Project schedule

Submission and evaluation of the bids	Selection of winner and signature of the contract	Permitting and licencing	Construction

July- 12 — Aug-13 — Dec-13 — 2017 — 2023-25

Public tender participants

Reactor type	**Bidder**		
AP 1000	Westinghouse Electric Company LLC Westinghouse Electric Czech Republic s.r.o.	Westinghouse	
EPR 1600	AREVA NP S.A.S.	AREVA	Bid failed to comply with public tender requirements and was disqualified in Oct-12
MIR 1200	ŠKODA JS a.s. ZAO Atomstroyexport OAO OKB Gidropress	АСЭ·ASE	

WE ARE CONSIDERING THE INVOLVEMENT OF A STRATEGIC PARTNER IN THE COMPLETION AND OPERATION OF THE TEMELÍN NUCLEAR POWER PLANT

Project of new nuclear units ETE 3, 4

The ETE 3, 4 project is one of the most ambitious projects of its kind in Europe

- on July 2, 2012, ČEZ, a.s. took over offers from three bidders
- the winner of the tender should be known in September 2013
- a contract is expected to be signed at the end of 2013

Financing of nuclear projects

CEZ Group is ready to finance the completion of this project from its own resources and available debt capacity

- most nuclear projects in Europe currently are implemented on grounds of various forms of partnership
- given the parameters of the public tender, any involvement of a strategic partner is only likely after a contract is signed with the selected supplier

Benefits of partnership:

- construction and project return risks are spread across more entities
- can bring additional know-how in the nuclear field
- releases a part of financial resources of the CEZ Group for other attractive investment opportunities

CEZ GROUP TARGET IS TO ACHIEVE 3,000 MW IN RENEWABLES

Romania

Fantanele & Cogealac (600 MW)

- Largest wind farm project in Europe
- 585 MW (234 turbines) in operation on Nov 11, 2012, remaining 15 MW by end of 2012
- Excellent wind conditions for an on-shore site with expected net capacity factor of 28%
- Total investment is estimated at € 1.1 bn
- Support through green certificates (GC) – price range set by law at € 27-55 per certificate, 2 GCs approved for each MWh since November 2011 until 2017, 1GC per MWh afterwards

Hydro power plants in Resita

- TMK Hydroenergy Power S.R.L. acquired in 2011
- 4 small hydro plants with total capacity of 18 MW

CEZ GROUP TARGET IS TO ACHIEVE 3,000 MW IN RENEWABLES

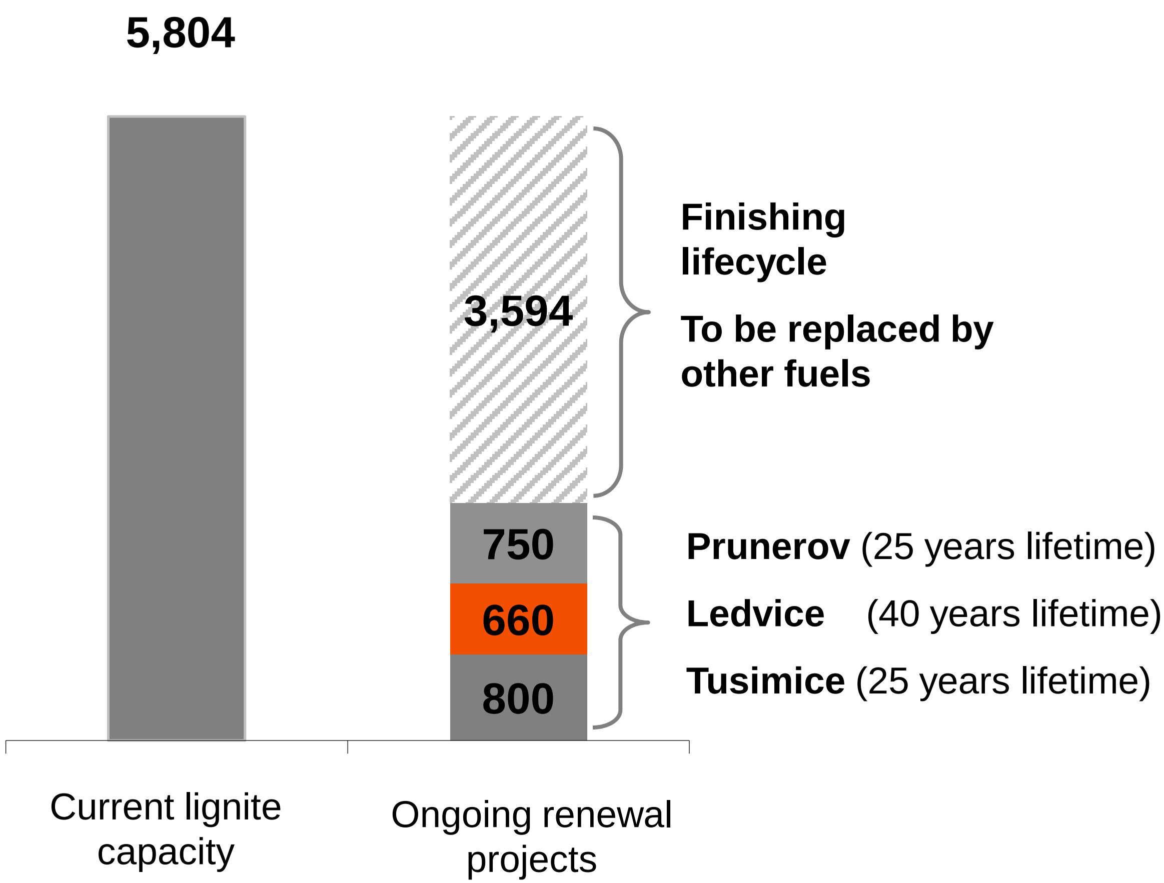
Czech Republic
- Construction of 125 MW of solar capacity finished in 2010
- Thus eligible to favourable feed-in tariffs of € 476 (prior to revenue tax of 26%)
- Total investments of CZK10.4 bn

Poland
- CEZ acquired 67% stake in Eco-Wind Construction S.A. on December 30, 2011
- Another 8% to be bought in 2012 and CEZ has an option for remaining 25%
- Eco-Wind has almost 800 MW of projects in an early stage of development
- Most of the projects have secured connection to the grid
- Current renewables support scheme in Poland assigns one green certificate on top of wholesale price to each MWh produced from wind

Orešec solar park in Bulgaria
- 5 MW of installed capacity
- the first completed project under the scheme committing CEZ Group to invest EUR 40 million into renewables in Bulgaria

CEZ INVESTS INTO RENEWAL OF ONLY SELECTED LIGNITE PLANTS , WHICH MATCH OUR COAL SUPPLIES

Lignite capacity (MW)



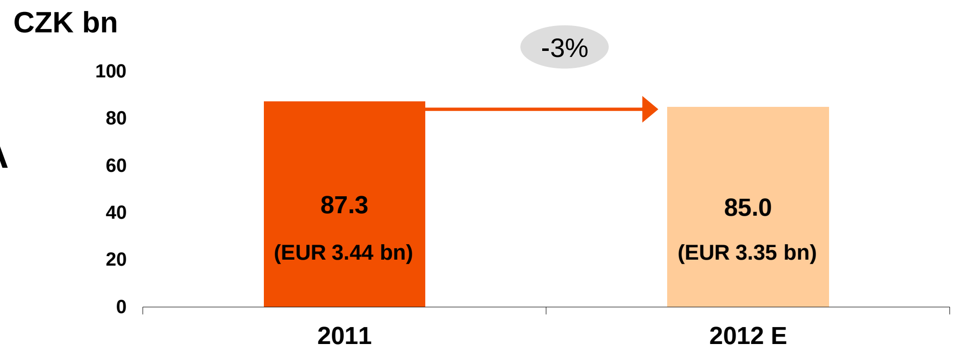
Rationale

- Low cost of domestic lignite
- Thermal power plants next to mines – only costs of internal logistics
- Replacement of old units with more efficient new technology (20% lower CO_2 emissions, from 1t CO_2/MWh to 0.8 CO_2/MWh)
- Secured lignite supplies for the investment lifetime

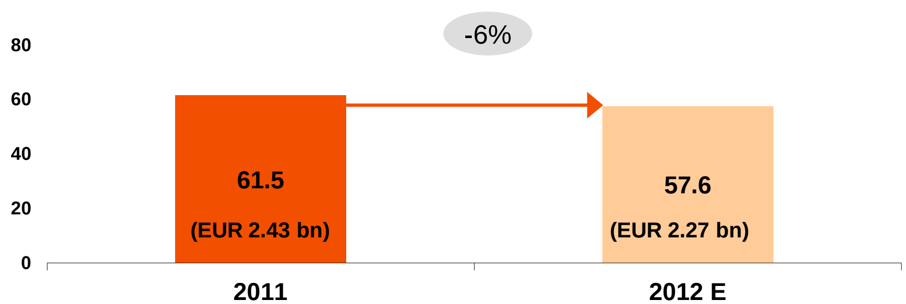
AGENDA

IN 2012 WE EXPECT EBITDA OF CZK 85.0 BN AND NET INCOME OF CZK 40.0 BN

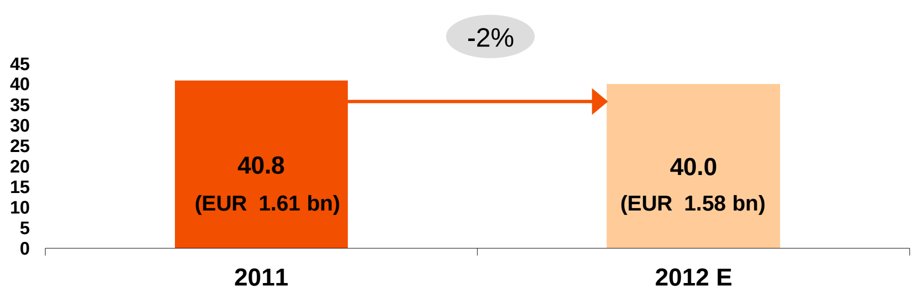
EBITDA



EBIT



NET INCOME



Selected negative effects:

- declining electricity prices trend
- decisions and actions of the Albanian Regulatory Authority, increase in purchase prices from the state-owned electricity producer KESH
- correction factors on distribution in the Czech Republic
- increase in depreciation reflecting the investment programme

Selected positive effects:

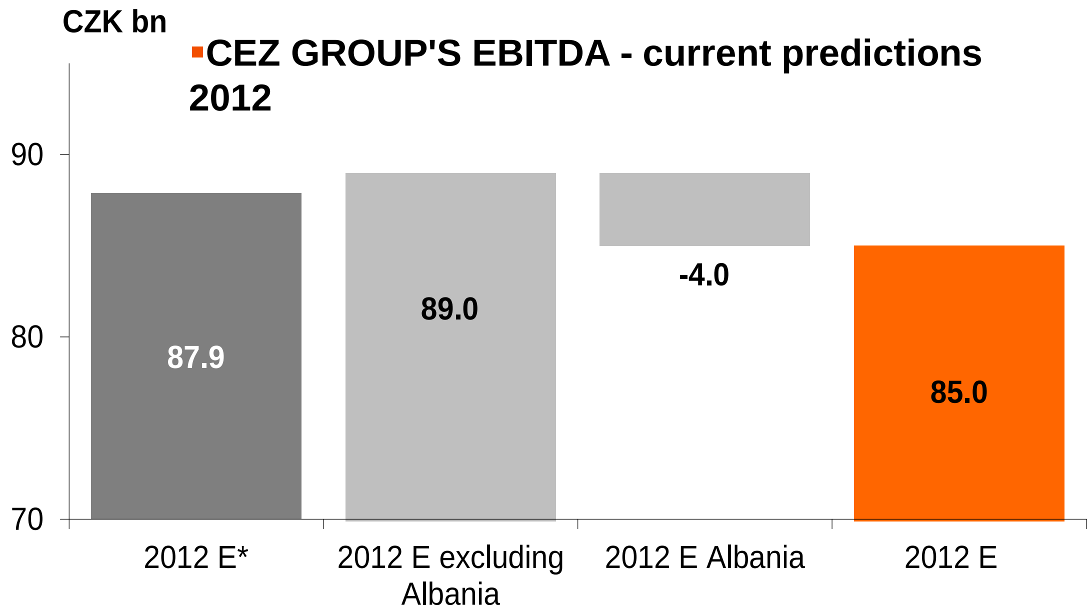
- increase in power generated by power plants in the Czech Republic (+2%)
- increase in production from wind power stations in Romania
- extraordinary financial costs and higher gift tax paid on emission allowances in 2011

Selected prediction risks:

- future development in Albania
- economic slowdown and debt crisis in Europe
- development of energy regulation in Europe

CZK/EUR = 25.35

REDUCTION IN EXPECTED RESULTS OF CEZ GROUP REFLECTS THE DEVELOPMENT IN ALBANIA, OTHER ACTIVITIES OF CEZ GROUP PROGRESS BETTER THAN PLANNED IN 2012

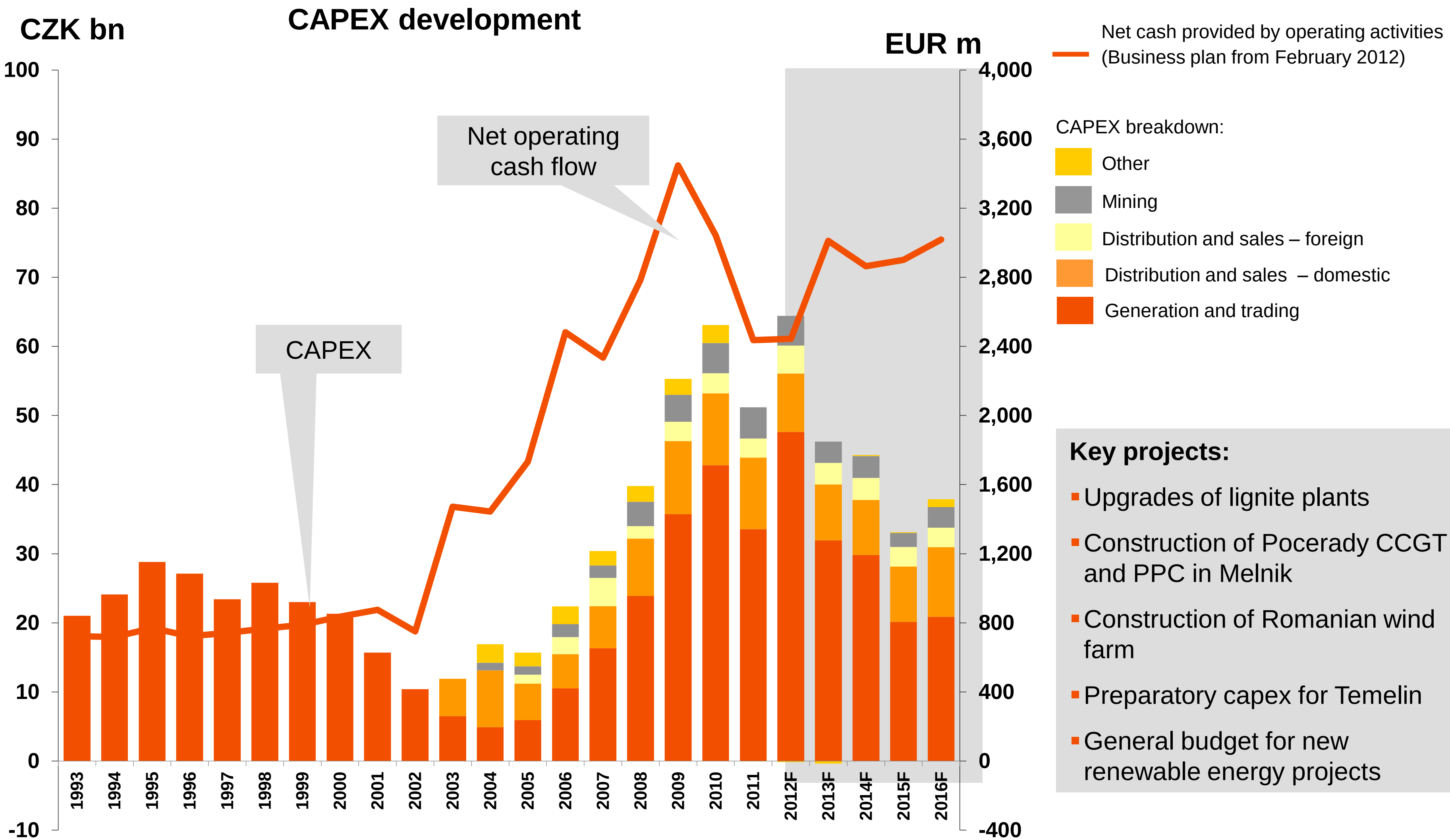


Albania - development in the past quarter

- agreements on the gradual adjustment of regulatory conditions for the proper fulfillment of the obligation of the distribution license holder CEZ Shpërndarje were not met
- EBITDA in Albania registered loss of CZK 1.5 bn in Q3
- documentation needed to apply the World Bank's guarantee in favor of CEZ Shpërndarje was prepared
- negotiations took place with the Albanian Prime Minister on the settlement of the prevailing situation, including CEZ Group's possible exit from Albania, as announced at a press conference on October 31, 2012

2012 E* = initial expected EBITDA 2012

CAPEX PLAN CAN BE FINANCED FROM OPERATING CASH FLOW

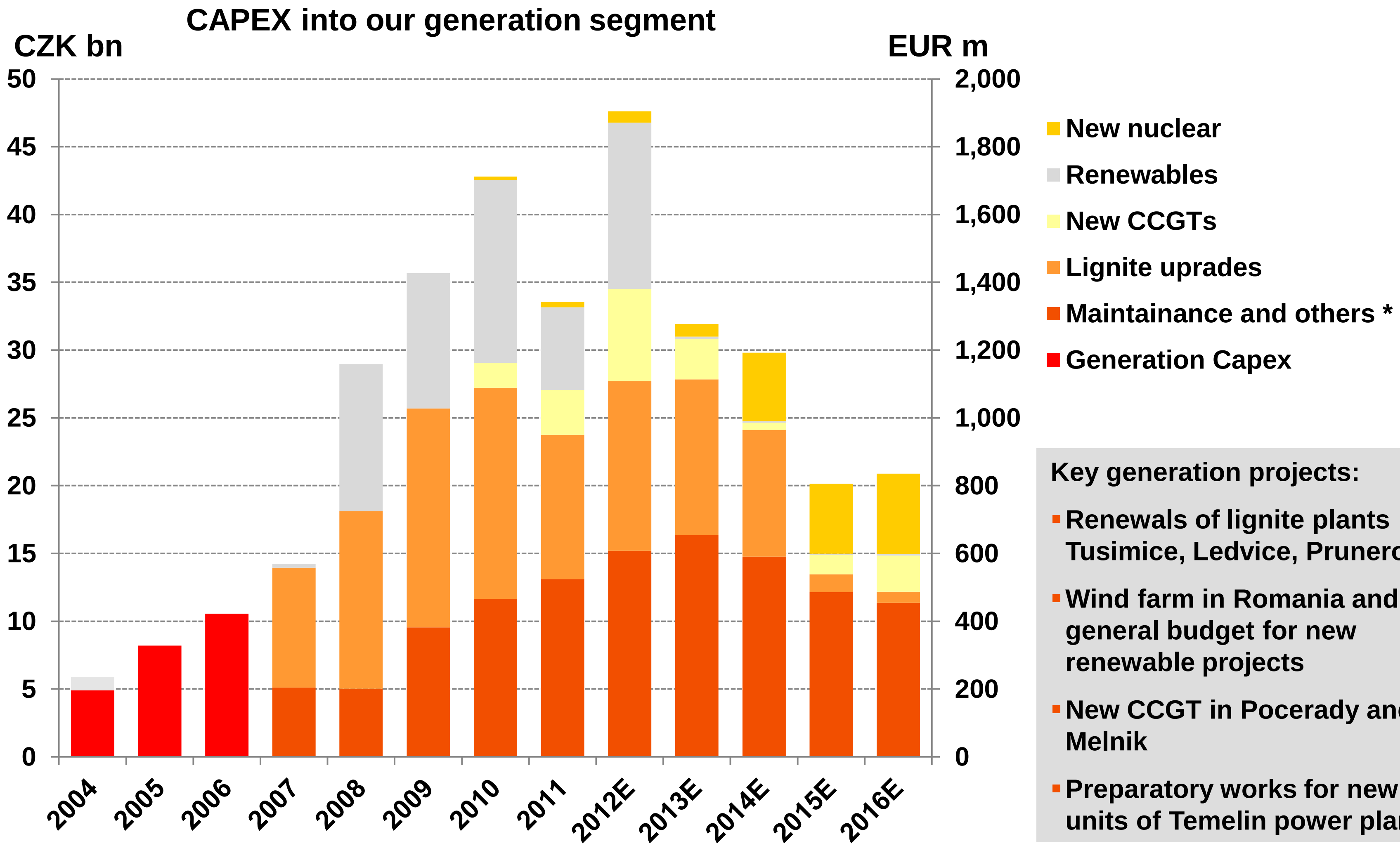


Key projects:

- Upgrades of lignite plants
- Construction of Pocerady CCGT and PPC in Melnik
- Construction of Romanian wind farm
- Preparatory capex for Temelin
- General budget for new renewable energy projects

Note: projects consolidated by equity method are not included, CZK/EUR = 25.35

LARGE PART OF OUR INVESTMENTS IN GENERATION IS DIRECTED INTO LOW CARBON TECHNOLOGIES

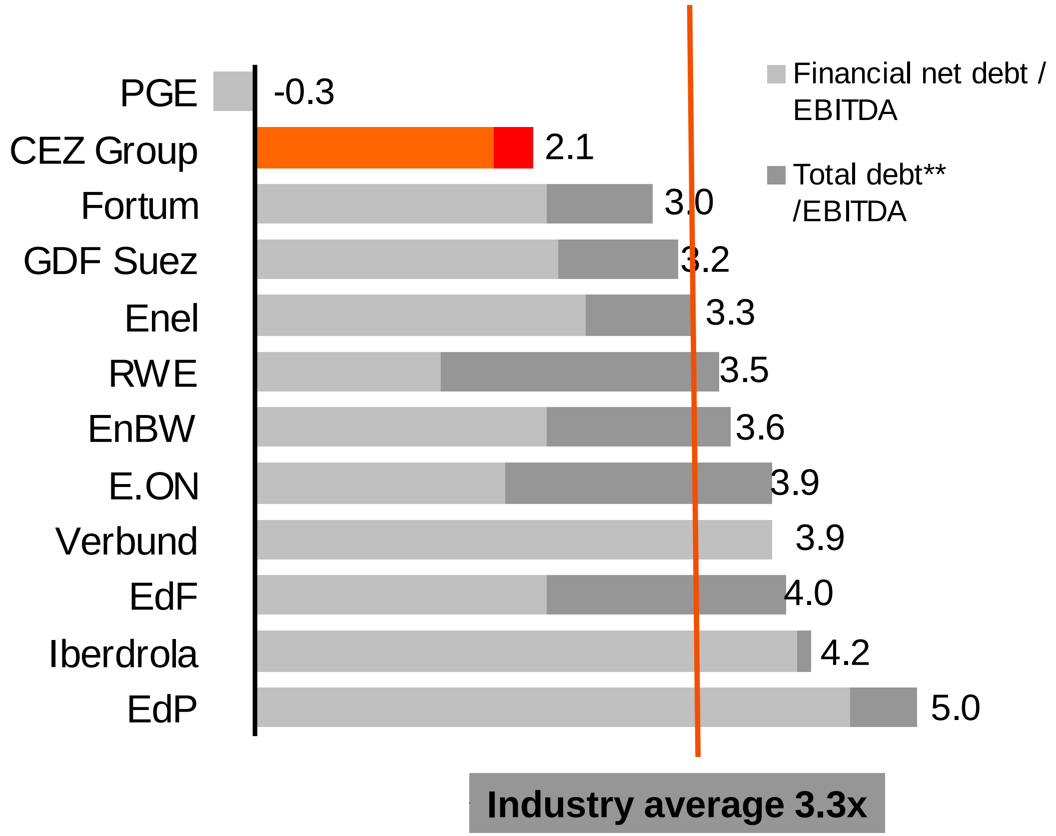


Key generation projects:

- Renewals of lignite plants Tusimice, Ledvice, Prunerov
- Wind farm in Romania and general budget for new renewable projects
- New CCGT in Pocerady and Melnik
- Preparatory works for new units of Temelin power plants

OUR CURRENT LEVERAGE IS LOW COMPARED TO INDUSTRY STANDARDS

Net debt/ EBITDA*
Multiples, end of 2011



Current level of debt is low, which is a comfortable position in the current environment

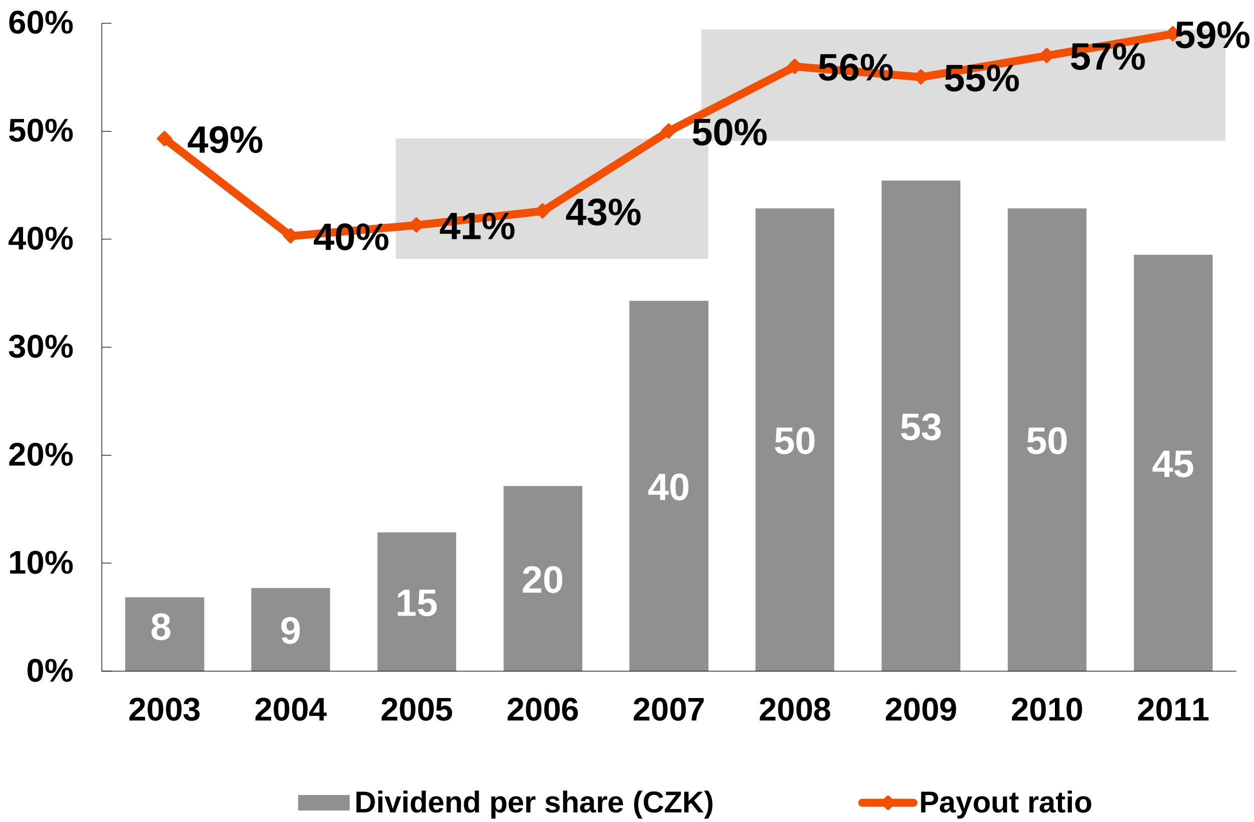
Medium-term target leverage remains intact:

- Net debt/EBITDA ratio at 2.0-2.5x
- Consistent with current rating of A-/A2

* EBITDA as reported by companies, ** Total net debt= financial net debt + nuclear and pension provisions

CEZ GROUP IS COMMITTED TO MAINTAIN ITS PAYOUT RATIO OF 50 – 60 % OF NET INCOME

Payout ratio (%)



- Dividend policy targets payout ratio in the range of 50% to 60% of the consolidated profit adjusted for extraordinary items
- AGM held on June 26, 2012 approved dividend from 2011 profit of CZK 45 per share

AGENDA

CEZ IS A STRONG AND VERTICALLY INTEGRATED PLAYER IN THE CZECH ELECTRICITY MARKET

	Lignite mining	Generation	Transmission	Distribution	Supply
CEZ	**54**% 25.1 million tons	**72**% 63.3 TWh	**100**% 58.7 TWh	5 out of 8 distribution regions 61% of customers	**39%** 23 TWh
Others	**46**% 21.5 million tons	**28**% 24.3 TWh		39% of customers	61% 35.7 TWh

Lignite mining
- CEZ fully owns the largest Czech mining company (SD) covering 63% of CEZ' s lignite needs
- Remaining 2 coal mining companies are privately owned

Generation
- Other competitors – individual IPPs

Transmission
- The Czech transmission grid is owned and operated by CEPS, 100% owned by the Czech state

Distribution

Supply
- Other competitors – E.ON, RWE/EnBW

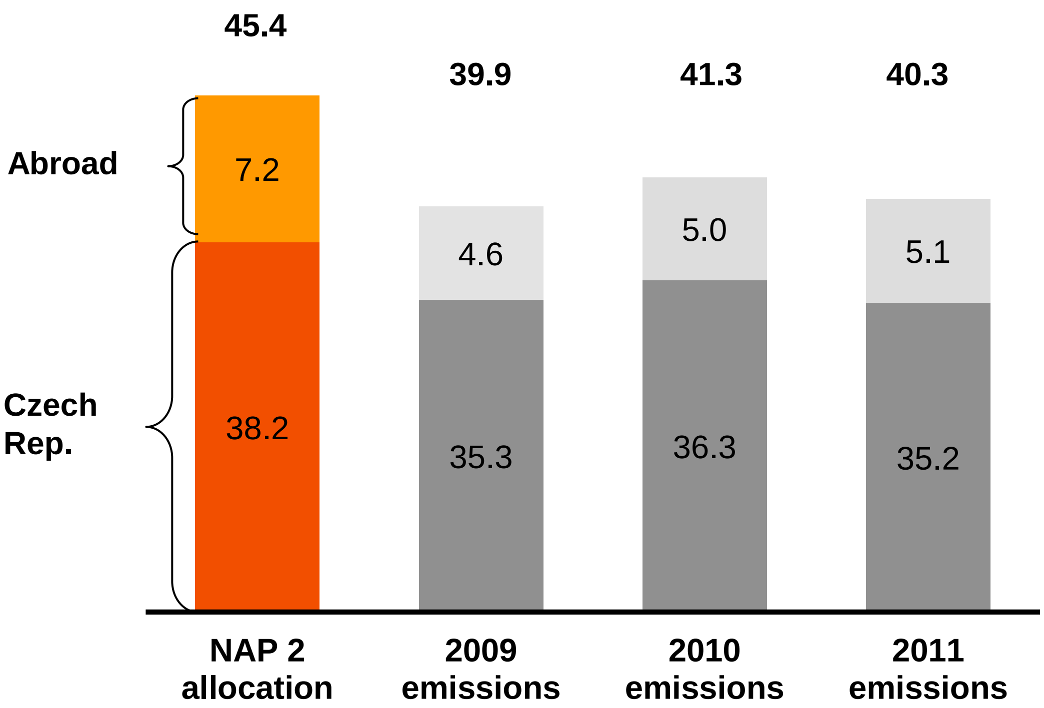
ELECTRICITY MARKETS IN THE REGION ARE INTEGRATED, CEZ CAN SELL ITS POWER ABROAD

Note: Prices for base load 2013 as of November 13, 2012

Source: EEX, PXE; PolPX

NAP 2 ALLOCATION IS SUFFICIENT TO COVER CEZ GENERATION NEEDS

Verified CO_2 Emissions of CEZ Group*
Millions of Tons



- **Czech** power plants allocation is 38.2 m in NAP 2, compared to 40.6 m in NAP 1 *****. Average emissions were 38.4 m in 2005 - 07 *****
- **Polish** power plants Elcho and Skawina got allocated 3.6 m in NAP2, a reduction of 21% compared to NAP1. Their average emissions were 4.2m in 2005-07.
- Varna plant in **Bulgaria** got allocated on average 3.6m per year in NAP2 (allocations are not same for all years but are in a range of 3.4-3.9 m in 2008-2012)

* Including Teplarna Trmice acquired in 2010 and Energotrans acquired in 2012

MODERNIZATION OF TUSIMICE AND CONSTRUCTION OF NEW UNIT IN LEDVICE IS PROGRESSING

Coal power plant Tusimice
Complex renewal (4 x 200 MWe)

- Gradual renewal (2+2 units)
- Increase in net efficiency to 39%
- Extension of service life until 2035
- Initiation of renewal: June 2, 2007
- Start of operation: Sep 2010 (2 units) and Nov 2011/Apr 2012 (2 units)

Coal power plant Ledvice
New supercritical unit (1 x 660 MWe)

- Advance construction of the power plant structures, main focus on the boiler
- Planned net efficiency 42.5%
- Expected service life 40 years
- Initiation of implementation: July 17, 2007
- Planned start of operation in December 2014

PREPARATION OF MODERNIZATION OF PRUNEROV AND OF CCGT POCERADY IS UNDERWAY

Coal power plant Prunéřov

Complex renewal (3 units x 250 MWe)

- Building permit issued on April 2012
- Selection of suppliers and basic design completed
- Increase in net efficiency to above 39% (above 42% including heat supply)
- Extension of service life by 25 - 30 years
- Planned start of operation in 2014/2015

CCGT Počerady

New construction (841 MW)

- Ongoing commissioning
- Tender process completed
- Expected net efficiency 57.4% (ISO)
- Expected service life 30 years
- Start of construction April 2011
- Planned start of operation in June 2013

ACTIVITIES ABROAD

CCGT Hatay (Egemer), Turkey

New construction (872 MW)

- Activities realized via JV Akenerji
- Civil works ongoing
- Expected service life 30 years
- Owner’s engineer: Parsons Brinckerhoff
- EPC contract signed in December 2010
- Start of construction October 2011
- Planned commissioning in July 2014

HPP Kemah

Pump storage (240 MW)

- Basic design in progress
- Topographical survey on Kemah gorge
- Geological survey completed

CEZ GROUP'S PRIORITY IN ALBANIA – PROTECTION OF SHAREHOLDER'S INTERESTS

Preferred options

Escalation	Agreement	Sale
▪ Albanian regulator (ERE) initiates a proceeding to suspend the license, or ▪ possibility of re-negotiating regulation in Albania and salvage the situation, or ▪ license suspension and ▪ termination of CEZ Shpërndarje's business and subsequent arbitration	▪ re-negotiation of the general terms of privatization with the state, or ▪ amicable termination of CEZ Group's presence in Albania ▪ even in this situation, CEZ may act as a temporary manager of the company	▪ sale of some or all of the shares (up to 76%) to a third party ▪ possibility to start a new stage of operation in Albania with an external partner, especially as a guarantor of technical procedures and know-how

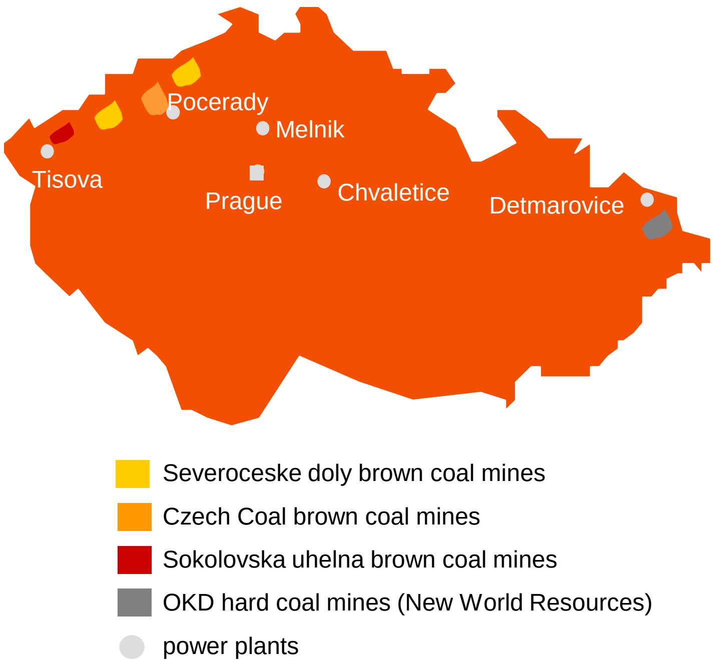
The final option will be decided by the end of 2012

CEZ OFFERED TO DIVEST COAL CAPACITY TO CLOSE INVESTIGATION BY EUROPEA COMMISSION

- In 2009, European Commission started to investigate CEZ for suspicion of anticompetitive behavior. Most accusations were rebutted and in July 2011, EK decided to continue only investigation of suspicion of blocking the transmission capacity so as new electricity producers couldn't enter the market.
- In June 2012, CEZ decided to terminate the investigation by settlement. CEZ offered to divest 800 MW of its capacity. It is fully consistent with CEZ´s strategy to operate only limited number of upgraded power plants in the future.
- Although CEZ is required to divest only 800 MW, wider portfolio of plants offered for sale will help to improve negotiation position.

Assets considered for divestment

Name	Type of plant	Start of operation	Installed Capacity (MW)	Electricity generated in 2011(TWh) [load factor]	Coal supplier
Chvaletice	brown coal	1977 -1978	4*200	2.9 [41%]	Severoceske doly and Czech Coal
Pocerady	brown coal	1970 -1971	5*200	6.6 [75%]	Czech Coal
Detmarovice	hard coal	1975 -1976	4*200	2.6 [38%]	OKD (New World Resources)
Tisova	brown coal	1959 -1961	296	1.4 [53%]	Sokolovska uhelna
Melnik III	brown coal	1981	500	2.8 [64%]	Severoceske doly and Czech Coal



DIVESTMENT PROCESS OF A COAL POWER PLANT IN THE CZECH REPUBLIC IS UNDER WAY

Divestment process	**Chvaletice**	**Počerady**	**Dětmarovice**	**Tisová a Mělník 3**
Due diligence and transaction documentation	✓	✓	✓	Preparation ongoing
Acceptance of bids	✓	✓	✓	-
Discussions about modifying the transaction documentation	✓	✓	Ongoing since 6/10	-
Second round (bid improvements, confirmation of modified documentation)	Ongoing since 25/10	Ongoing since 25/10	-	-

Spin-off process	**Chvaletice**	**Počerady**	**Dětmarovice**	**Tisová a Mělník 3**
Transfer of assets to newly established joint stock company	✓	✓	EGM will decide on 18/12	Preparation ongoing
License for electricity trading for newly established company	✓	✓	Request handed over	-
Integrated license modified for newly established company	✓	✓	✓	-
Contract for power outlet	✓	✓	Will be part of asset contribution	-

EGM = EXTRAORDINARY GENERAL MEETING

CEZ GROUP OPTIMISES ITS BUSINESS PRESENCE: PURCHASE OF ENERGOTRANS, SALE OF MIBRAG STAKE

- In June 2012 CEZ Group acquired Energotrans, a company supplying heat from city of Melnik to Prague, and it sold its 50% equity stake in MIBRAG, to the other shareholder which held a call option, Energeticky a prumyslovy holding.
- Strategic rationale for the deal:
  - CEZ Group intends to **enhance its position in regulated activities**, i.e., distribution and heat generation. Currently it is exposed to market risks, i.e. electricity price fluctuations, to larger extend than its competitors.
  - **German market is viewed as riskier** following recent changes in energy policy which aims to replace nuclear plants primarily with gas and renewables, while coal projects are facing strong opposition
  - CEZ has been interested in Energotrans for several years in connection with the **planned CCGT in Melník**, which should in the future also supply heat to Prague. This project aims to be able to substitute the output of ageing coal power plants in this location.

ENERGOTRANS

- Acquisition of 100% of Energotrans was settled on June 28, 2012.
- Energotrans operates 352 MW lignite power plant in Melnik (town 35km north of Prague), it also owns a heat pipe to Prague
- Most of the heat generated by Energotrans is sold to Prazska Teplarenska.
- CEZ operates 720 MW of lignite capacity at the same location. It intends to develop 800MW gas plant on this location to replace current lignite capacity, which is will be gradually closed after 2015

Financial and operational data of Energotrans
(according to Czech accounting standards)

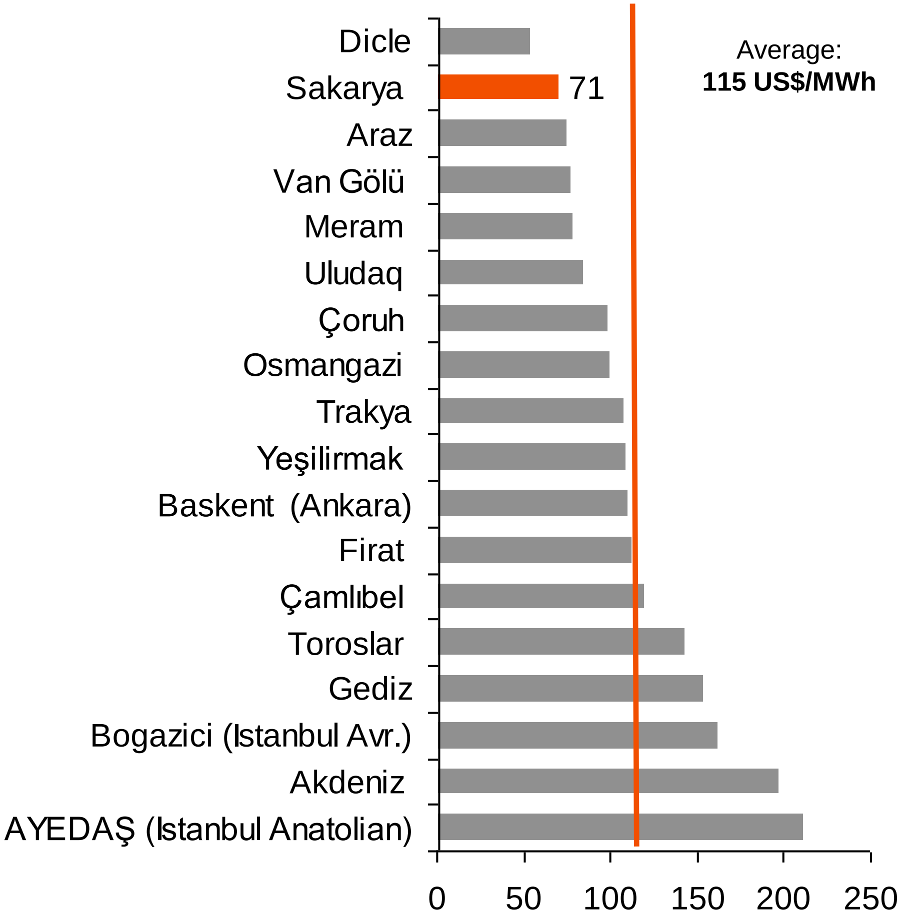
CZK m	2009	2010	2011
Total revenues	4,288	4,186	3,768
of which: heat sales	*1,441*	*1,747*	*1,838*
electricity sales	*2,846*	*2,430*	*1,923*
EBITDA	2,301	1,833	1,601
EBIT	1,936	1,484	1,256
Net income	1,569	1,215	1,036
Assets	6,033	5,784	4,904
Net debt (cash if negative)	-1,859	-2,035	-1,245
Electricity generated (GWh)	1,324	1,439	1,312
Heat sold (TJ)	7,654	9,242	9,071

Source: Prazska teplarenska, Energotrans (www.ptas.cz)

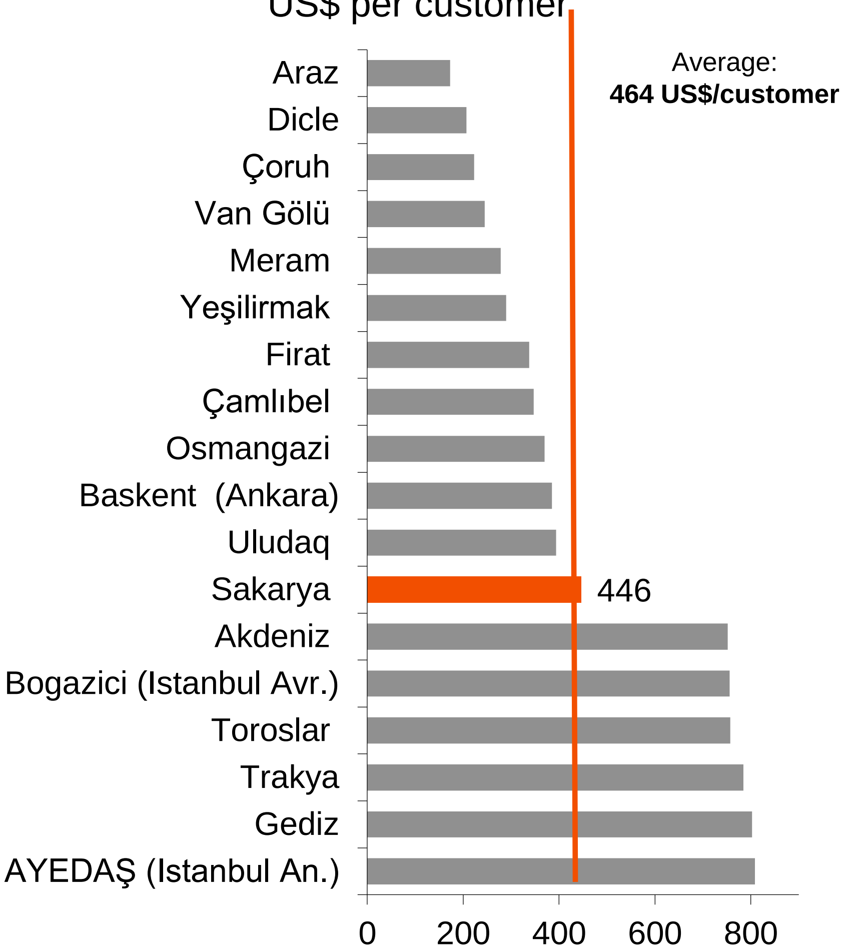
CEZ ACQUIRED SEDAŞ AT ATTRACTIVE PRICE

Acquisition prices achieved in Turkish privatization tenders

US$ per MWh of electricity sold*



US$ per customer



Source: TEIAS, Turkish privatization agency (www.oib.gov.tr)

AKENERJI

- On May 15, 2009 CEZ bought 37.36% stake in Akenerji for USD 302.6 m from subjects related to Akkök. Thus CEZ and subjects related to Akkök have an equal stake in Akenerji with combined shareholding of 75%
- Akenerji has 738 MW of installed capacity in natural gas, hydro and and wind.
- Akenerji is the largest company among private generation companies with 10% market share. It produces 2% of Turkey's electricity generation
- Development of the project of up to 872 MW CCGT in Hatay (Egemer) is underway
- 240 MW of hydro is at development stage (Kemah)

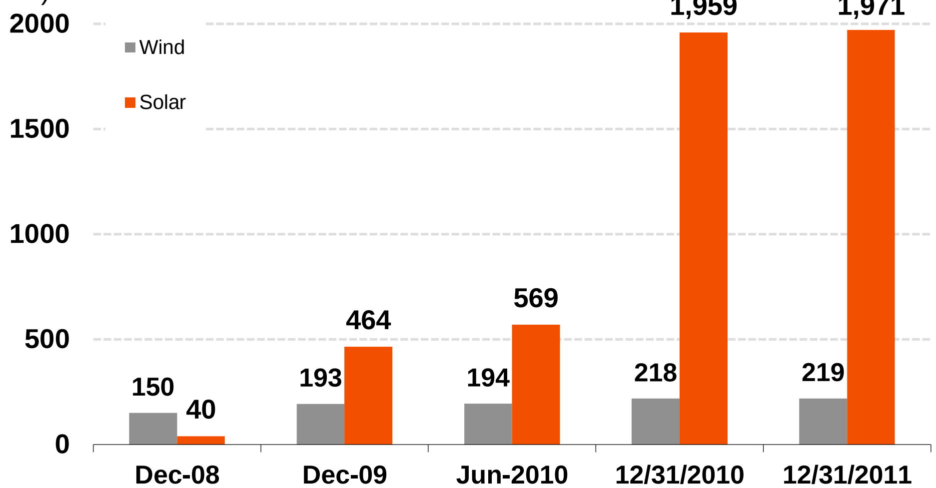
USD m	2008	2009	2010	2011
Sales	465.2	298.6	285.9	334.3
EBITDA	75.7	33.2	24.3	63.3
Margin	*16.3*	*11.1*	*8.5*	*18.9*
EBIT	51.5	15.2	5.2	35.2
Net income	68.3	16.0	-17.1	-127.4
Assets	558.8	1,001.5	1,275.4	1,179.4
Net debt	126.0	345.2	590.6	705.8
CF from investing	-172.9	-356.0	-355.2	-132.2

Source: CEZ, http://www.akenerji.com.tr/

CZECH REPUBLIC: RENEWABLES SUPPORT

Renewables type (prices for installations put into operation in 2012)	**2012 feed-in tariff (€/MWh)**	**2012 green bonus (€/MWh)**
Solar <30 kW	239	197
Solar >30 kW	0	0
Wind	86	69
Small hydro	124	83
Biogas stations	138-160	97-137
Pure biomass burning	102-178	61-137

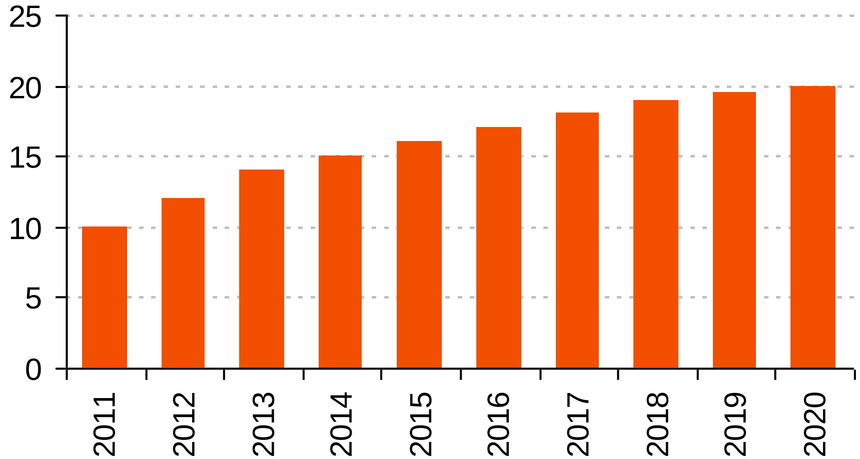
Installed capacity of wind and solar power plants in the Czech Republic (MWe)

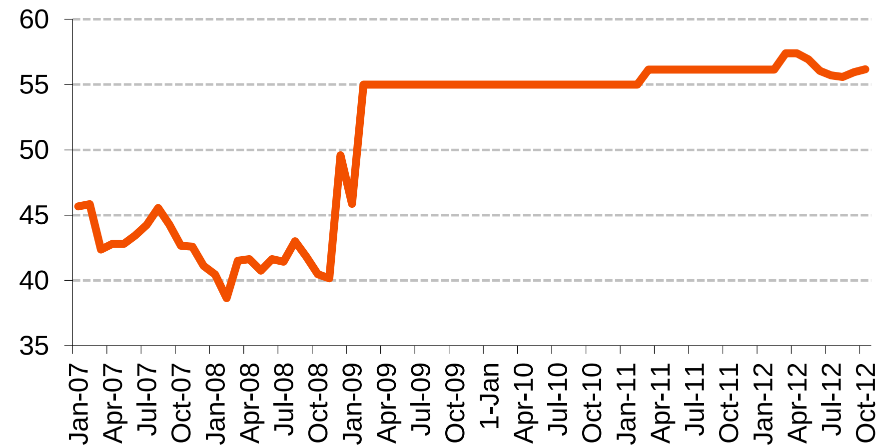


- Operators of renewable energy sources can choose from 2 options of support:
  - Feed-in tariffs (electricity purchased by distributor)
  - Green bonuses (electricity sold on the market, bonuses paid by distributor, level of green bonuses is derived from feed-in tariffs)
- Fees for renewables are part of regulated distribution tariffs charged to final customers.
- Feed-in tariffs are set by a regulator to ensure 15-year payback period. During operation of a power plant they are increased each year by PPI index or by 2% at minimum and 4% at maximum.
- Tariffs for new projects can decrease by 5% at maximum compared to previous year. However the law amendment which became effective on Jan-2011, allows the regulator to cut the tariffs by more than 5% if payback period falls below 11 years.
- Support is provided for 20 years to solar, wind, pure biomass and biogas plants and for 30 years to hydro.
- Solar plants put into operations in 2009 and 2010 are obliged to pay 26% withholding tax until 2013

Source: Energy regulatory office (www.eru.cz), CZK/EUR=25.8

ROMANIA: RENEWABLES SUPPORT





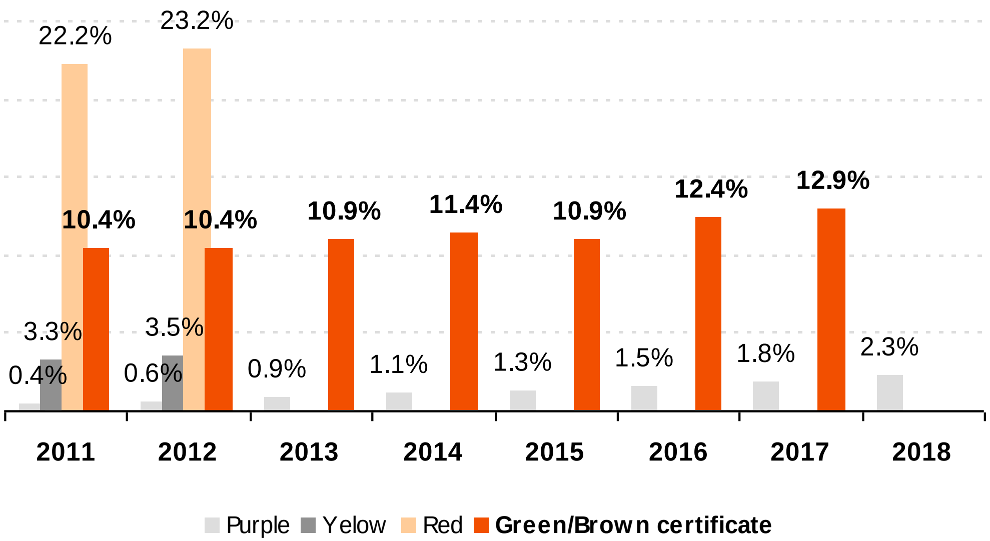
Support of renewables

- Two green certificates (GC) obtained by the producer for each MWh supplied from wind to the network until 2017, one GC from 2018 onwards (previously 1 GC per MWh for the whole time)
- Legally set up price for green certificate is 27 to 55 EUR in 2008 – 2025
- GC may be sold to electricity suppliers using bilateral negotiated contracts or on the centralized market of green certificates
- Duration of support – 15 years
- Penalty for suppliers unable to comply with annual mandatory quota – double of the maximum trade value of GC
- The mandatory quota has been increasing gradually, from 10 % in 2011 to 20% in 2020
- New Law 134/2012 on renewables stipulates that existing producers over 125 MW receive GC according to normal supporting scheme for 2 years, with the obligation to individually notify to Brussels for state aid support within following 3 months after accreditation

*annual percentage of the gross national electricity consumption, source: ANRE, OPCOM

POLAND: RENEWABLES SUPPORT

Mandatory quota set by Regulation of Ministry of Economy of August 14, 2008



	Renewables/ biogas	Co-generation		
Prices in 2011 in EUR/MWh	**Green/Brown**	**Red**	**Yellow**	**Purple**
Substitute fee	66.8	7.2	30.9	14.4
Certificate of origin	64.2**	4.4	30.0	14.1

- System based on granting certificates of origin (green certificates for electricity from renewable sources) to producers of electricity from renewable sources (1 certificate/1 MWh produced) on top of electricity price
- Certificates (property rights derived from certificates) are traded on Polish Energy Exchange
- Energy companies delivering electricity to final consumers have to supply a given portion of electricity from renewable sources each year, which can be executed by:
  - a) submitting certificates of origin
  - b) payment of a substitute fee*
- Substitute fee is set by Energy Regulatory Office at the end of March each year, level is adjusted annually for inflation of preceding year
- Value of certificates correlates with substitute fee Guaranteed revenue from wholesale electricity selling for RES producers by possibility of sale to seller default for an average price of preceding year (2011 192.32 PLN/MWh=46.7 EUR/MWh)
- Financial penalty for failure to meet the obligation: minimum 130% of substitute fee, maximum 15% of company revenues for previous year
- Certificates issued and mandatory quota for suppliers set also for biogas production (brown certificates) and cogeneration (yellow, red, purple certificates)

*payment in account of The National Fund of Environment Protection and Water management, ** doesn't contain 20 PLN refundable excise tax; average ex. rate 4.12 EUR/PLN in 2011

OVERVIEW OF REGULATION OF DISTRIBUTION NETWORKS

	Czech Republic	Albania *	Bulgaria	Romania
2012 RAB (local currency)	76,746 m	23.6 bn	580 m	2,019 m
2012 RAB (€ m)	2,975	171	296	467
WACC pre-tax	7.1% (nominal)	10% (nominal)	12% (nominal)	10% (real)
Regulatory period	2010-2014	2012	2008-2013	2008-2012

* Based on data from request sent to regulator in December 2011, currently being verified by regulator

CZK/EUR=25.8, BGN/EUR=1.96, RON/EUR=4.32, ALL/EUR=138 (as of Dec 31, 2011),

CZECH REPUBLIC: OVERVIEW REGULATORY FRAMEWORK OF ELECTRICITY DISTRIBUTION

Regulatory Framework

- Regulated by ERU (Energy Regulatory Office, www.eru.cz)
- The regulatory formula for distribution
  - Revenue cap = Operating expenses + Depreciation + Regulatory return on RAB
  - RAB adjusted annually to reflect net investments
  - Regulatory rate of return (WACC nominal, pre-tax) – 7.133% for 2012
  - Operating costs are indexed to CPI (30% weight) and market services price index (70% weight). They are also adjusted by efficiency factor of 1.0206%.

Regulatory period

- Regulatory period lasts 5 years
- 2nd regulatory period: January 1, 2005 – December 31, 2009
- 3rd regulatory period: January1, 2010 – December 31, 2014

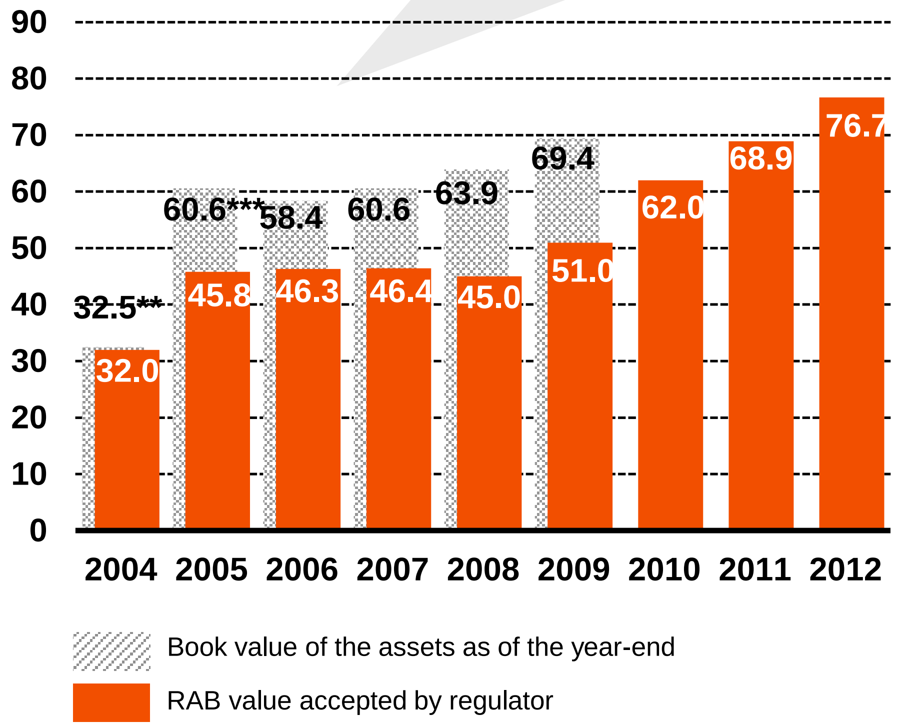
Unbundling & Liberalization

- Since January 1, 2006 all customers can choose their electricity supplier, market is 100% liberalized
- There is no regulation of end-user prices of electricity

CZECH REPUBLIC: GRADUAL REVALUATION OF RAB IS INCORPORATED INTO THE REGULATORY FORMULA

RAB* development
CZK bn

2005/2006 drop in asset value caused mainly by lower investment during transition period and one off write off of some old already depreciated assets that were formerly valued with 10% value for transfer.



* Adjusted to reflect assets transfer to support companies

**Historical value of assets contributed into CEZ Distribuce

***Revalued asset value to the last asset contribution date 01/ 2006

- Assets revaluation conducted as a part of an assets transfer within Vision 2008 on the basis of requirement stipulated by commercial law.
- Book value of the assets is higher than the RAB value used by the regulator.
- RAB will be gradually adjusted upwards in 2010-2014 and thus RAB discount to asset book value will decrease.
  - Formula: $RAB_t = RAB_{t-1} + Investments_t - k*Depreciation_t$, where $k_t = (RABt_{-1})/(Book\ value_{t-1})$ i.e. $k<1$

BULGARIA: OVERVIEW REGULATORY FRAMEWORK OF ELECTRICITY DISTRIBUTION

Regulatory Framework

- Regulated by SEWRC (State Energy and Water Regulatory Commission)
- The regulatory formula for distribution
  - Revenue cap = Costs + Regulatory return on RAB + Depreciation
  - Regulatory rate of return (WACC nominal, pre-tax) –12% for 2nd regulatory period
  - RAB set at € 296 m for 2012, it increased by 7.2% compared with 2011
  - CPI adjustment used for part of costs (OPEX)
  - Losses in 2nd regulatory period set by regulator – 18.5%
  - Efficiency factor introduced in 2nd regulatory period
  - Investment plan – approved by the regulator on yearly basis

Regulatory period

- 1st regulatory period October 1, 2005 – June 31, 2008
- 2nd regulatory period July 1, 2008 – June 31, 2013

Unbundling & Liberalization

- Successfully completed by December 31, 2006
- Since July 2007, all consumers have the right to become eligible but the effective market degree of liberalized market is negligible.

ROMANIA: OVERVIEW REGULATORY FRAMEWORK OF ELECTRICITY DISTRIBUTION

Regulatory Framework

- Regulated by ANRE (Autoritatea Nationala de Reglementare in domeniul Energiei)
- Price cap (tariff basket) methodology
- Revenue = Controllable OPEX + non-controllable OPEX + Depreciation + Purchase of losses + Regulatory return on RAB + Working capital
  - Efficiency factor of 1% applied only to controllable OPEX
  - Losses (technical + commercial) reduction program agreed with ANRE on voltage levels
  - S (minimum quality) from 2009 in formula, Penalty/premium - maxim annual 2% from revenues
  - Possibility for annual corrections
  - Investment plan – approved by ANRE before regulatory period starts
  - Regulatory return (WACC pre-tax real terms) equals 10% in second regulatory period
  - Working capital is regulated remuneration of 1/8 from total OPEX
- Distribution tariff growth capped in real terms at 12% in the second regulatory period
- New Electricity law (123/2012) stipulates implementation of smart metering by 2020

Regulatory periods

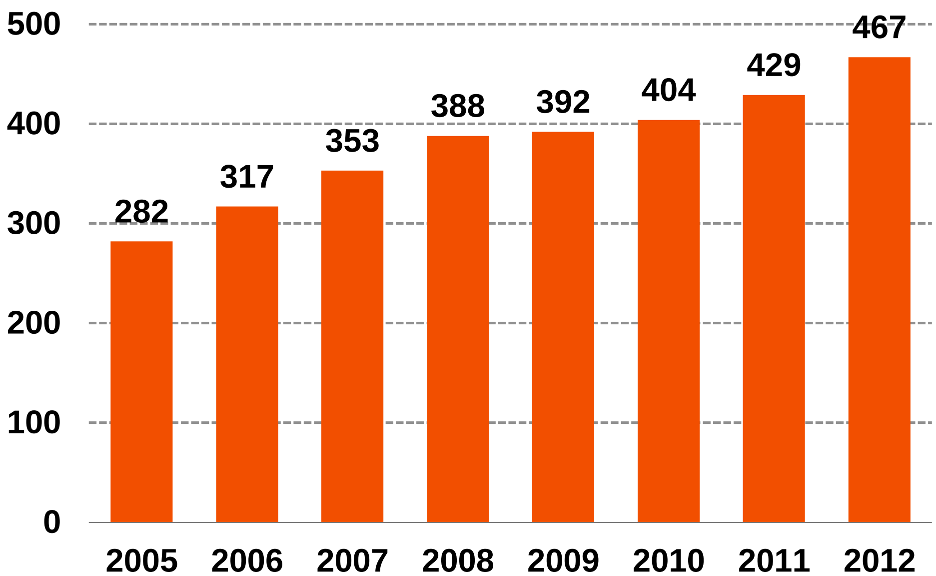
- 2nd regulatory period Jan 1, 2008 – Dec 31, 2012
- Parameters for 3rd regulatory period Jan 1, 2013 – Dec 31, 2017 currently under discussion

Liberalization

- Effective market degree approx. 58%; 60 active suppliers (end-user suppliers and traders)
- According to new law approved, non-residential tariffs will be fully liberalized from 2014 and residential from 2018
- Implementation of competitive pass through tariffs component (CPC) of 15% for regulated non-residential consumers from September 2012, according to liberalization schedule

ROMANIA: ELECTRICITY SUPPLY PRICES ARE GRADUALLY DEREGULATED

Regulated Asset Base
EUR mio*



Note: Value for end 2012 is estimated

Supply is gradually liberalized

- Still regulated tariffs for 42% of Romanian electricity consumption; mainly residential, commercial and small industrial consumers
- According to new electricity law, supplies for industrial customers will be fully liberalized by end of 2013 and for residential customers by end of 2017
- Methodology for sales to captive customers - the approach is 2.5% profit on electricity acquisition costs
- Since 2008, ANRE approves differentiated regional tariffs for industrial consumers;
- End-user tariffs for residential customers are still uniform at the national level
- Recognized OPEX increased each year, reaching about 1 EUR/month/customer

2012 tariffs:

- 5% end-user tariffs increase for all consumers starting July 2012
- green certificates costs separately invoiced, full pass through, on top of regulated electricity tariffs from July 27th for all consumers in Romania

* Exchange rate used as of year end

ALBANIA: PRINCIPLES OF DISTRIBUTION REGULATION

Regulatory Framework

- Regulated by ERE (Energy Regulatory Entity, www.ere.gov.al)
- The regulatory formula for distribution
  - Revenue cap = Operating expenses + Regulatory return on RAB
  - RAB reflects planned investments for the regulatory period: requested 23.6 bn LEK in 2012*
  - Regulatory rate of return (WACC nominal, pre-tax) – requested 9.98% for 2012*
  - costs are indexed to CPI and adjusted by efficiency factor
  - efficiency factor is zero for all three regulatory periods

Regulatory periods

- 1st regulatory period : January 1, 2010 – December 31, 2010
- 2nd regulatory period: January 1, 2011 – December 31, 2011
- 3rd regulatory period: January 1, 2012 – December 31, 2014
- following regulatory periods will last from 3 to 5 years

Unbundling & Liberalization

- Transmission unbundled in 2006
- Generation unbundled in 2008

* data from request sent to regulator in December 2011, currently verified by regulator

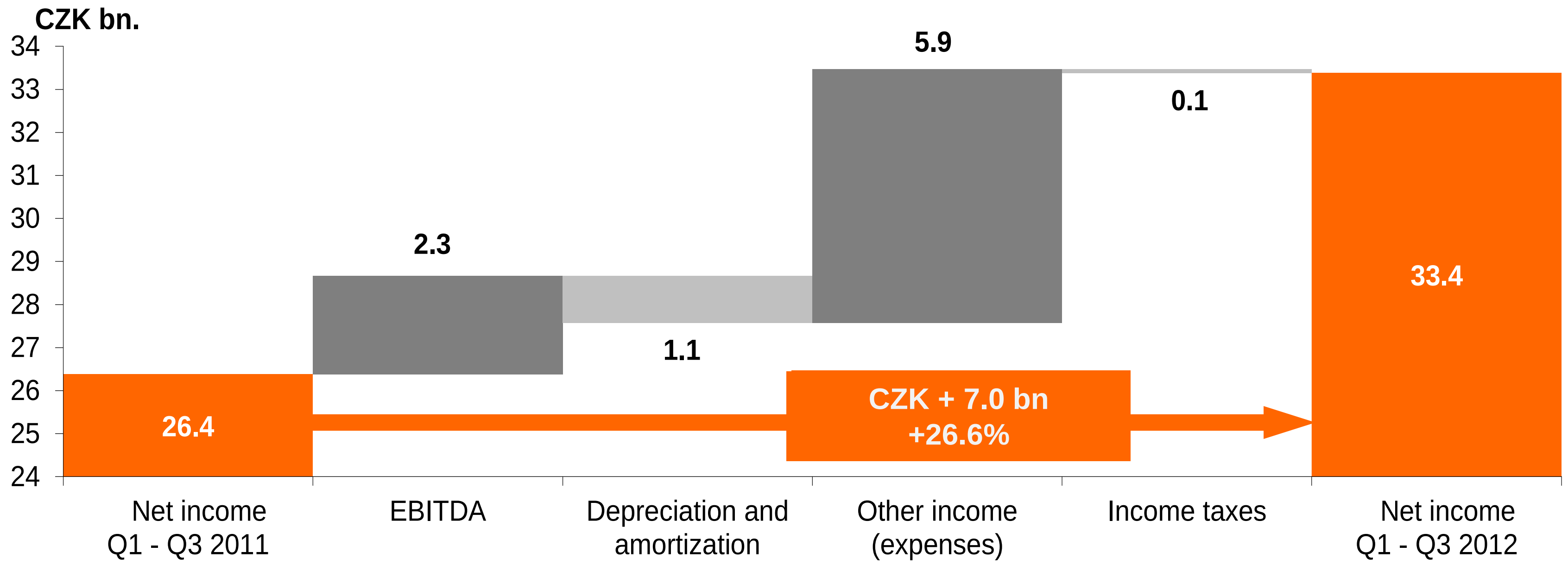
CEZ GROUP FINANCIAL RESULTS FOR Q1 - Q3 2012

(CZK bn.)	Q1 - Q3 2011	Q1 - Q3 2012	Change	%
Revenues	150.6	162.5	+11.9	+8%
EBITDA	62.4	64.7	+2.3	+4%
Net income	26.4	33.4	+7.0	+27%
Operating CF	40.3	43.0	+2.7	+7%
CAPEX	31.1	35.7	+4.6	+15%
Net debt *)	154.2	170.7	+16.5	+11%

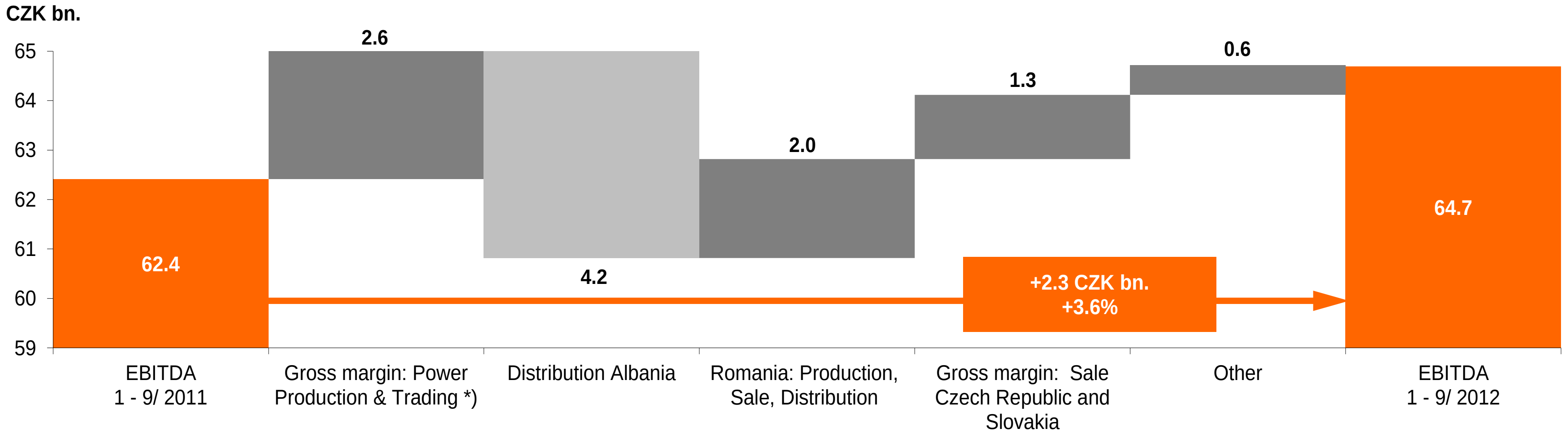
		Q1 - Q3 2011	Q1 - Q3 2012	Change	%
Installed capacity *)	GW	15.1	15.7	+0.6	+4%
Generation of electricity	TWh	49.9	51.3	+1.4	+3%
Electricity distribution to end customers	TWh	39.4	38.8	-0.6	-2%
Electricity sales to end customers	TWh	31.4	30.6	-0.8	-2%
Sales of natural gas to end customers	TWh	2.2	3.7	+1.5	+66%
Sales of heat	000´TJ	10.0	10.6	+0.6	+6%
Number of employees *)	000´s	31.5	31.5	0.0	+0%

*) at the last date of the period

KEY DRIVERS OF Y-O-Y CHANGE IN NET INCOME



KEY DRIVERS OF Y-O-Y CHANGE OF EBITDA



Gross margin from Power production & trading (CZK +2.6 bn)

- increase in the volume of production, especially nuclear +1.6 TWh (CZK +1.7 bn)
- higher revenues from production affected by revaluation of contracts, which are hedging production on Q4 2012 (CZK +2.2 bn)
- other effects, especially release of the provision for emission allowances in 2011 (CZK -1.3 bn)

Distribution in Albania (CZK -4.2 bn)

- regulator's decision on tariffs and conditions, higher volume of grid losses, higher market prices of electricity imported for losses, increase in purchase prices of electricity (CZK -2.6 bn)
- creation of provision for costs related to additional invoicing for supplied electricity to cover losses, additional imposed tax, reduction of margin from the biggest customers due to legislative measure (CZK -1.6 bn)

Production, sales and distribution, Romania (CZK +2.0 bn)

- especially improvement of the payment discipline of Romanian Railways (CZK +1.0 bn) and increase in production from wind power installations (CZK +1.0 bn)

Gross margin: sales in the Czech Republic and Slovakia (CZK +1.3 bn)

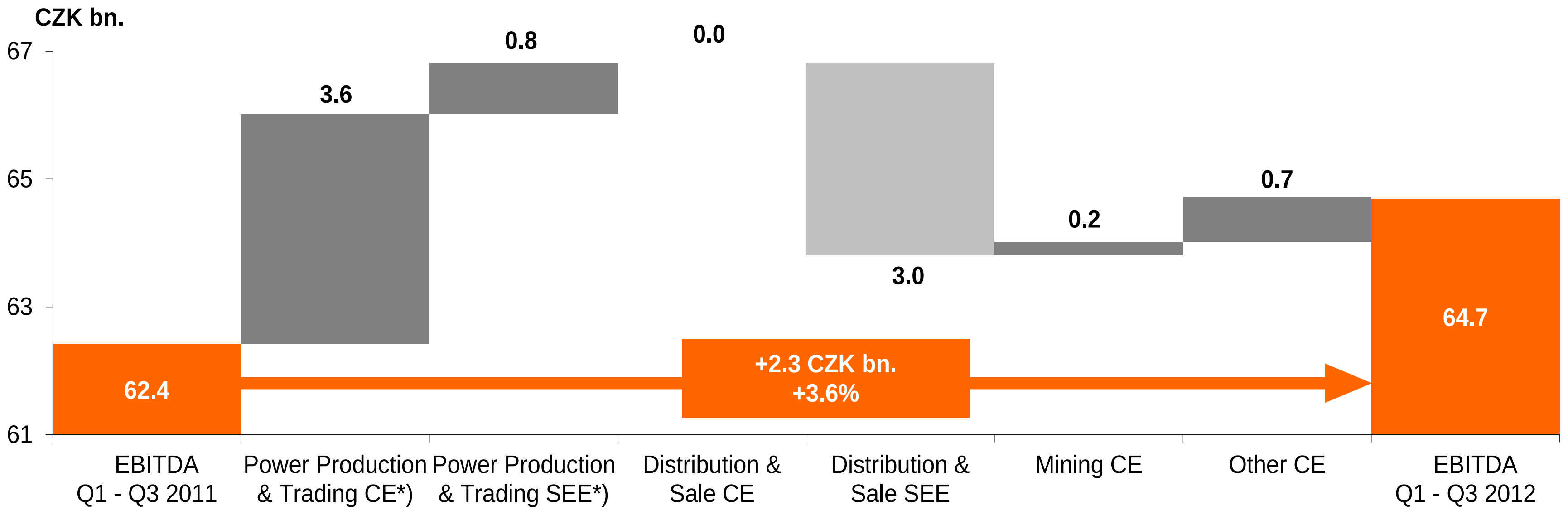
- Czech Republic: higher margin from the sales of electricity (CZK +0.7 bn) and natural gas (CZK +0.2 bn)
- Slovakia: revaluation of derivative transactions and better average purchase prices of commodities (CZK +0.5 bn)

Other (CZK +0.6 bn)

- mainly higher margin from an increase in the volume of distributed electricity and the regulator's decision on higher tariffs in Bulgaria

*) ČEZ, a. s. and Elektrárna Chvaletice, a.s., without renewable sources

Y-O-Y CHANGE OF EBITDA BY SEGMENT



CE = Central Europe SEE = Southeast Europe *) inter-segment adjustment of 2011 without effects on the CEZ Group s total results

OTHER INCOME (EXPENSES) IN Q1 – Q3 2012

(CZK bn.)	Q1 - Q3 2011	Q1 - Q3 2012	Change	%
EBITDA	**62.4**	**64.7**	**+2.3**	**+4%**
Depreciation and amortization	**-18.9**	**-20.0**	**-1.1**	**-6%**
Other income (expenses)	**-9.4**	**-3.5**	**+5.9**	**+62%**
Interest balance	-3.6	-3.4	+0.2	+9%
Foreign exchange rate gains (losses) and financial derivates	-0.8	0.0	+0.8	+94%
Gain (Loss) from associates and joint-ventures	-3.6	0.6	+4.2	-
Other	-1.4	-0.7	+0.7	+50%
Income taxes	**-7.7**	**-7.8**	**-0.1**	**-1%**
Net income	**26.4**	**33.4**	**+7.0**	**+27%**

Depreciation (CZK -1.1 bn)

- increase in depreciation due to higher rate of incorporation of fixed assets into operations, mainly in the Czech Republic

Interest balance (CZK +0.2 bn)

- decrease in cost interest due to higher capitalization in assets

Foreign exchange gains/losses and financial derivatives (CZK +0.8 bn)

- higher y-o-y profit from the revaluation of MOL's option (CZK +0.7 bn), other exchange gains/losses and derivatives (CZK +0.1 bn)

Gain/loss from associate and joint-ventures (CZK +4.2 bn)

- effect of accounting of the transaction JTSD/MIBRAG in 2011 (CZK +2.8 bn)
- increase in the profit of Turkish companies, especially due to exchange rate changes from the revaluation of USD loans (CZK +1.4 bn)

Other (CZK +0.7 bn)

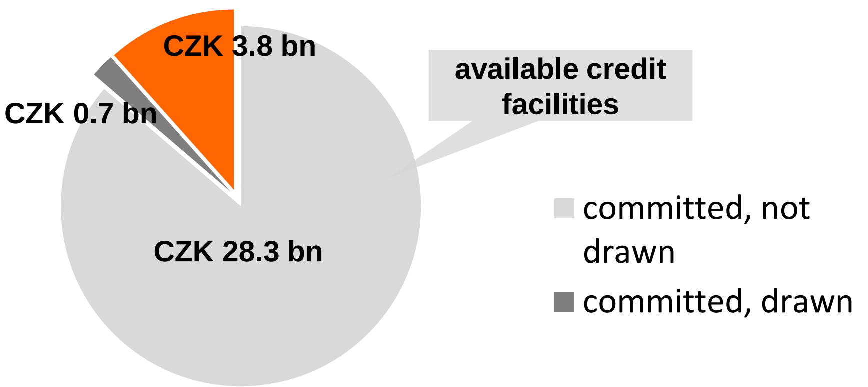
- decrease of the gift tax on emission allowances due to a decrease of the market price of allowances (CZK +1.8 bn)
- lower dividends received from Dalkia ČR (CZK -0.5 bn), higher other financial expenses (CZK -0.6 bn)

Income tax (CZK -0.1 bn)

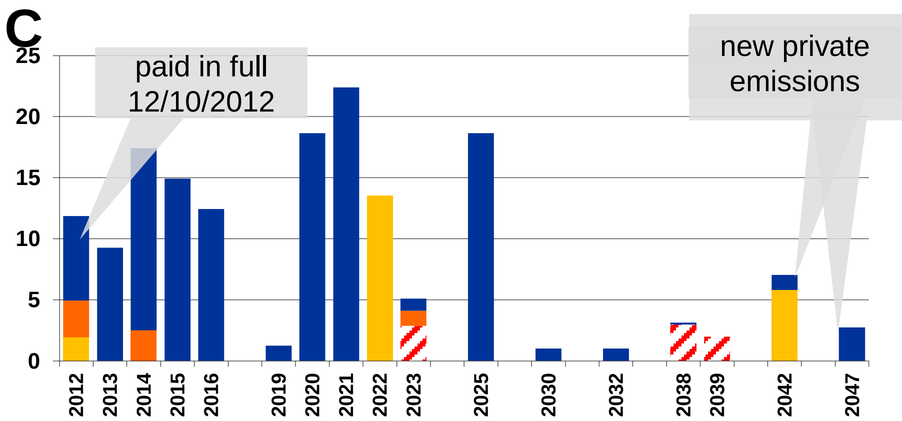
Note: The balance of cost/revenue interest contains also interest from nuclear reserves

CEZ GROUP MAINTAINS A STRONG LIQUIDITY POSITION

Utilization of short-term lines
(at September 30, 2012)



Bond maturity profile (at September 30, 2012)

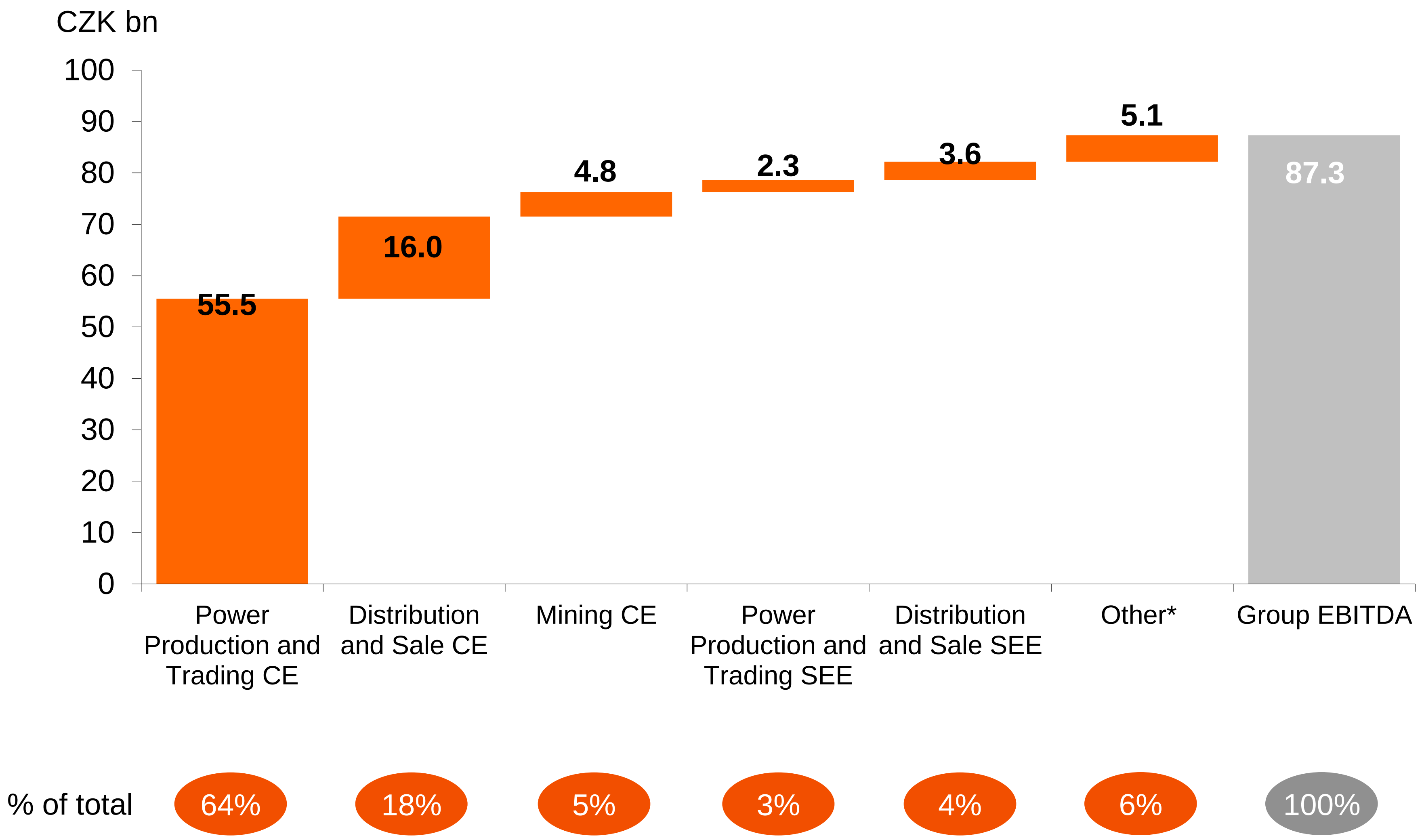


- CZK 32 bn in cash and high-liquidity financial assets
- short-term credit facilities: CEZ Group has access to CZK 29 bn in committed credit facilities
- at September 30, 2012, only CZK 0.7 bn of committed facilities were utilized
- non-committed credit facilities are used preferably; committed facilities are held as a reserve to cover unexpected needs
- in August and September, two 35-year emissions of EUR 50 and 60 mil. and one 30-year emission of EUR 50 mil. issued within the EMTN programme
- October 12, 2012, the 5th emission of Eurobonds amounting to EUR 278 mil. repaid

Private bond emissions in Q3 2012 within the EMTN programme

volume	maturity	coupon
EUR 50 million	2042	4.375%
EUR 50 million	2047	4.500%
EUR 60 million	2047	4.383%

SEGMENTAL CONTRIBUTIONS TO EBITDA IN 2011



*including elimination

SELECTED HISTORICAL FINANCIALS OF CEZ GROUP CZK

Profit and loss CZK bn	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Revenues	149.1	174.6	184.0	196.4	198.8	209.8
Sales of electricity	148.3	162.7	165.3	173.5	175.3	181.8
Heat sales and other revenues	11.3	11.8	14.5	16.0	23.6	28.0
Operating Expenses	84.8	99.2	95.3	105.3	110.0	122.4
Purchased power and related services	43.0	46.3	41.7	48.2	54.4	65.9
Fuel	11.6	16.9	16.2	15.8	16.9	17.7
Salaries and wages	15.1	16.9	17.0	18.1	18.7	18.1
Other	15.1	19.1	20.5	23.2	19.7	20.7
EBITDA	**64.3**	**75.3**	**88.7**	**91.1**	**88.8**	**87.3**
EBITDA margin	*43%*	*43%*	*48%*	*46%*	*45%*	*42%*
Depreciaiton	24.3	22.1	22.0	22.9	24.0	25.8
EBIT	**40.0**	**53.2**	**66.7**	**68.2**	**64.8**	**61.5**
EBIT margin	*27%*	*30%*	*36%*	*35%*	*33%*	*29%*
Net Income	27.7	41.6	47.4	51.9	46.9	40.8

Balance sheet CZK bn	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Non current assets	302.0	313.1	346.2	415.0	448.3	467.6
Current assets	66.7	57.9	126.9	115.3	96.1	130.5
- out of that cash and cash equivalents	30.9	12.4	17.3	26.7	22.2	22.1
Total Assets	**368.7**	**370.9**	**473.2**	**530.3**	**544.4**	**598.1**
Shareholders equity (excl. minority. int.)	194.9	171.4	173.3	200.4	221.4	226.7
Interest bearing debt	48.4	73.3	106.4	156.8	164.4	189.4
Other liabilities	125.3	126.3	193.5	173.1	158.5	181.9
Total liabilities	**368.7**	**370.9**	**473.2**	**530.3**	**544.4**	**598.1**

Source: CEZ

SELECTED HISTORICAL FINANCIALS OF CEZ GROUP EUR

Profit and loss

EUR m	2006	2007	2008	2009	2010	2011
Revenues	6,065	7,099	7,481	7,987	8,087	8,531
Sales of electricity	6,031	6,618	6,723	7,056	7,128	7,393
Heat sales and other revenues	459	481	592	651	959	1,137
Operating Expenses	3,450	4,036	3,874	4,283	4,474	4,980
Purchased power and related services	1,749	1,884	1,695	1,960	2,210	2,679
Fuel	473	687	658	643	689	722
Salaries and wages	613	687	690	736	761	736
Other	614	777	832	944	803	843
EBITDA	**2,615**	**3,063**	**3,607**	**3,704**	**3,613**	**3,551**
EBITDA margin	*43%*	*43%*	*48%*	*46%*	*45%*	*42%*
Depreciaiton	987	900	897	931	977	1,048
EBIT	**1,628**	**2,164**	**2,711**	**2,773**	**2,635**	**2,503**
EBIT margin	*27%*	*30%*	*36%*	*35%*	*33%*	*29%*
Net Income	1,126	1,692	1,926	2,109	1,909	1,658

Balance sheet

EUR m	2006	2007	2008	2009	2010	2011
Non current assets	12,281	12,733	14,081	16,876	18,231	19,016
Current assets	2,711	2,353	5,162	4,689	3,908	5,308
- out of that cash and cash equivalents	1,258	505	704	1,087	901	897
Total Assets	**14,993**	**15,086**	**19,243**	**21,565**	**22,139**	**24,324**
Shareholders equity (excl. minority. int.)	7,926	6,969	7,046	8,148	9,005	9,220
Interest bearing debt	1,970	2,980	4,327	6,377	6,688	7,705
Other liabilities	5,096	5,137	7,870	7,039	6,446	7,399
Total liabilities	**14,993**	**15,086**	**19,243**	**21,565**	**22,139**	**24,324**

Exchange rate used:
24.59 CZK/EUR

Source: CEZ

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