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

Investment story, May 2010

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AGENDA

CEZ GROUP IS AN INTERNATIONAL UTILITY WITH A STABLE POSITION IN DOMESTIC MARKET AND A GROWING PORTFOLIO IN CEE

CEZ Group in Poland
(99.91% stake in Skawina, 89% in Elcho)

Electricity generation, gross (TWh)	2.8
Market share	**2.5%**
Installed capacity (MW)	730
Market share	**2.2%**
Number of employees	589
Sales (EUR million)	229

CEZ Group in Germany
(50% stake in MIBRAG)

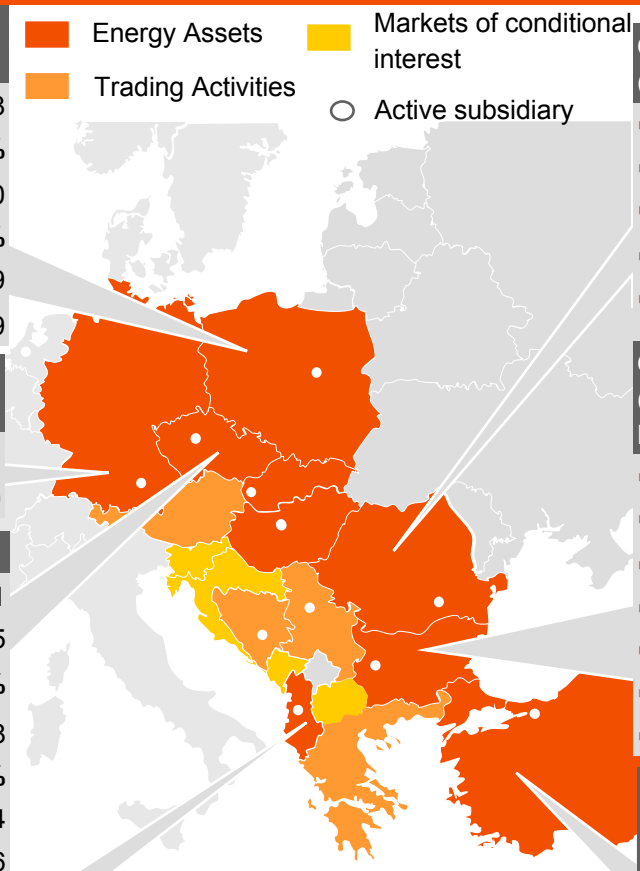
Annual coal extraction (m t)	19.0
Lignite reserves (m t)	530

CEZ Group in the Czech Republic

Electricity generation, gross (TWh)	61.1
Number of connection points (million)	3.5
Market share	**45%**
Installed capacity (MW)	12,298
Market share	**73%**
Number of employees	19,824
Sales (EUR million)	5,916

CEZ Group in Albania
(76% stake in OSSH)

Number of connection points (million)	1.1
Electricity sales (TWh)	4.1



CEZ Group in Romania
(100% stakes in CEZ Distributie, CEZ Vanzare)

Electricity sales, net (TWh)	3.4
Number of connection points (million)	1.4
Market share	**18.1%**
Number of employees	2,578
Sales (EUR million)	417

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

Electricity sales, net (TWh)	8.6
Number of connection points (million)	2.0
Market share	**40%**
Installed capacity (MW)	1,260
Market share	**11.6%**
Number of employees	4,207
Sales (EUR million)	715

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

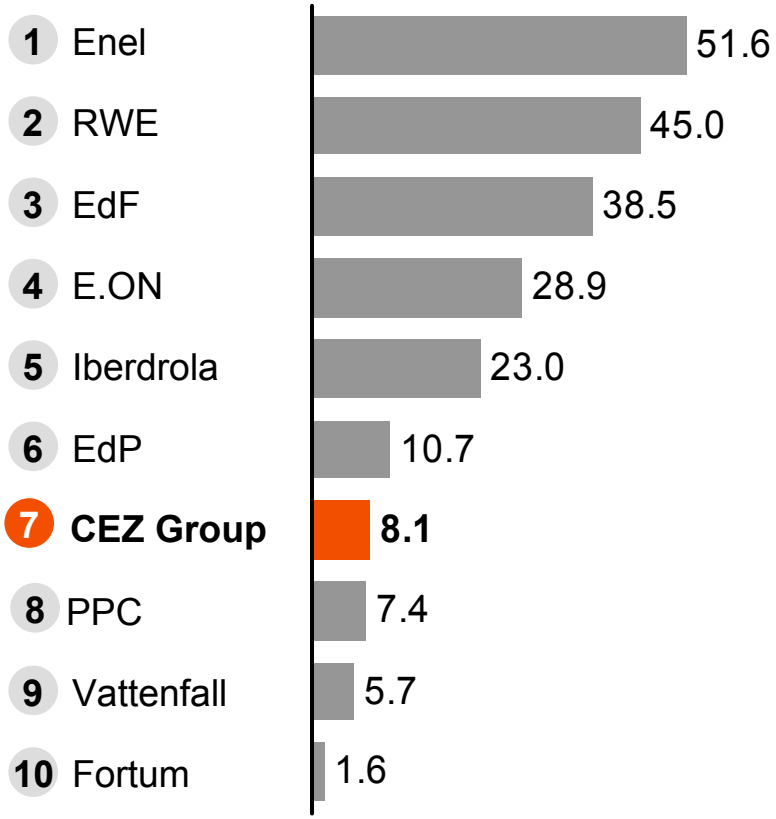
Electricity sales, net (TWh)	8
Number of connection points (million)	1.3
Installed capacity (MW)	373
Market share	**2%**

Notes: IFRS 2008, Exchange rate CZK/EUR = 24.96

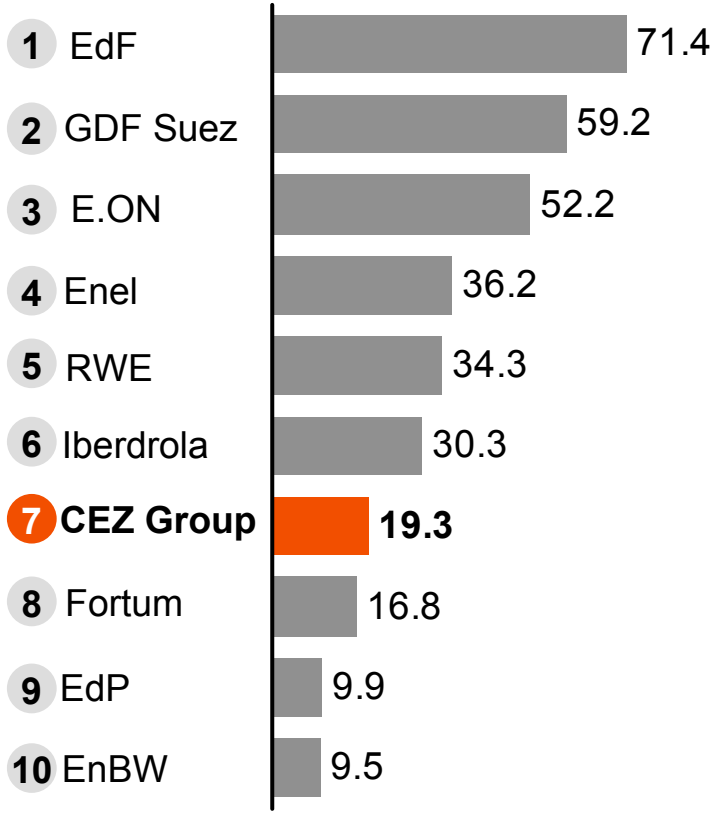
Source: CEZ, national statistics

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

Top 10 European power utilities
Number of customers in 2008, in millions



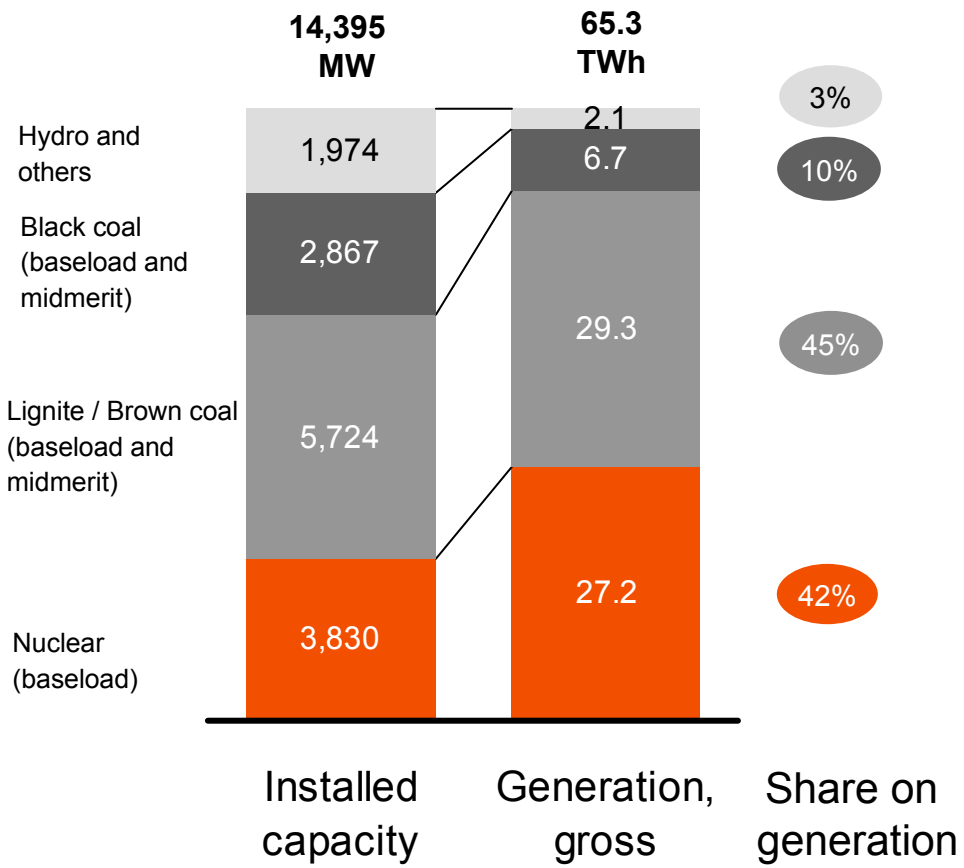
Top 10 European power utilities
Market capitalization in EUR bn, as of May 12, 2010



Source: Bloomberg, Annual reports

CEZ GROUP IS BENEFITING FROM LOW COST GENERATION FLEET

CEZ Group installed capacity and generation (2009)



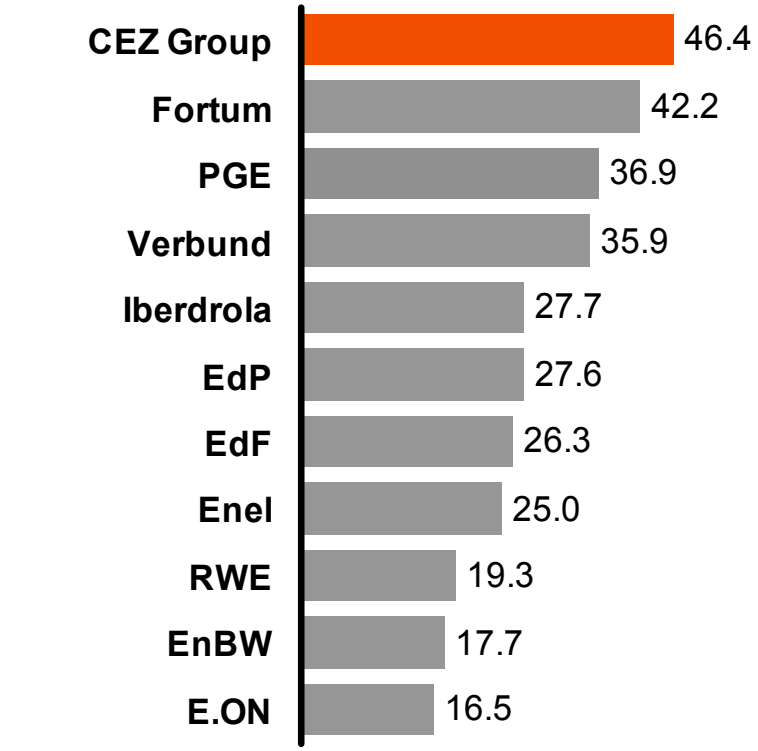
- **Nuclear plants have very low operational costs**
- **Coal power plants are using mostly lignite from CEZ's own mine** (60% of lignite needs sourced internally)
- **CEZ has 100% free allocation of CO_2 allowances for NAPII i.e. 2008-2012**

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, 2009
Percent



Source: Annual reports, 2009 Financial Statements

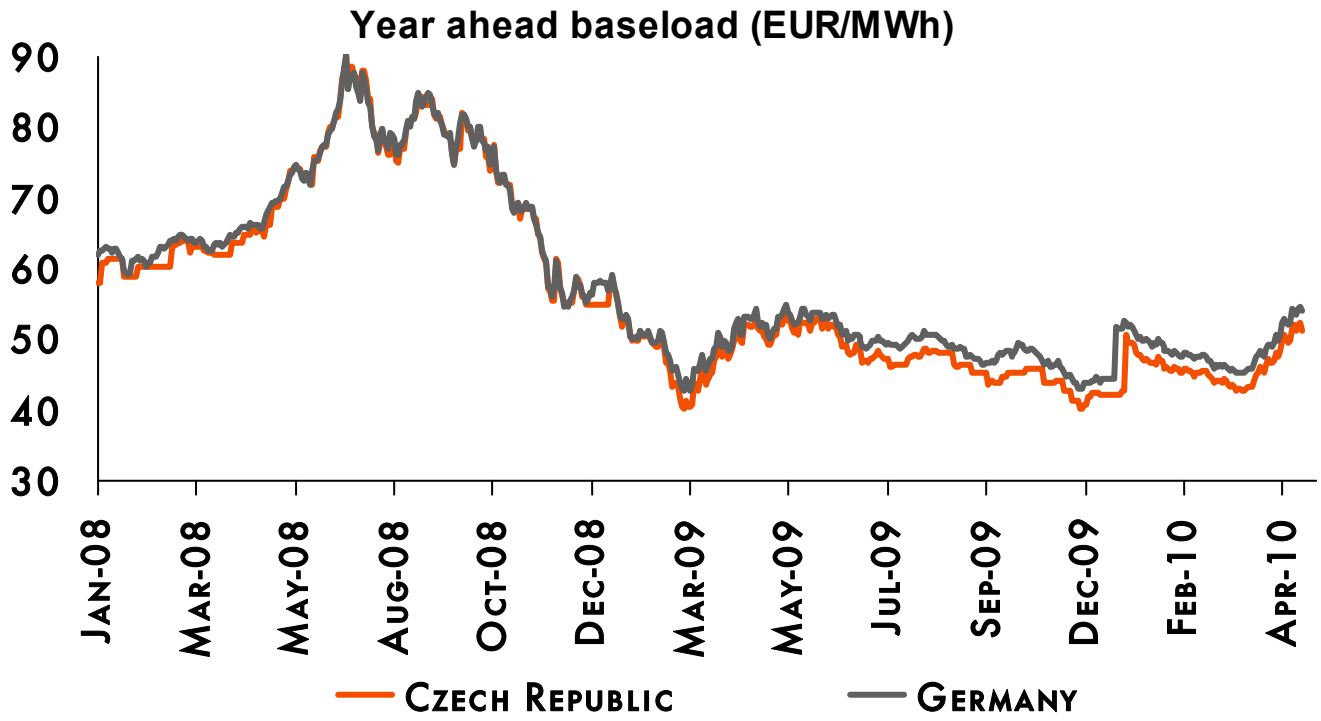
KEY STRENGTHS OF CEZ GROUP

- Generation fleet with the lowest variable costs
- Full allocation of CO_2 allowances until 2013 and only gradual auctioning post 2013
- Portfolio of high quality foreign assets purchased at attractive prices
- Strong balance sheet with very low level of debt
- High quality of committed new investments
- Stable regulatory environment

AGENDA

CZECH ELECTRICITY MARKET HAS CONVERGED WITH GERMANY AND THERE ARE NO ADMINISTRATIVE INTERVENTIONS

- **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**



PRICES OF ALL COMMODITIES ARE CURRENTLY VERY VOLATILE

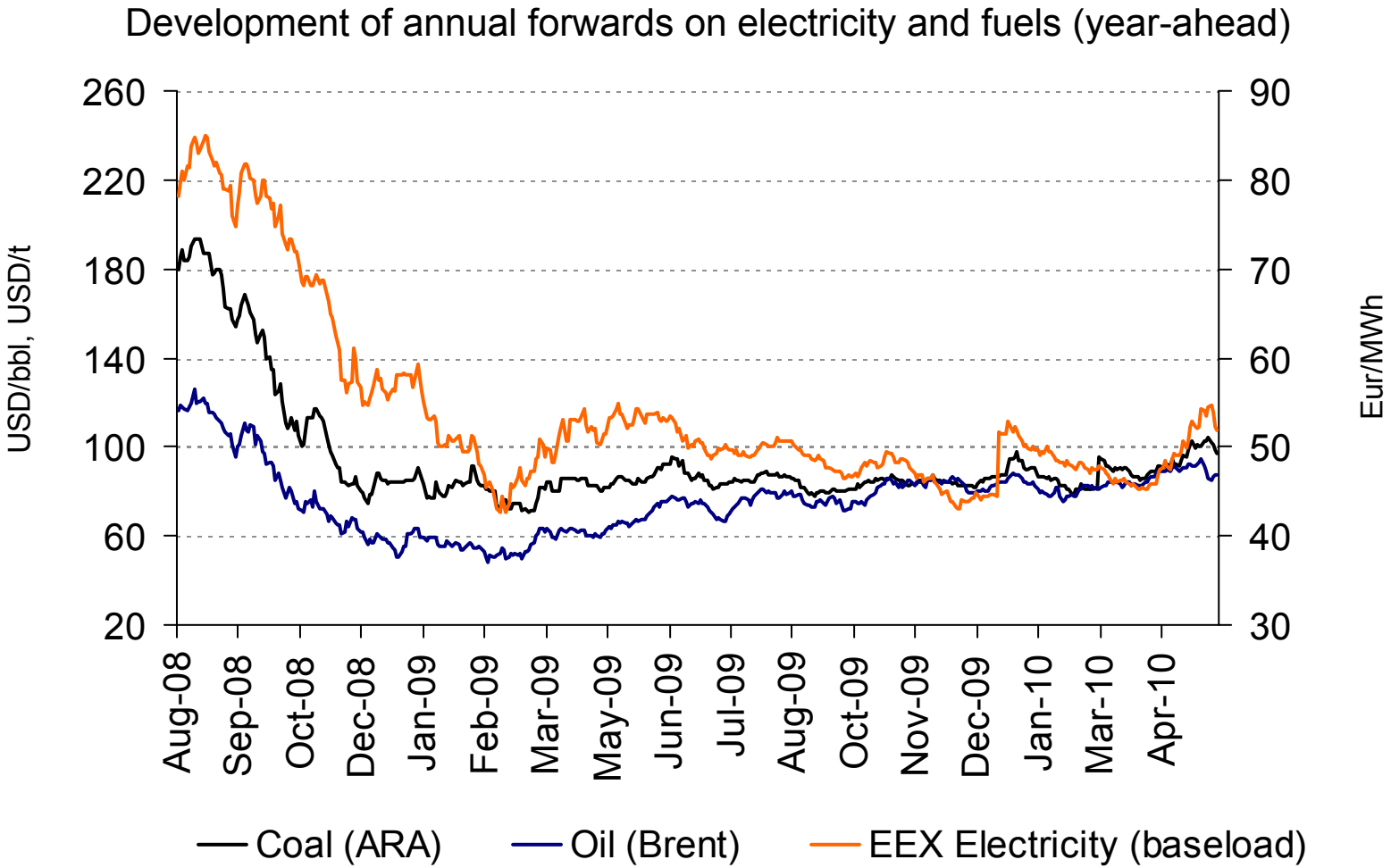
Oil Brent (USD/bl)

CO_2 allowances – NAPII (EUR/t)

Coal (USD/t)

Power price - EEX Y+1 (EUR/MWh)

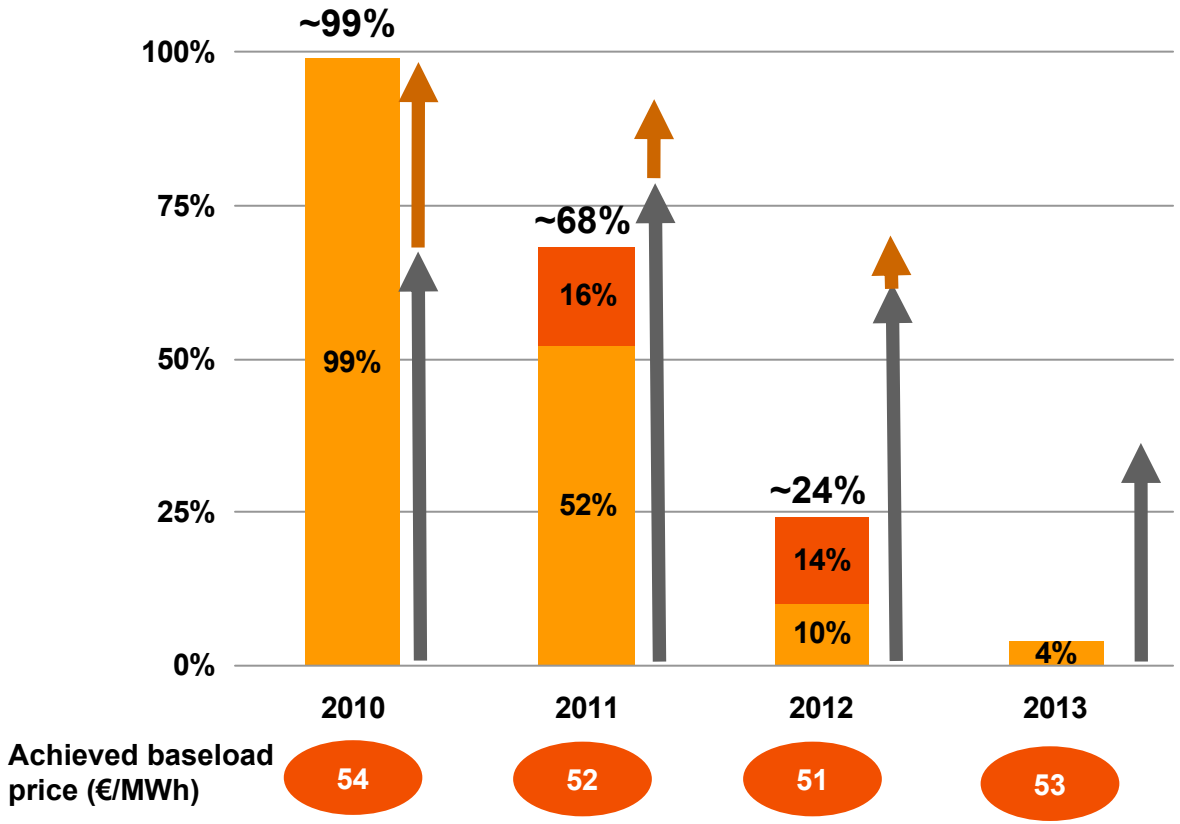
ELECTRICITY PRICES ARE CURRENTLY DEPRESSED DUE TO HISTORICALLY LOW PRICES OF COAL AND OIL



CEZ HEDGED LARGE PART OF 2010 AND 2011 PRODUCTION AT ATTRACTIVE PRICES

Share of hedged generation from ČEZ, a. s. power plants (as of April 30, 2010)

100% corresponds with 55 - 60TWh



- 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+4

Electricity hedging

- Hedged volume from 31 Jan 2010 to 30 Apr 2010
- Hedged volume at 31 Jan 2010

Currency hedging

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

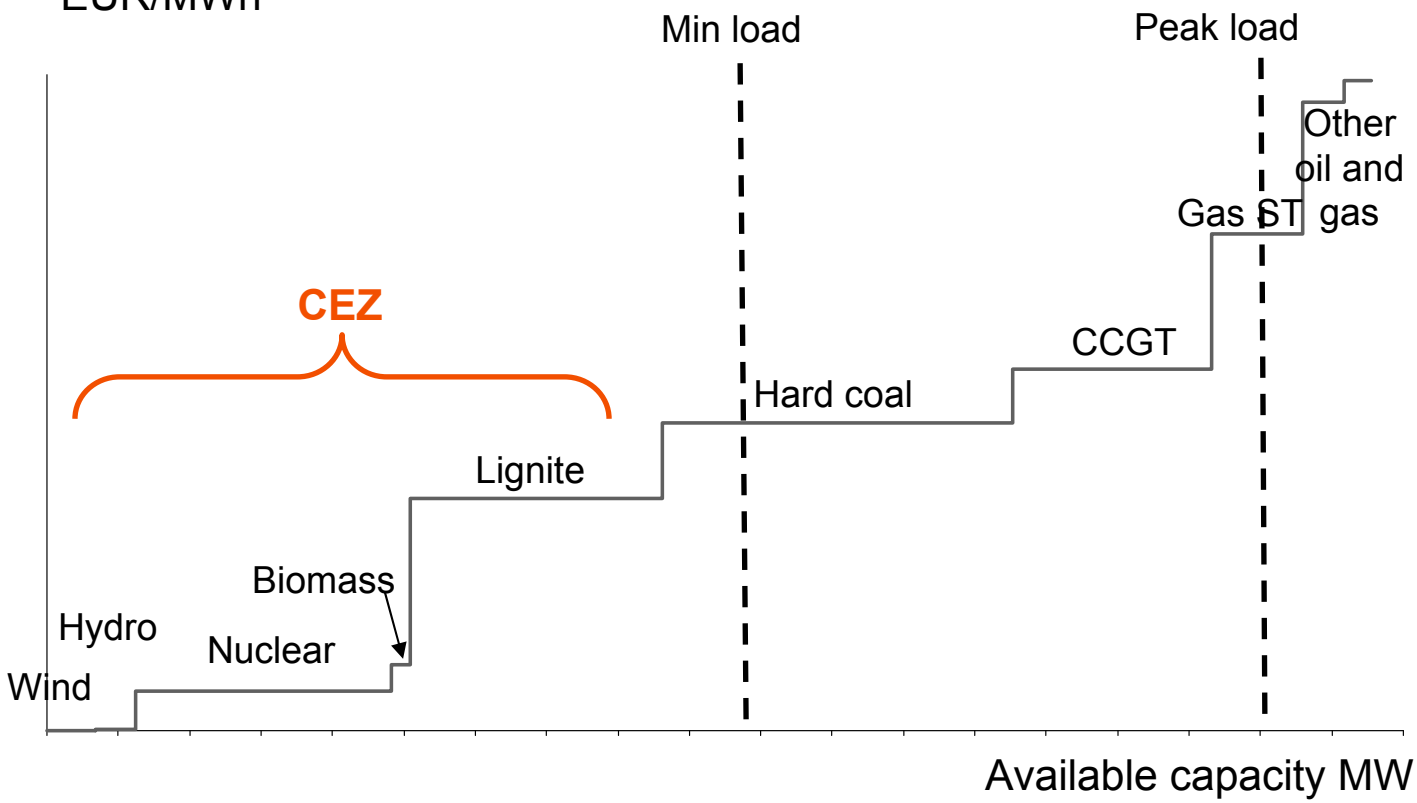
Source: CEZ

ILLUSTRATIVE

CEZ POWER PLANTS ARE SITUATED ON THE LEFT PART OF THE GENERATION COST CURVE

German generation cost curve

EUR/MWh



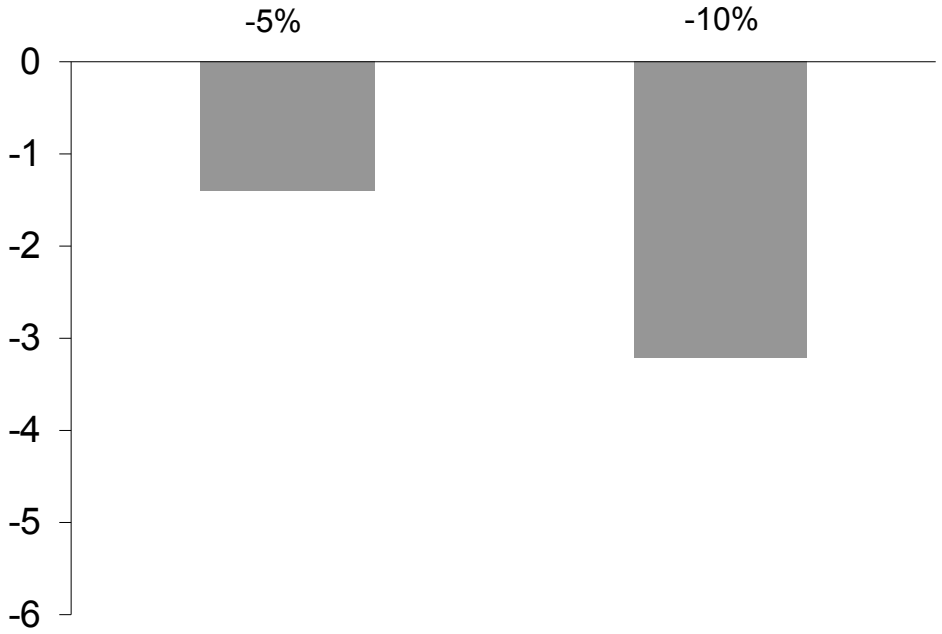
- In a free market, power price is set by variable cost of marginal plants
- In Germany, the marginal plants are fueled by hard coal (in off peak) or gas (in peak)
- As a result, the power price should be driven by coal, gas and CO_2 price

Source: CEZ

DECLINE IN DEMAND HAS MUCH SMALLER INFLUENCE ON ELECTRICITY PRICES THAN VOLATILITY OF FUEL PRICES

Estimated decline in power price due to decrease in demand (Germany 2009)

EUR/MWh

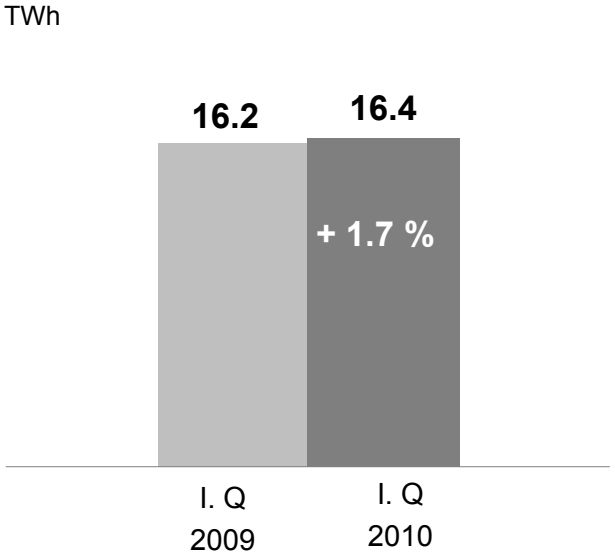


- Even extremely large decline of electricity demand by 10 percentage points would lead to electricity price decline by 3 EUR/MWh
- The same change in electricity price is caused for example by 4 EUR/t decline in price of CO_2

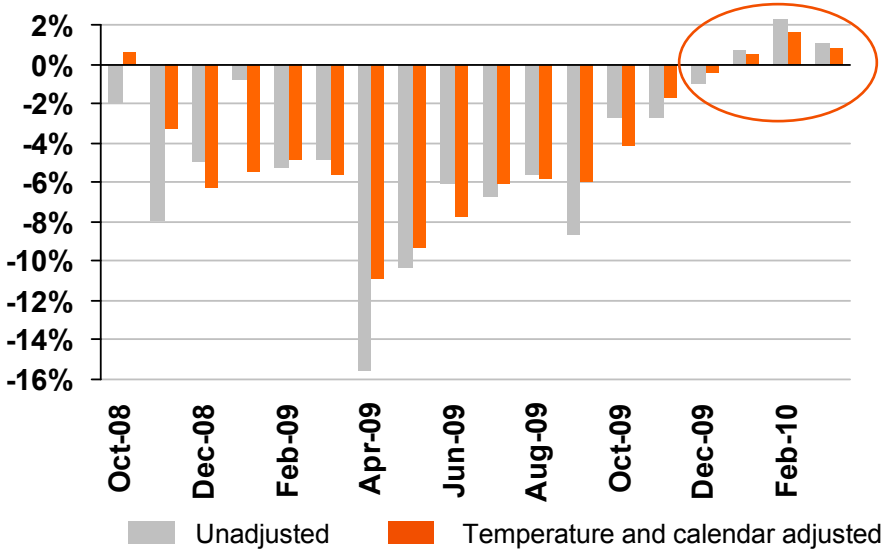
Source: CEZ

CZECH ELECTRICITY DEMAND WAS SIGNIFICANTLY INFLUENCED BY ECONOMIC RECESSION IN 2009 BUT WE ARE SEEING FIRST SIGNS OF IMPROVEMENT

Electricity consumption in the Czech Republic in Q1 2010



Y-o-y monthly indexes of demand in the Czech Republic



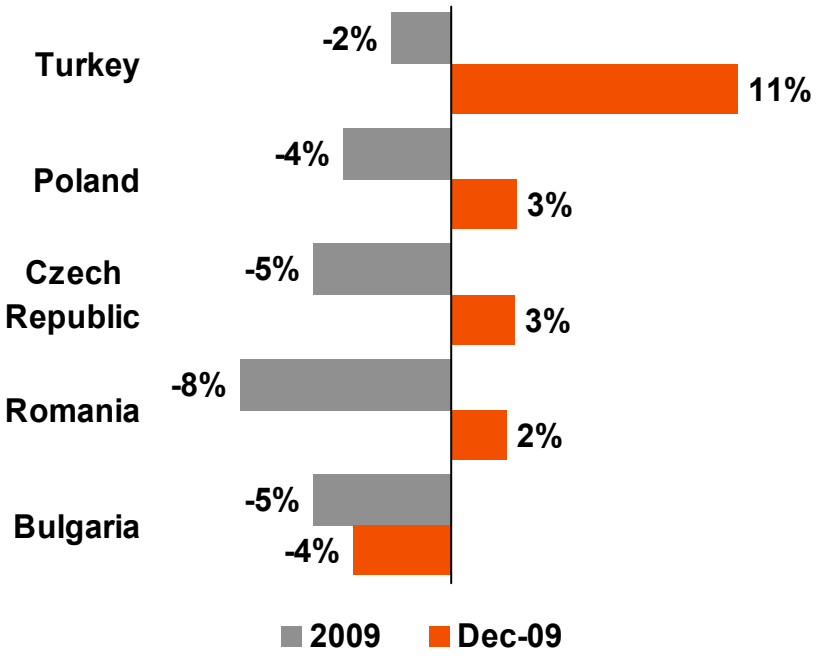
- Development of consumption by individual segments in Q1 2010:
  - + 3.2 % wholesale customers
  - - 1.3 % households
  - + 2.2 % small enterprises
- Annual decline of consumption in the Czech Republic further reached 5.6 % in 2009

- Economic recession influenced Czech electricity consumption the most in April and May, when y-o-y decrease exceeded 10 %.
- The temperature and calendar adjusted data from December 2009 again shows a year-on-year growth of around 1%
- Our expectation for this year is a 1% growth

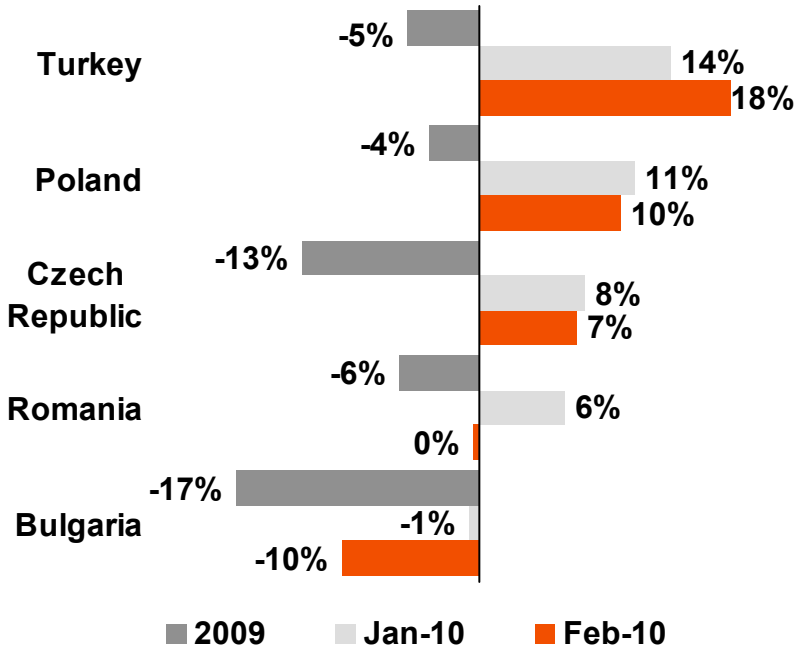
Source: CEZ, ERU

ELECTRICITY CONSUMPTION IN CEE IS PICKING UP DRIVEN BY IMPROVEMENTS IN ECONOMIC ACTIVITY

Electricity consumption*
y-o-y change



Industrial production
y-o-y change

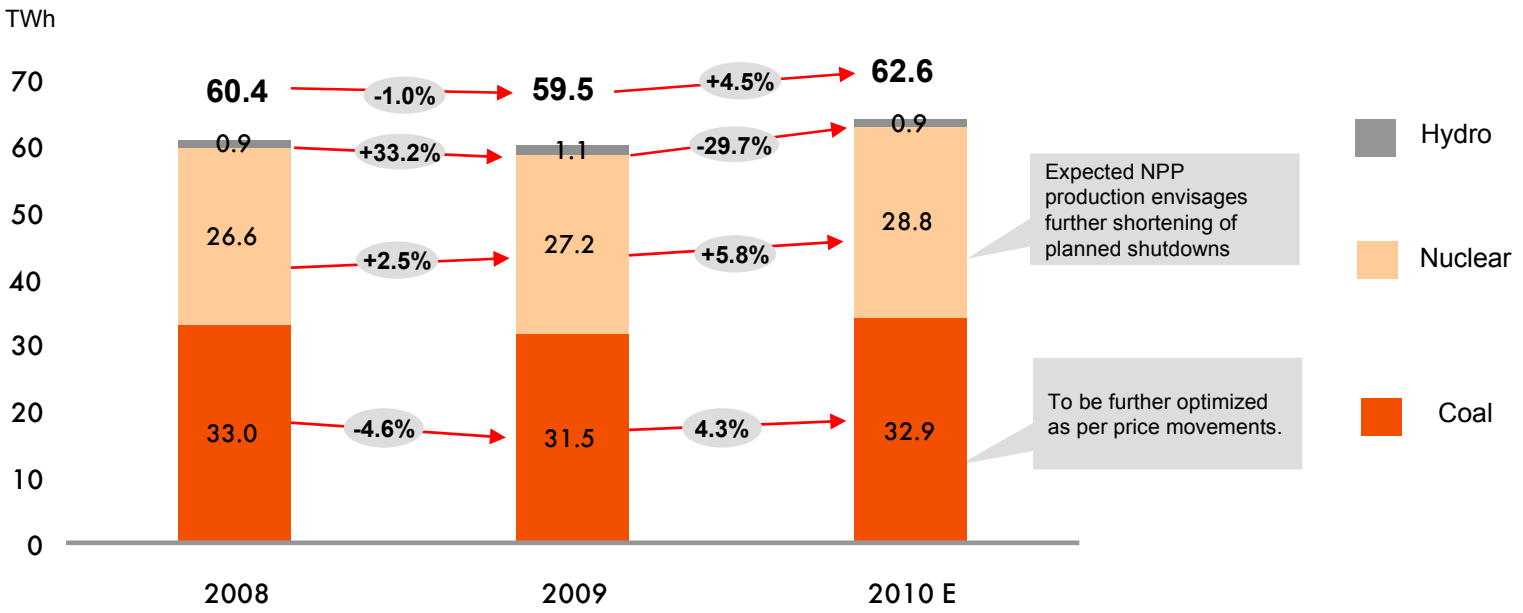


* Net consumption + grid losses, Turkey – gross consumption (includes own consumption of power plants)

Source: Eurostat, ENTSO-E, TEIAS, Akenerji;

AFTER A 1% DECLINE OF ELECTRICITY GENERATION OF ČEZ, A. S. IN 2009 WE EXPECT A 4.5% INCREASE IN 2010

Electricity generation of ČEZ, a. s. (gross)



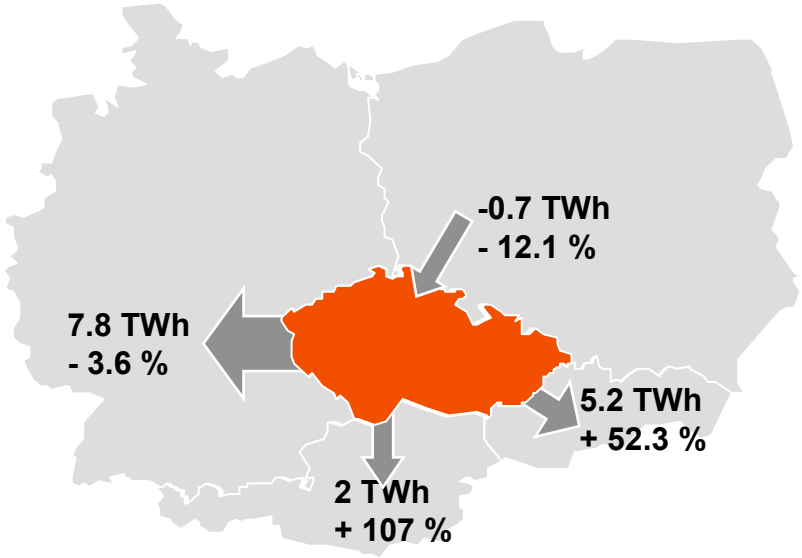
- The year-on-year decrease of generation in coal-fired power plants by 4.6% was especially caused by lower electricity prices year-on-year, for which power plant operation is optimized, and by an increased fault rate in Q4 2009
- The year-on-year production increase in nuclear power plants by 2.5% was caused by shortening planned and accident shutdowns of Temelin NPP in 2009
- The year-on-year growth of production in hydroelectric power plants of 33% was especially caused by higher flow rates in summer

Source: ČEZ

IN 2009 NET EXPORTS FROM THE CZECH REPUBLIC INCREASED TO 14 TWH DRIVEN BY 52% INCREASE OF EXPORTS TO SLOVAKIA

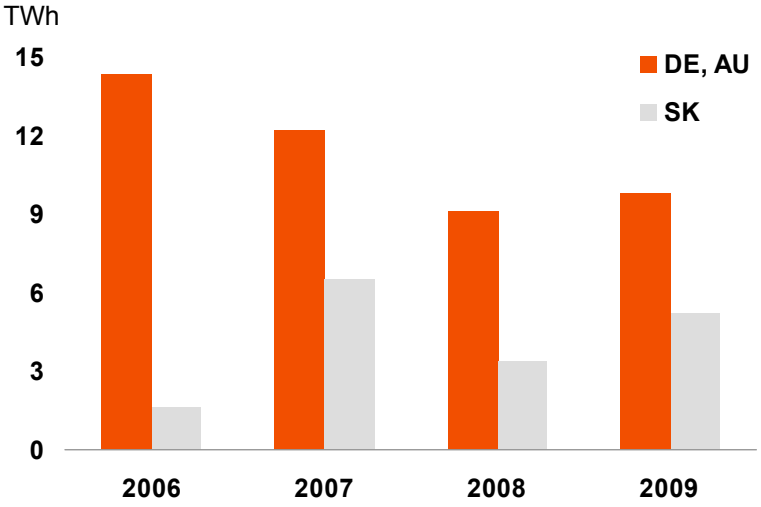
Balance of cross border trades of the Czech Republic in 2009

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



2009 net exports: 14.3 TWh, up 23% y-o-y

Development of balance of cross border trades



TWh	2006	2007	2008	2009
DE, AU	14.3	12.2	9.1	9.8
SK	1.6	6.5	3.4	5.2
PL	-2.7	-2.1	-0.8	-0.7
	13.2	**16.6**	**11.7**	**14.3**

Source: CEPS

AGENDA

CZECH REPUBLIC IS ELIGIBLE FOR GRADUAL IMPLEMENTATION OF CO_2 AUCTIONING IN 2013-2020

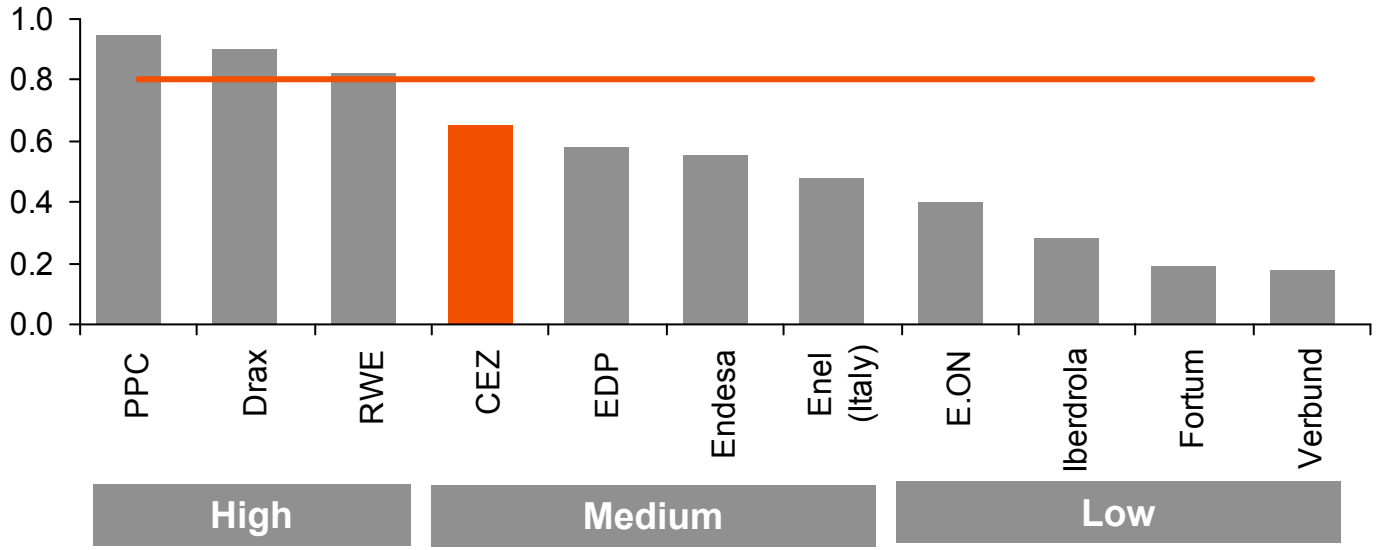
- Parliament of the Czech Republic has already approved an implementation of EU ETS directive, which enables partial free allocation of CO_2 allowances for Czech power industry
- Value of free CO_2 allowances should be invested into modernizing and upgrading infrastructure, clean technologies, and diversification of energy mix

In 2013 CEZ will get 70% of allowances for free. Amount of free allocations will decrease only gradually to 0% in 2020

ALREADY NOW OUR CO_2 INTENSITY IS BELOW EUROPEAN PRICE SETTING PLANT

- CEZ Group CO_2 intensity currently stands at 0.66 t/MWh of supplied electricity
- This is already below European price setting plant, which we estimate has an emission factor of 0.8 t/MWh
- Thus increase in CO_2 price has a positive impact on CEZ profitability

Carbon intensity of selected European utilities (t/MWh)



Source: Company data

IN ORDER TO ELIMINATE NEGATIVE IMPACT OF PARTIAL CO_2 AUCTIONING WE ARE IMPLEMENTING SEVERAL MEASURES

CEZ Group set the following strategic priorities:

1. **Diversification of the generation fleet by constructing gas plants**
2. **Development of nuclear power projects wherever possible**
3. **Establishing portfolio of renewables and environmental investments**
4. **Within the EU, investments in coal plants only if there is a significant cost advantage**
5. **Investment in JI/CDM projects, forward purchases of emission allowances**
6. **Investments into projects in growing markets outside the EU**

PROJECTS UNDERWAY WILL BRING 3.9 GW OF GAS CAPACITY IN 2013-15

1.

Location	Name	Approximate Size (MW)
Czech Rep.	**Pocerady**	841
Czech Rep.	**Melnik**	800
Slovakia	**Slovnaft** (JV with MOL)	800 +160
Hungary	**Dufi** (JV with MOL)	800
Bulgaria	**Varna**	800
Poland	**Skawina**	400

NUCLEAR ENERGY REMAINS VERY ATTRACTIVE AND CEZ PURSUES OPPORTUNITIES IN THIS AREA

2.

Reasons for nuclear energy

- „in the money“
- CO_2 free solution
- Reliable & predictable fuel suppliers
- Another way to diversify generation portfolio
- Increasing awareness of the need for nuclear energy in the EU

CEZ response

- Increase of **production at existing plants** from 26 TWh to 31 TWh by 2012
- **Temelin** – up to 3,400 MW of new capacity (in July 2008 EIA study submitted, in August 2009 tender for supplier launched)
- CEZ has 9.15% stake in **Cernavoda** (RO) project
- CEZ partnered with Slovakian government on construction of **Jaslovske Bohunice**
- **Dukovany** – up to 1,700 MW of new capacity

ROMANIAN WIND PROJECT WILL SIGNIFICANTLY INCREASE OUR PRESENCE IN RENEWABLES

3.

Romania – Fantanele & Cogealac (600 MW)

- Largest wind farm project in Europe
- 347.5 MW operational in H1 2010, additional 252.5 MW by 2011
- Excellent wind conditions for an on-shore site with expected net capacity factor of 28%
- Construction started in October 2008, technology contracted with GE
- Total investment is estimated at € 1.1 bn

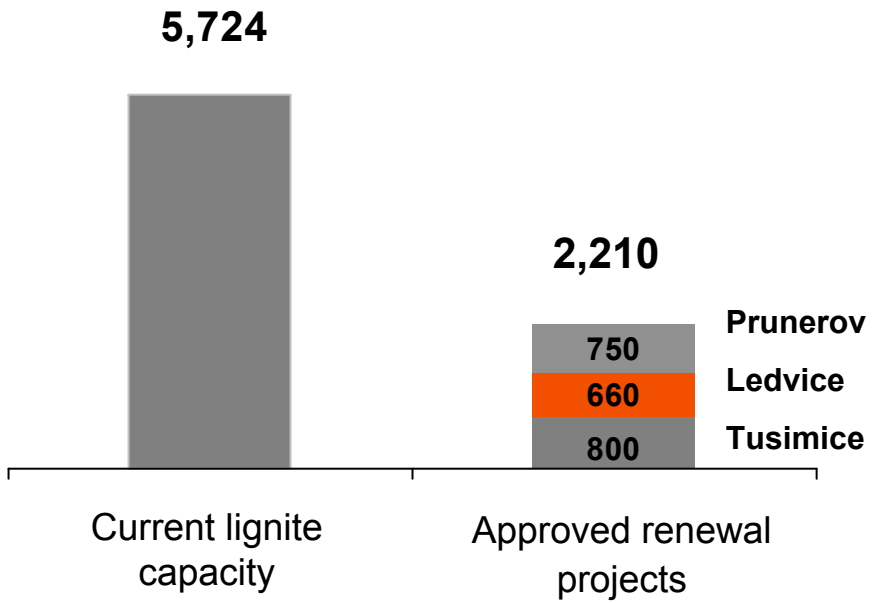
Czech Republic

- Target to triple the annual renewable energy production from 1.7 TWh to 5.1 TWh and to invest CZK 30 bn into renewable sources by 2020
- Already 120 MW have secured connection to the grid, most of the capacity has agreement of municipalities, EIA submitted for 1/3 of the total capacity

CEZ DECIDED TO INVEST INTO RENEWAL OF ONLY SELECTED LIGNITE PLANTS IN THE CZECH REPUBLIC

4.

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

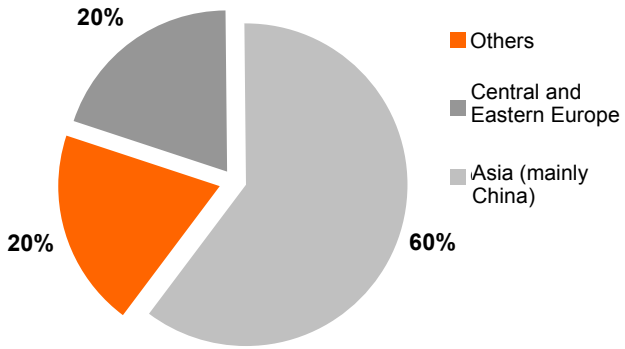
CEZ ALREADY CONTRACTED MOST OF ITS TOTAL QUOTA OF CERs

5.

JI (Joint Implementation), CDM (Clean Development Mechanism) – mechanisms of Kyoto Protocol, which enable investments into projects for reduction of greenhouse gases and their import to ETS for utilization instead of CO_2 allowances

- Until 2012 CEZ Group can import to EU ETS approximately 21 m of CER credits from JI/CDM
- So far CEZ has contracted 18 m of credits with deliveries in 2009-2012 (of which 5 m are non-guaranteed)
  - Directly from CDM projects
    Example : wind farm or project of biomass power plant in China
  - On secondary markets
- CEZ has also contracted 17 m of EU allowances for a period after 2013 and saved 2 m of free allocated EU allowances

Expected geographical composition JI/CDM portfolio of direct investments



Note: CEZ swapped 5.5 m of EUAs for CER credits as of end of 2009

TURKEY IS AN ATTRACTIVE MARKET OUTSIDE EUROPEAN UNION

6.

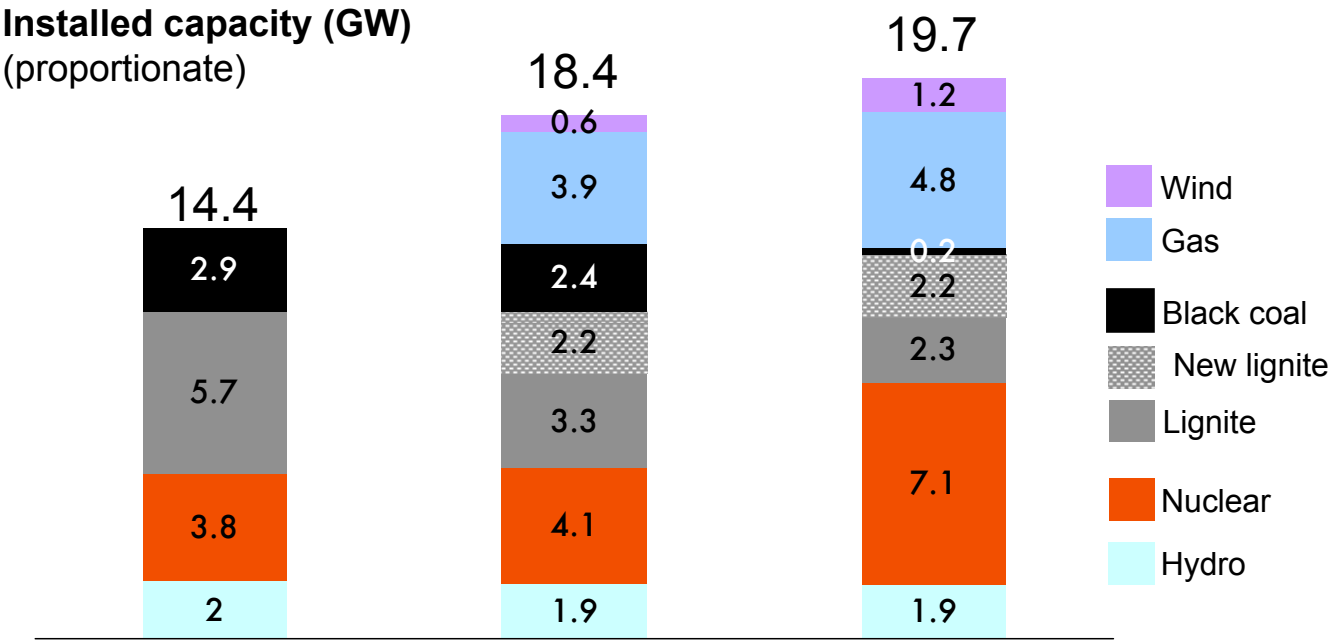
COUNTRIES OUTSIDE EU ATTRACTIVE DUE TO FOLLOWING REASONS:

- **Dynamic growth of GDP leads to high electricity demand growth**
- **Need to build additional generation capacities**
- **Exclusion from EU ETS gives higher flexibility regarding portfolio mix**

CEZ ENTERED INTO TURKISH ELECTRICITY MARKET:

- **SEDAŞ distribution company acquired in February 2009**
- **Acquisition of 37.5% stake in Akenerji finalized in May 2009**

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



	2009	2015	2020
Emissions CO_2 (m t CO_2)	37.2	44.6	33.2
CO_2 Emissions (t CO_2/MWh supplied)	**0.63**	**0.51**	**0.32**

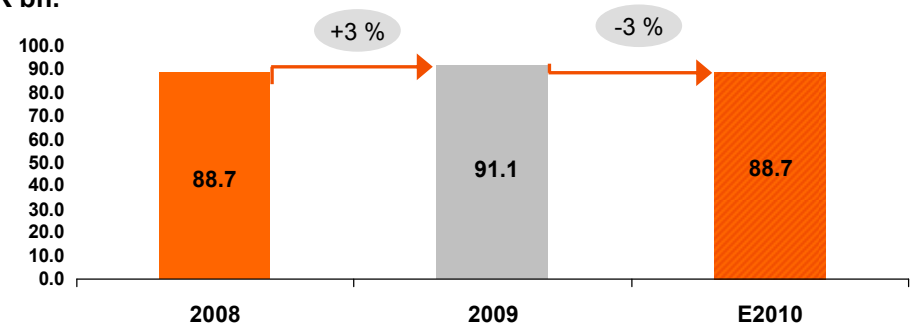
Source: CEZ

AGENDA

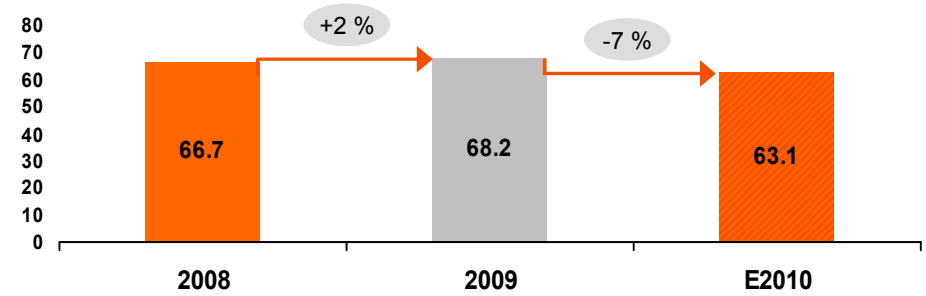
EXPECTED FINANCIAL RESULTS IN 2010

CZK bn.

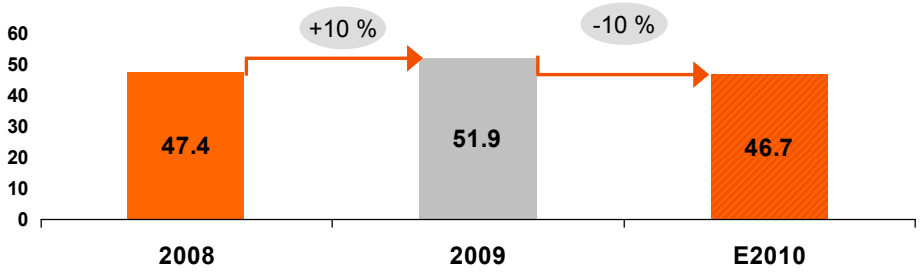
EBITDA



EBIT



NET INCOME



Key positive factors:

- Stabilization of demand for electricity
- Increase in the production of nuclear power plants based on the goals of the Safely 15 TERA ETE and Safely 16 TERA EDU projects
- Increase in permitted revenues in electricity distribution
- Further benefits from the “Efektivita” (Efficiency) programme focused on cost savings
- Commencement of production from wind power plants abroad

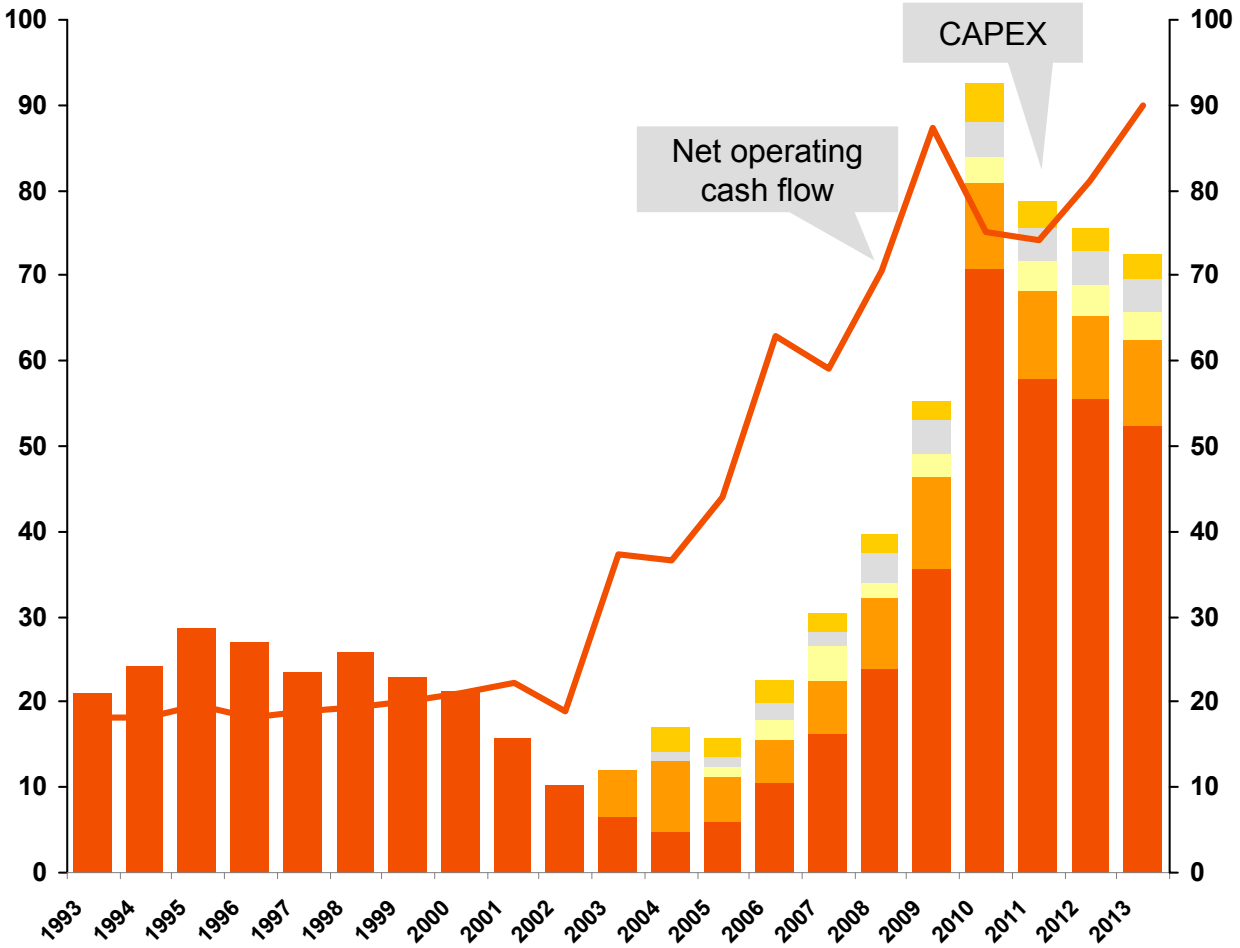
Key negative factors:

- Declining realised wholesale electricity prices although a large portion of the volume is sold through forward contracts

The expected economic results correspond with production from photovoltaic power plants, included in the tariffs for electricity distribution in 2010 – 180GWh. Because of the dramatic increase of production from photovoltaic power plants by up to another 175GWh, there is a risk of a negative impact on the expected results amounting to CZK 1 - 2 bn. This impact will be compensated in the permitted revenues in the years to come.

LARGE PART OF CEZ INVESTMENTS IS DIRECTED TO GAS PLANTS AND RENEWABLES

Expected CAPEX development (CZK bn)



Net cash provided by operating activities (January 2010 estimates)

CAPEX breakdown:

- Other
- Mining
- Distribution and sales – foreign
- Distribution and sales – domestic
- Generation and trading

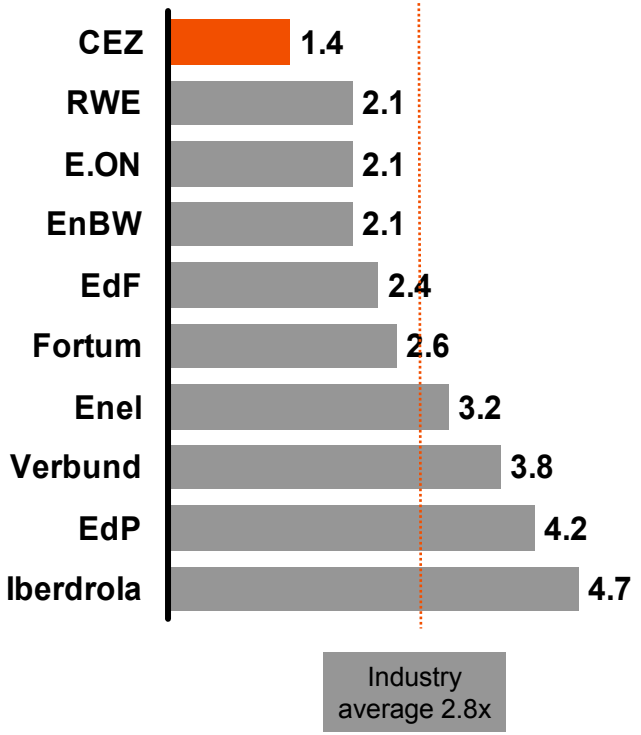
Key generation projects:

- **Investments into lignite plants in the Czech Republic**
- **Wind farm in Romania and other renewable projects in the Czech Republic**
- **New CCGTs in Pocerady, Melnik, Varna and Skawina**
- **Preparatory works for new units of Temelin power plants**

Note: projects consolidated by equity method are not included

OUR CURRENT LEVERAGE IS LOW COMPARED TO INDUSTRY STANDARDS

Net financial debt/ EBITDA
Multiples, 2009



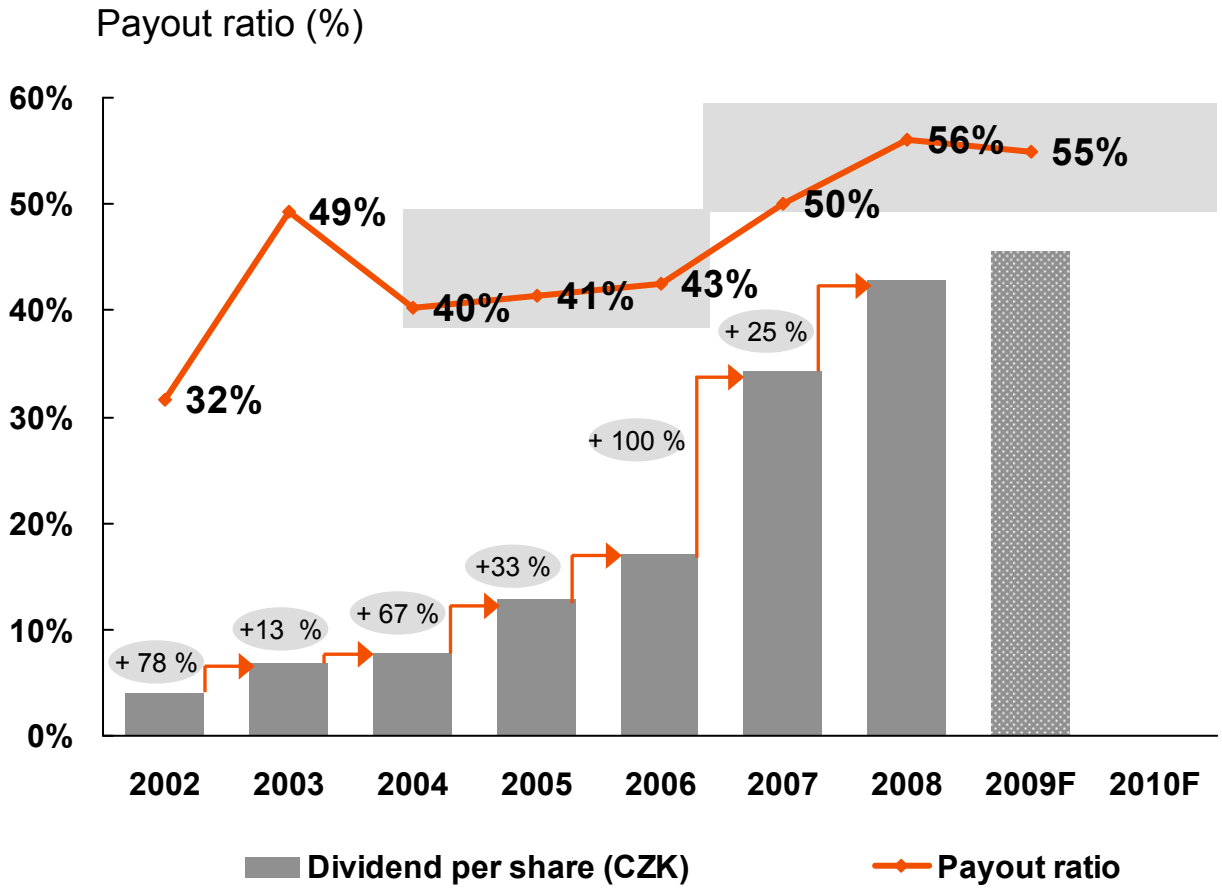
Current level of debt is low, which is a comfortable position in current tight debt markets

Medium-term target leverage remains intact:

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

Source: Company data

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



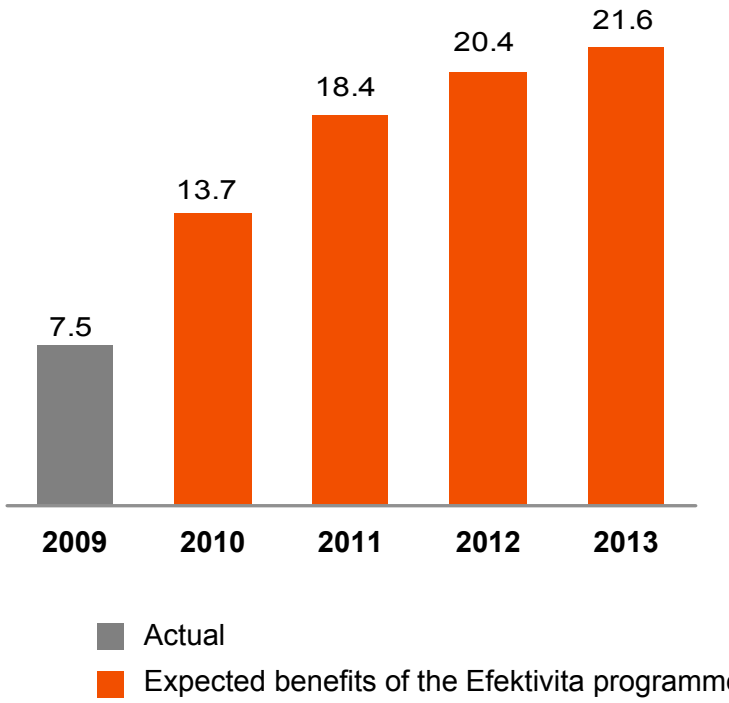
- Dividend policy targets payout ratio in the range of 50% to 60% of the consolidated profit adjusted for extraordinary items
- Board of directors proposes dividend from 2009 profit at CZK 53 per share
- The dividend will be voted on at the AGM on June 29, 2010

Source: CEZ

EFFICIENCY PROGRAM "EFEKTIVITA" ALREADY DELIVERED CZK 7.5 BN CONTRIBUTIONS TO EBITDA IN 2009

Key initiatives	
Transformation of ICT	Cost effective function of internal ICT suppliers
Lean Company	Process improvements in CEZ Group, particularly at headquarters
Customer	To become the company with the best customer services in the Czech Republic by 2009
Best Practice in Distribution	To optimize processes to the level of the best European companies by 2012
Integration of Foreign Equity Participations	Full integration of foreign equity participations to CEZ Group
Safely 15 TERA Temelín	Increase of production to 15 TWh by 2010 (technical innovations, limiting of unplanned shutdowns, shortening of re-fuelling outages)
16 TERA Dukovany	Increase of production by 2013 (technical innovations, shortening of re-fuelling outages)

Increase of EBITDA vs. baseline in 2006
(CZK bn.)



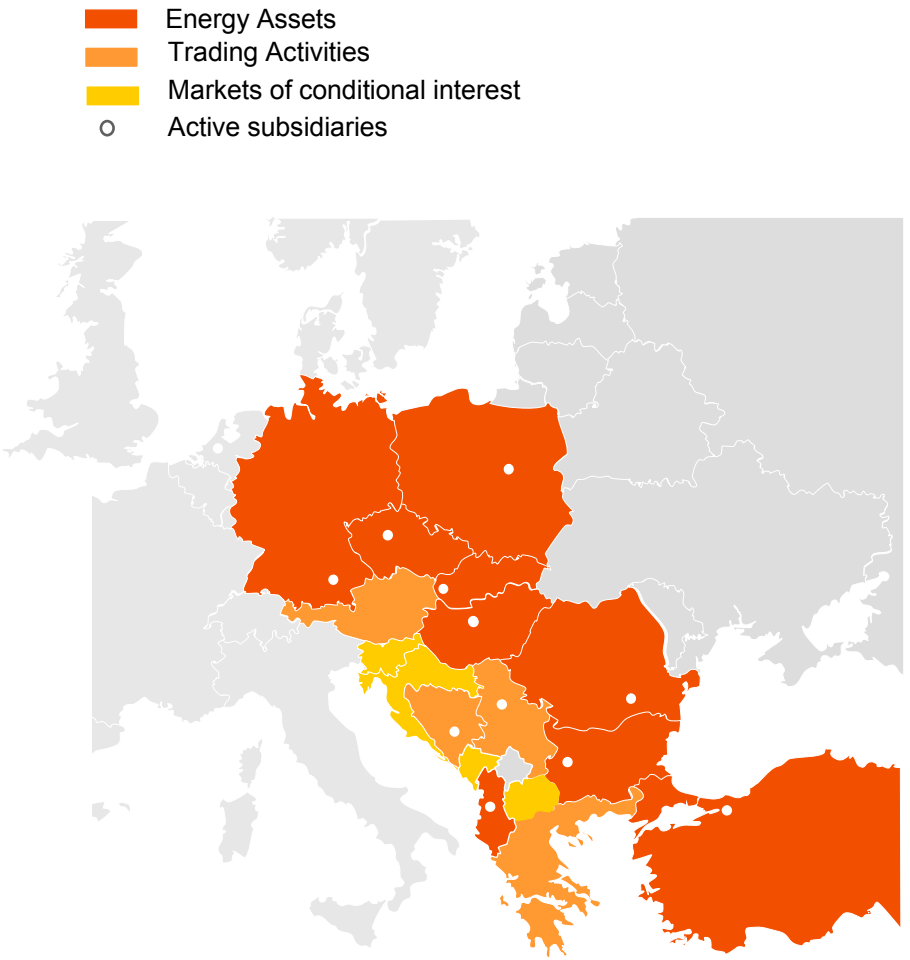
The Efektivita program, which focuses on improving our internal performance, brings the results in line with the long-term plan

AGENDA

CEZ GROUP IS GOING TO CONSOLIDATE ITS INTERNATIONAL POSITIONS

We consolidate our positions and we mainly focus on growth in countries where we already own assets

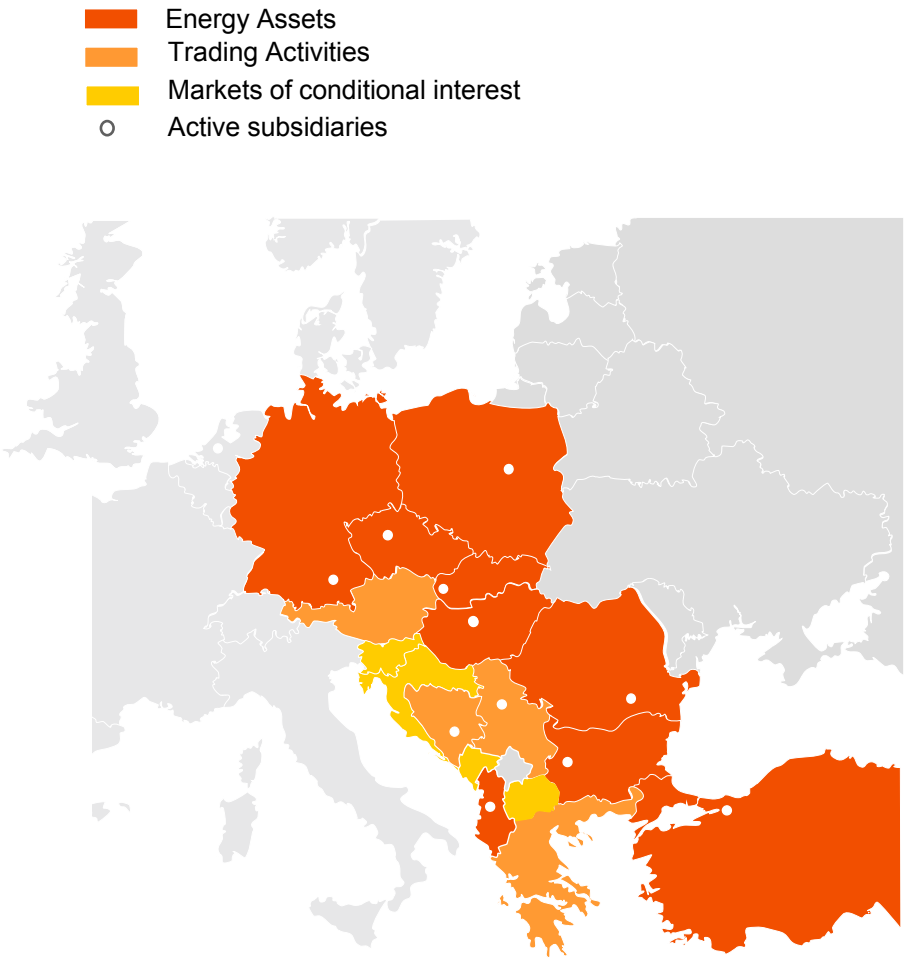
- We continue with careful selection of only those projects that bring value for our investors
- We are focusing on Central and Southeastern European countries, especially on those where we are present
- We stopped monitoring regions adjacent to our target territory where we did not have ambitions to become important player on the market (Russia, Ukraine)



CEZ GROUP MADE SEVERAL ACQUISITIONS TAKING ADVANTAGE OF ATTRACTIVE PRICES

Key 2009 acquisitions

- Acquisition of controlling stake in **Dalkia Usti nad Labem** and 15% stake in **Dalkia CR** which are important players in the Czech heat market
- Agreement to buy 49% stake in **Prazska teplarenska** (major heat supplier in Prague, Czech Republic)
- Acquisition of distribution company **OSSH** in **Albania**
- Acquisition of lignite mines **MIBGRAG** in Germany
- In May 2009 shareholder **agreement** was signed between CEZ and Slovakian party **to build** new **nuclear** power **plant in Jaslovske Bohunice** in Slovakia
- **Entrance to Turkish market** – SEDAS distribution company acquired in February 2009, acquisition of the stake in Akenerji finalized in May 2009



ON MAY 10, 2010 CEZ GROUP ACQUIRED STAKES IN DALKIA ÚSTÍ NAD LABEM AND DALKIA ČESKÁ REPUBLIKA

- In November 2009, CEZ has concluded a contract for purchase of 85% stake in Dalkia Ústí nad Labem from Dalkia Česká republika. The price for 100% share equivalent of Dalkia Ústí nad Labem is CZK 6.3 bn and comprises of fixed and variable sum.

- CEZ will concurrently acquire 15% of Dalkia Česká republika for the price amounting to CZK 3.6 bn.

- An option for remaining 15% share in Dalkia Ústí nad Labem as well as possible share buy back of 85% by Dalkia Česká republika is part of the agreement. Realization of the options is related to a trouble-free continuity of performance in Usti nad Labem and development of further negotiations regarding potential assets transactions.

- The transaction will enable CEZ to strengthen its position in a heating industry in the area where it already owns companies Martia and PPC Uzin.

- The transaction was concluded on May 10, 2010 after it received clearance from Czech Antimonopoly Authority.

BASIC FACTS ON DALKIA ČESKÁ REPUBLIKA, A.S. AND DALKIA ÚSTÍ NAD LABEM

- Dalkia Česká republika (Dalkia CR) is one of the most important players in Czech energy market active in generation, distribution and sale of heat and generation and sale of electricity.
- 51.1 % of the company is owned by Veolia Environment and 25.3 % by EDF through companies Dalkia and Dalkia International.
- Total installed capacity for heat generation is 3,850 MW. Dalkia CR supplied heat to 262,000 households in 2008.
- Total installed capacity for electricity generation is 550 MW. Customers for electricity are mainly Czech electricity traders.
- Dalkia Usti nad Labem (Dalkia UnL) is 100% subsidiary of Dalkia CR. In the city of Usti nad Labem it operates heat capacity of 470 MW and supplies 3,300 TJ of heat. Its electric capacity is 158 MW. It serves 30,000 households.

Assets of Dalkia Česká republika

Dalkia Česká Republika key figures (consolidated)

CZK m	2006	2007	2008
Revenues	9,455	10,055	10,979
of which: sales of heat and related products		5,601	6,056
sales of electricity and support services		4,165	4,536
EBITDA	3,263	4,037	4,062
EBIT	2,202	2,929	2,899
Net income	1,593	2,204	2,163
Assets	14,239	14,974	14,968
Net debt	1,787	1,394	1,115
Cash flow from investing activities	1,753	1,243	1,403
Total volume of heat sold TJ	17,919	17,941	18,394
Total volume of electricity sold GWh	2,440	2,432	2,055

Dalkia Ústí nad Labem key figures 1), 2)

CZK m	2006	2007	2008
Revenues	1,871	1,827	1,803
of which: sales of heat			806
sales of electricity			513
ancillary services			449
EBITDA	929	829	843
EBIT	734	626	621
Earnings before tax	746	621	625
Assets	3,014	3,188	3,132
Net debt[1)]	376	297	238
Total volume of heat supplied TJ	2,632	2,483	3,204
Total volume of electricity supplied GWh	457	445	307

1) Dalkia UnL was an organizational unit of Dalkia CR till September 30, 2009. The organizational unit was transformed into an independent legal entity via contribution of assets and liabilities (ie. the whole enterprise) on November 1, 2009; the contribution was on a debt free basis

2) Dalkia UnL is a CO_2 emitter and within the second allocation phase of EU ETS receives allocation of 1.1 mil tons of EUAs on annual basis for free; its annual consumption is around 0.75 mil tons, i.e. 0.35 mil tons p. a. is available for sale. We do not know to what extent are the historical sales reflected in the Dalkia UnL in 2008 and before.

Source: www.dalkia.cz, www.justice.cz

IN JULY 2009 CEZ GROUP AGREED TO BUY A STAKE IN PRAZSKA TEPLARENSKA

- On July 1, 2009 CEZ agreed to buy almost 49% stake in Prazska teplarenska from J&T, its new owner. J&T gained the stake in cooperation with Dalkia in a sale of Czech assets of International Power.
- Prazska teplarenska is the largest heat producer and supplier in Prague.
- Through its 100% subsidiary Energotrans it also operates 352 MW power plant in Melnik
- CEZ became interested in Prazska teplarenska in connection with preparation of a project for CCGT plant in Melnik, which will replace an existing coal plant and will secure electricity and heat supplies for Prague in the future.

Prazska teplarenska consolidated financials

CZK m	2007	2008
Total revenues	7,074	8,235
of which: heat sales	4,750	5,285
electricity sales	2,087	2,712
EBITDA	2,573	2,884
Net income	1,549	1,761
Assets	13,476	13,650
Net financial debt (cash if negative)	-1,875	-1,975
CF from investing	371	434
Total volume of heat sold (TJ)	12,596	13,088

Prazska teplarenska shareholder structure
(As of Dec 17, 2008 in %)

International Power Opatovice	48.67
Prazska teplarenska Holding*	47.33

* Controlled by City of Prague, EnBW

Source: Prazska teplarenska (www.ptas.cz)

CEZ GROUP HAS COMPLETED ACQUISITON OF ALBANIAN DISTRIBUTOR

Albania – distribution

- On June 1, 2009 CEZ acquired 76% stake in Albanian distribution company OSSH from Albanian government for EUR 102 m.
- OSSH is the only distribution company in Albania. It serves more than 1 m customers and supplies 4.1 TWh of electricity.
- Albania has been affected by a large shortage of electricity lately in particular due to the absence of investment in power development in last decades. In 2008 Albania imported over 30% of its annual consumption amounting to 6.5 TWh.

Source: CEZ

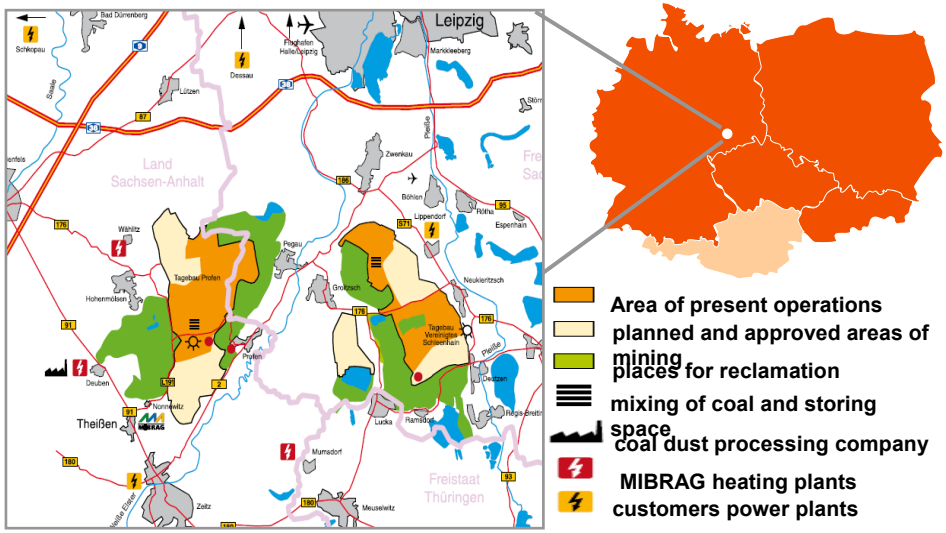
MIBRAG ACQUISITION FINALISED ON JUNE 2, 2009

Transaction details

- On June 2, 2009 Severočeské doly and J&T Group acquired 100 % of MIBRAG from two U.S. companies, URS Corporation and NRG Energy Inc. for EUR 404 m.
- MIBRAG is owned by a joint venture company where Severočeské doly Chomutov and J&T Group will hold equal stakes.

Key facts on MIBRAG

- Mibrag owns and operates two opencast coal pits Profen and United Schleenhain in central German brown-coal basin, near Leipzig. Their combined annual production is approximately 19 m tons.
- The proven reserves in current coal mines are 530 m tons of lignite, with significant expansion options.
- Coal is supplied primarily to power plants of Lippendorf (2*900 MW) and Schkopau (2*450 MW) based on long-term contracts and also to 3 combined heat and power plants owned and operated by Mibrag with installed capacity of 208 MWe.
- MIBRAG also runs coal dust processing factory.



EUR m	2006	2007	2008
Revenues	371.6	372.5	404.7
of which: sales of raw brown coal		260.3	279.1
electricity sales		40.5	52.1
EBITDA	124.0	128.5	120.6
EBIT	50.9	50.8	39.2
Net income	36.8	39.8	31.8
Assets	979.1	950.4	970.1
Net financial debt	110.4	74.2	51.9
Environmental and mining provisions	201.8	203.4	220.2
Investments	62	34.3	26.8
Raw coal extraction (m t)	19.9	18.6	19.0
Electricity generation (GWh)	1,284	1,449	1,402

Source: CEZ, MIBRAG

IN FEBRUARY 2009 WE FINISHED TAKEOVER OF TURKISH DISTRIBUTION

- CEZ Group together with Turkish partner finished takeover of Turkish distribution company SEDAŞ on February 11, 2009
- Half i.e. USD 300 m of total price for the transaction has been transferred, the rest of the price will be paid in two equal payments in two following years.
- Sedaş distributes electricity to 1.3 m customers in region including city Sakarya, Bolu, Düzce a Kocaeli located in industrial heart of Turkey

Corporate re-structuring

- Change of organization from regional to process-oriented has begun
- Customer care is under re-organization (change of structure of customer centers, central customer line, outsourcing of cash collection, centralization of billing and receivables)
- Individual teams are built in the field of electricity trading - in 2010, they will start operating under the leadership of Akenerji‘s sales team
- Optimization of other activities (quality management, risk management, internal audit, ICT etc.)

Key facts – SEDAŞ (2009)	
Number of customers (m)	1.3
Electricity sales (TWh)	8.4
Of which: to industry customers (%)	55%
Losses	6.3%*

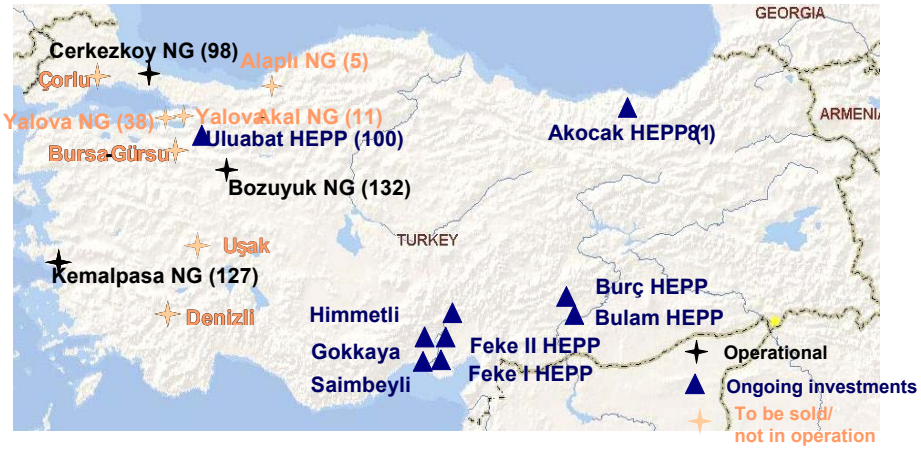
*2008

Source: ČEZ, TEDAS

ACQUISITON OF STAKE IN AKENERJI CLOSED ON MAY 15, 2009

- 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 is the largest company among private generation companies with 10% market share. It produces 2% of Turkey's electricity generation
- Current power plants of 373 MW are located in the backbone of main industrial zones in western part of Turkey, in 9/2009, the wind farm Ayyildiz was put in operation (5x3MW)
- Between 2010 – 2011, we plan to commission more than 300MW, mostly involving projects with renewable resources
- Development of the project of up to 900MW CCGT in Hatay is underway (commissioning expected in 2013; EPC contract planned for 7/2010)

Project	Installed capacity (MW)
Uluabat	100
Akocak	81
Burc	28
Bulam	7
Feke 1	30
Feke 2	70



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

CEZ CONTINUES NEGOTIATIONS ON PROJECT GALATI IN ROMANIA

- In October 2008, CEZ Group was picked as the winner of a tender for strategic partner for Galati project in Romania
- Project should include modernization of the existing power plant and construction of a new power plant with heat supply.
- Current installed capacity of SC Electrocentrale Galati SA is 535 MW (3x105 MW, 2x60 MW, 1x100 MW)
- Negotiations about specific details concerning establishment of joint-venture, including stakes of respective parties are ongoing

Source: CEZ

AGENDA

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

	Lignite mining	Generation	Transmission	Distribution	Supply
CEZ	**47**% 22 million tons	**73**% 60.9 TWh	**100**% 64 TWh	5 out of 8 distribution companies 62% of customers	**45%** 26 TWh
Others	**53**% 25 million tons	**27**% 22.6 TWh		38% of customers	**55**% 32 TWh

- CEZ fully owns the largest Czech mining company (SD) covering 60% of CEZ' s lignite needs
- Remaining 2 coal mining companies are privately owned

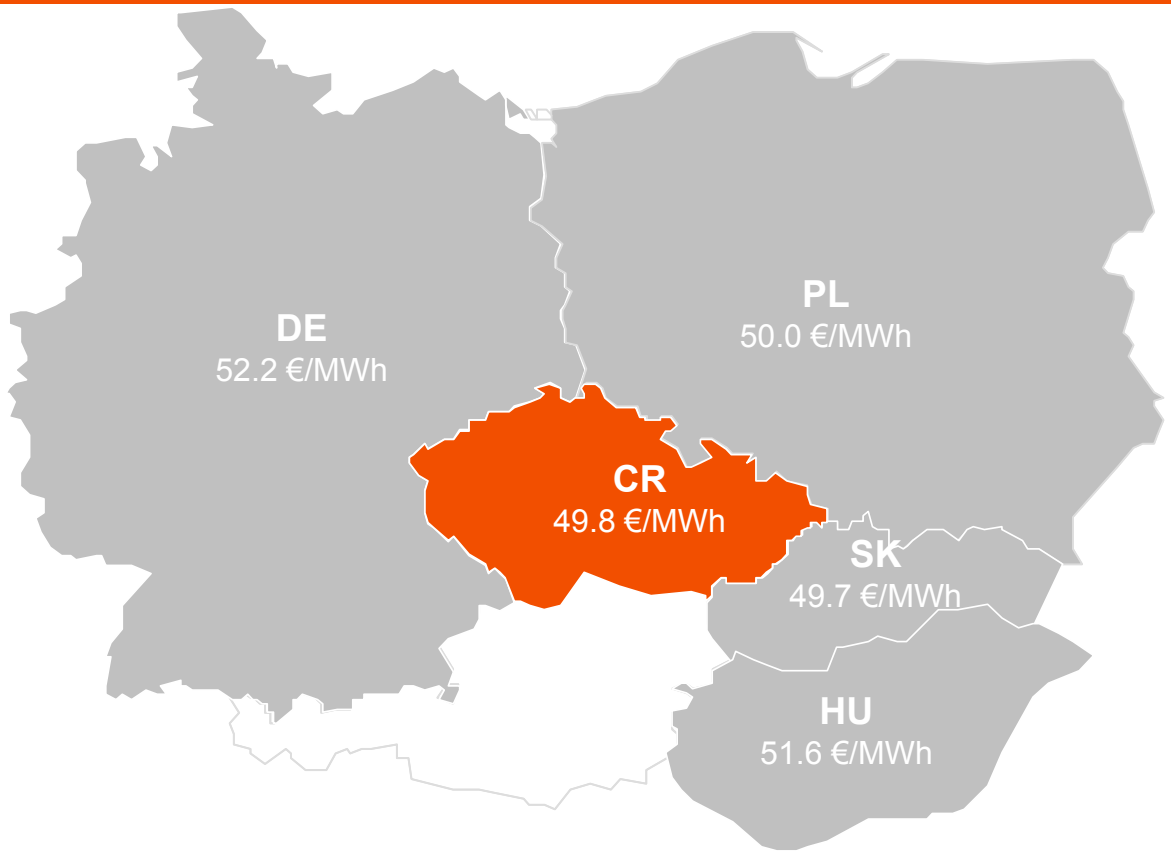
- Other competitors – individual IPPs

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

- Other competitors – E.ON, RWE/EnBW

Source: CEZ, ERU; 2008

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

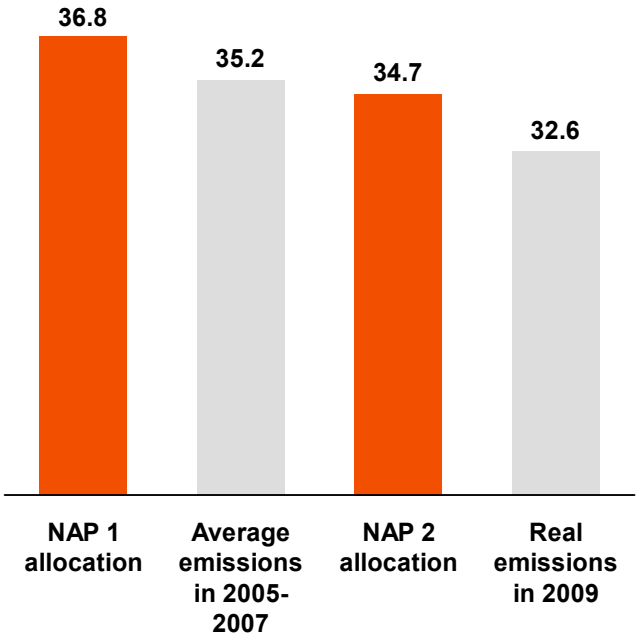


Note: Prices for base load 2011 as of May 12, 2010

Source: CEZ; EEX, PXE; PolPX

NAP 2 ALLOCATION IS SUFFICIENT TO COVER CEZ GENERATION NEEDS

CO_2 Emissions of CEZ, a.s.
M Tons



Key measures taken to earn additional margin from saving of CO_2 allowances

Trading
- Priority dispatch of units with low CO2 emissions
- Reduction of export

Plant maintenance
- Increased availability of nuclear plants
- Increased focus on plant efficiency
- Increased renewable generation

Measuring Management
- Implementation of more accurate measurement systems
- Opportunity cost of CO2 emission considered in all decisions

- Polish power plants Elcho and Skawina got allocated 3.6 m in NAP 2, a reduction of 21% compared to NAP 1. Their average emissions were 4.2m in 2005-07.
- Bulgarian allocation plan has not been approved yet.

Source: CEZ

MODERNIZATION OF TUSIMICE AND CONSTRUCTION OF NEW UNIT IN LEDVICE IS PROGRESSING ACCORDING TO SCHEDULE AND BUDGET

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

- Gradual renewal (2+2 units)
- Increase in net efficiency to 38%
- Extension of service life until 2035
- Initiation of renewal: June 2, 2007
- Planned start of operation: June 2010 and August 2011

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

- Construction of the boiler structure, cooling tower and desulphurization unit are ongoing
- Planned net efficiency 42.5%
- Expected service life 40 years, i.e. until 2052
- Initiation of implementation: July 17, 2007
- Planned start of operation: Dec 2012

PREPARATION OF MODERNIZATION OF PRUNEROV AND OF CCGT POCERADY IS UNDERWAY

Coal power plant Prunéřov

Complex renewal (3 units x 250 MWe)

- Project received EIA approval in May 2010
- Selection of suppliers and finalization of basic design is underway
- Increase in net efficiency to above 39 percent
- Extension of service life by 25 - 30 years
- Initiation of renewal: March 1, 2011
- Planned start of operation of new units: Q4 2012 – Q1 2013

CCGT Počerady

New construction (841 MW)

- EIA issued
- Gas turbine, HRSG and steam turbines contracted
- Net efficiency 57.4% (ISO)
- Service life until 2043
- Start of construction by December 2010
- Planned start of operation: April - June 2013

PREPARATION OF PROJECTS IN COOPERATION WITH OUR PARTNER MOL GROUP

CCGT Slovnaft

New construction (800 - 900MW)

- Next to refinery site Slovnaft, Bratislava
- CCGT multi shaft
- Request for EIA submitted
- On-going tender for technology and gas
- Assumed life cycle 30 years
- Planned commissioning in late 2014

CCGT Dufi

New construction (800 - 900MW)

- Next to refinery site Dufi, 30 km to the south of Budapest
- CCGT multi shaft
- Project in-waiting for EIA
- On-going tender for technology
- Assumed life cycle 30 years
- Planned commissioning in late 2013

PREPARATION OF MORE CCGT PROJECTS

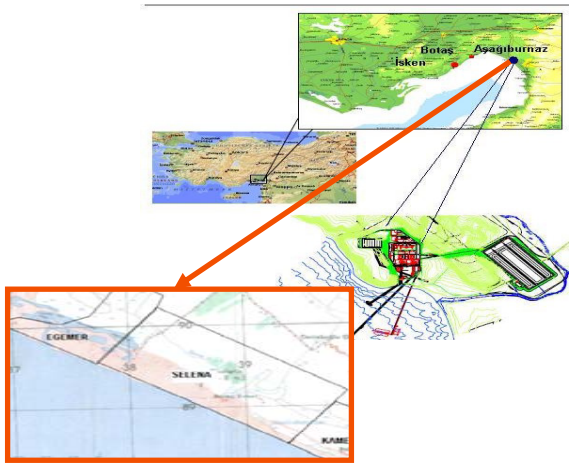
CCGT Skawina, Poland

New construction (400 - 500MW)

- On the ground of TPP Skawina
- New CCGT unit with steam extraction 200 MWt
- EIA approval received
- On-going selection of owner's engineer
- Planned commissioning in late 2014

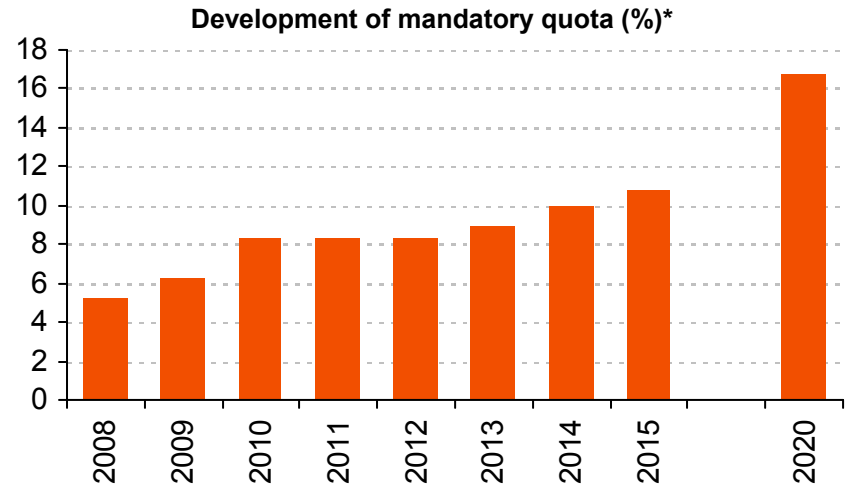
CCGT Hatay (Egemer), Turkey

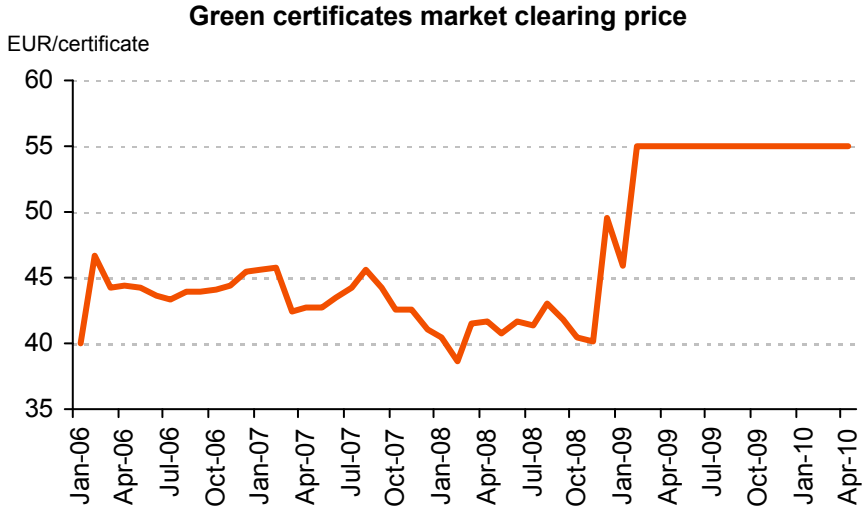
New construction (800 - 900MW)



- Activities realized via Akenerji
- EIA process ongoing
- Assumed life cycle of power plant 30 years
- Owner's engineer: Parsons Brinckerhoff
- On-going selection of technology and gas
- Planned commissioning in late 2013

MARKET OF RENEWABLES IN ROMANIA





Support of renewables

- Two green certificates (GC) are obtained by the producer for each MWh supplied in the network since Oct-08 (previously 1 GC per MWh)
- Legally set up price for green certificate is 27 to 55 EUR until 2014
- GC may be sold :
  - To electricity suppliers within bilateral contracts at negotiated prices
  - Monthly 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 8.3 % in 2010 to 17% in 2010

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

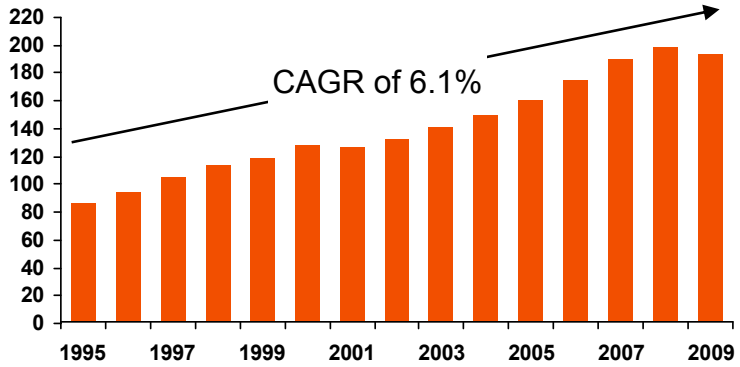
TURKISH ELECTRICITY MARKET IS VERY ATTRACTIVE

Selected data on Turkey:

- Turkey, with its 80 m inhabitants, is comparable in size to all of Central Europe
- Dynamically growing economy, fast urbanization
- In 2009 electricity demand reached 193.5 TWh (almost three times as much as in the Czech Republic)
- Electricity consumption per capita is currently low (a quarter of EU average)
- Annual growth of electricity demand is around 6-9% in 2003-07 which compares to growth in European countries* of 0.6-2.6 %
- Demand also driven by growing population (80 m inhabitants, the average age 27.3 years)
- Need for additional 50,000 MW of the installed capacity by 2020 to match growing demand

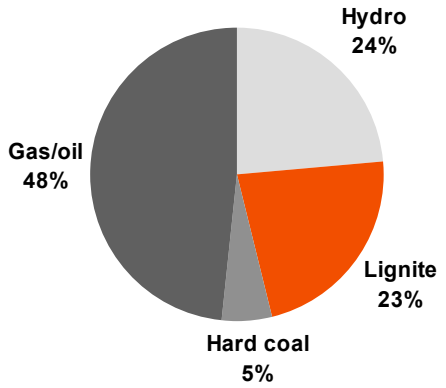
Gross Electricity Consumption in Turkey

TWh



*EU27

Structure of installed capacity in Turkey



Source: Eurostat, TEIAS

STRATEGIC ALLIANCE WITH MOL:
PRINCIPLES OF CEZ – MOL JOINT VENTURE

- JV 50:50 in equity interest, voting rights and other benefits
- Operations targeted for 4 countries of CSEE – Hungary, Slovakia, Croatia and Slovenia
- The initial projects in Hungary and Slovakia - 800 MW CCGT in Dufi (Százhalombatta) and 800 MW CCGT + 160 MW TPP expansion in Bratislava
- MOL contributes current heat plants and related infrastructure into JV
- JV investment of app. 1.4 bn EUR (for initial projects)
- Gas supply contract from MOL, off-take contract for refineries – steam, electricity
- Dual fuel capability (gas, liquid residuals)

Source: CEZ - MOL

STRATEGIC ALLIANCE WITH MOL:
RELATED FINANCIAL TRANSACTION

- Purchase 7.6% of the common stock of MOL by CEZ to strengthen the strategic alliance

- CEZ sells to MOL an American call option with strike price 20,000 HUF:

  - Option can be exercised until January 2014

  - Call price covers spread between strike and purchase price and guarantees CEZ capital cost coverage until the option expires or is exercised

- Purchase of stake in MOL, net of the option premium received upfront, resulted in cash outlay of ca EUR 560 m in Q1 2008

Source: CEZ - MOL

PRINCIPLES OF REGULATION IN THE CZECH REPUBLIC ARE IDENTICAL TO THE REST OF EUROPE

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) – 7.923% for 2010
  - 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

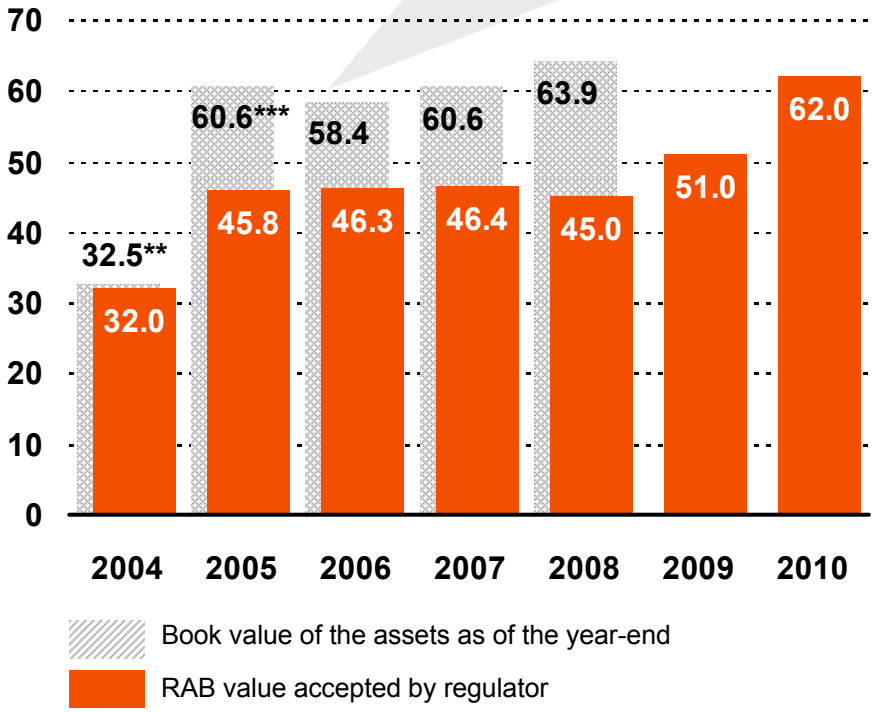
Unbundling & Liberalization

- Since January 1, 2006 all customers can choose their electricity supplier, market is 100% liberalized

GRADUAL REVALUATION OF RAB IS INCORPORATED INTO THE REGULATORY FORMULA FROM 2010 ONWARDS

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.



- 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. $k<1$

* 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

REVIEW OF BULGARIAN REGULATORY ENVIRONMENT

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 Eur 276 m for 2nd regulatory period
  - 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

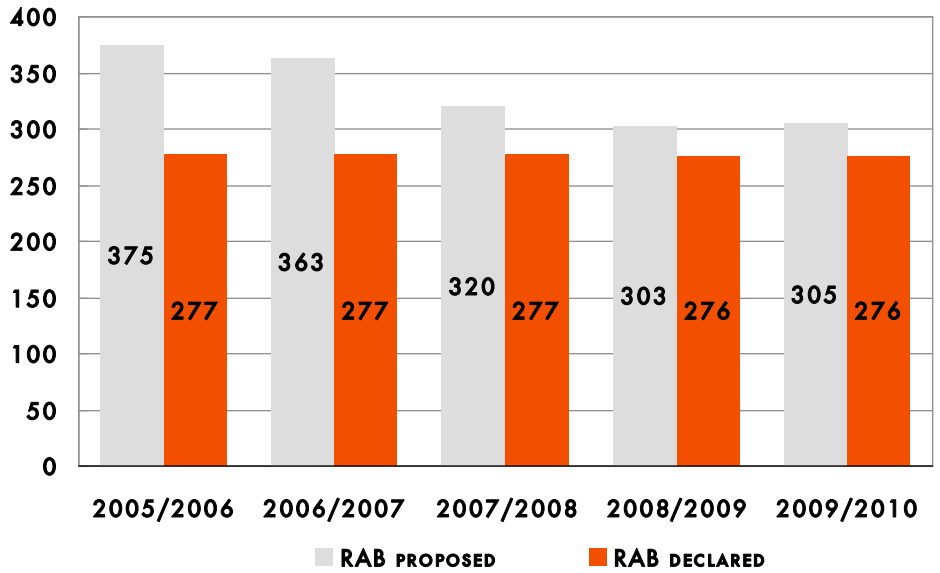
- 1st regulatory period 1.10. 2005 – 30.6. 2008
- 2nd regulatory period 1.7. 2008 – 31.6. 2013

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.

BULGARIAN NEW REGULATORY RULES ARE BELOW OUR PROPOSALS BUT STILL ABOVE VALUATION CASE

Regulatory asset base
(EUR m)



- In 2005/2006 end user prices increased on average by 7.1% compared to 2005/2004
- In 2006/2007 end user prices increased on average by 0.7 % compared to 2006/2005
- In 2007/2008 end user prices increased on average by 14.3 % compared to 2006/2007
- In 2008/2009 end user prices increased on average by 12.2 % compared to 2007/2008
- In 2009/2010 end user prices decreased on average by 1.08 % compared to 2008/2009
- Electricity purchase price from NEK and renewables in 2006/2007 rose faster than the end-user price (both regulated, but each on a different basis) , impacting the expected y-o-y results

- Significant reduction of regulated Capex (79% vs. CEZ proposal)
- Similar reduction for all three groups in Bulgaria (EVN, E.ON and CEZ)
- Reduced Capex threatens safety of distribution network and meeting EU norms in the long run
- Distributors filed a complaint against the decision
- Assumed ROIC is still above original valuation case (savings from losses reduction, synergy effect, efficiency improvements)

REVIEW OF ROMANIAN REGULATORY ENVIRONMENT – 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

Regulatory periods

- 1st regulatory period 1.1. 2005 – 12.31. 2007
- Completion of privatization was reason to re-open inputs into regulatory formula
- 2nd regulatory period 1.1. 2008 – 12.31. 2012

Unbundling

- Legal deadline according to Electricity law July 1, 2007
- CEZ - first company in Romania achieving legal unbundling on March 15, 2007

Liberalization

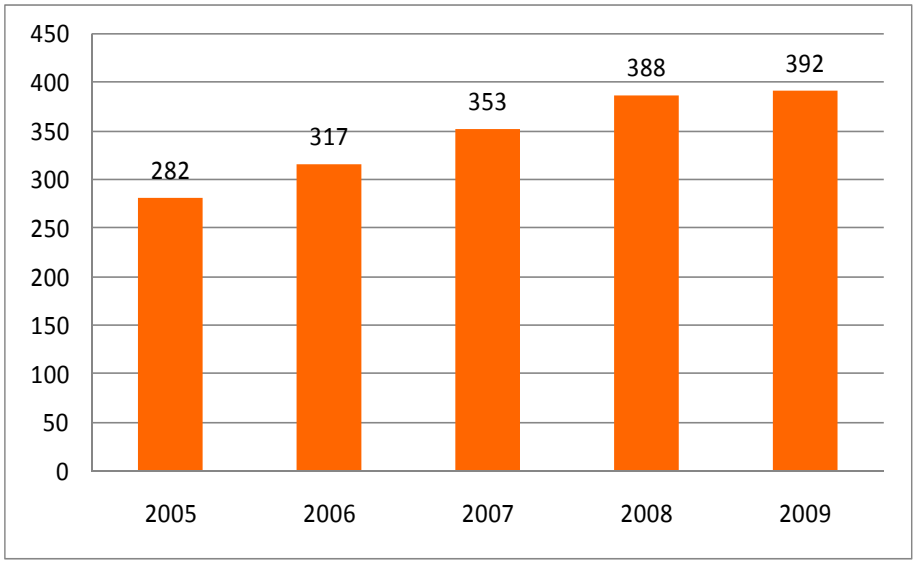
- New Electricity law (no.13/2007; harmonized with EU directives) called for full liberalization by July 2007
- Effective market degree approx. 55%; 60 active suppliers (end-user suppliers and traders)
- Prolongation of the tariff regulation after the full opening of the market for households and small commercials

Call option

- First company in Romania to buy state shares (30% from Fondul Proprietatea and 19% from Electrica) – applied in CEZ Distributie and CEZ Vanzare – for the biggest transaction in Romania for 2009 - 375 mio.Euro
- CEZ a.s. is currently sole owner of CEZ Distributie and CEZ Vanzare

ROMANIAN REGULATORY FRAMEWORK IS SIMILAR TO CZECH AND EU

I. Regulated Asset Base (2005 - 2009)
EUR mio*



Note: Compared with end 2008, at end 2009, RON was weaker by 6%

CEZ Distributie SA

- the biggest number of served customers in Romania (1.38 m)
- the highest RAB due to the most ambitious investment program
- as result, the highest distribution tariffs in 2008 and the highest rate of annual increase for regulatory period (2008-2012), out of all eight distributors
- the lowest internal consumption (technical & commercial)
- best practice concepts implemented (Start from home, Thermovision, Converge, SAP)
- core business transformation in 2008-2009 (Progres IV) brought a reduction of 800 employees
- DEEP – focused on standardization of O&M activities, establishment of operational controlling, changes in supplier relationships, process improvement, introduction of skills for management oriented to a culture of performance
- new concepts in support functions (purchasing and logistics, non-technical losses, customer care optimization)
- New motivational system negotiated in 2009 – applied starting 2010

* Exchange rate used as of year end

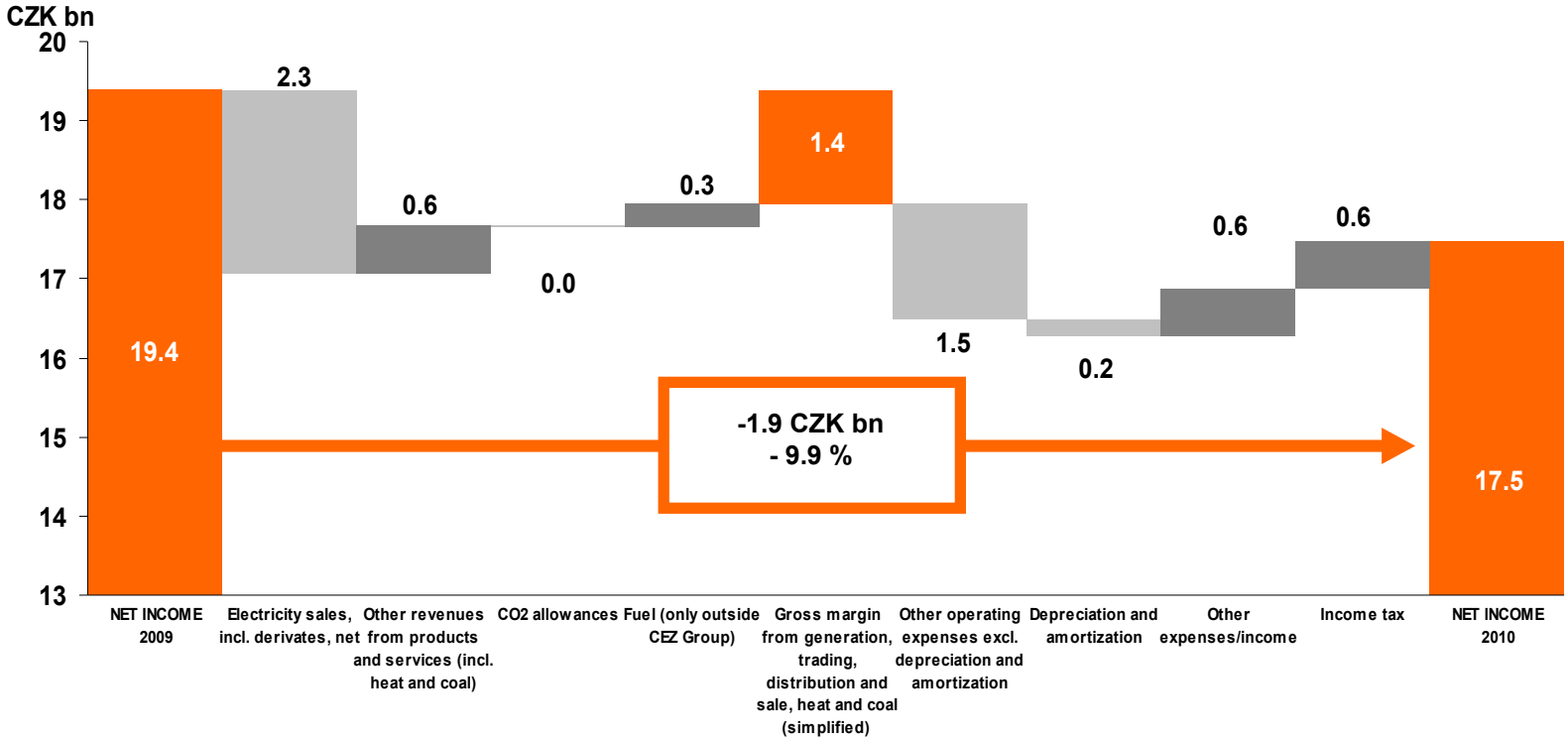
SUPPLY IN ROMANIA REMAINS REGULATED

- Still regulated tariffs for 45% of Romanian electricity consumption; mainly residential, commercial and small industrial consumers
- Methodology for **sales to captive customers -** the approach is 2.5% margin on top of electricity procurement costs (including wholesale price, transmission, ancillary services, market administration)
- **CEZ proposed a yardstick supply methodology** rather than cost plus one – under discussion
- Since 2008, ANRE approves differentiated regional tariffs for industrial consumers;
- End-user tariffs for residential customers are still uniform at the national level

Since January 2009:

- **Tariffs for captive residential consumers were maintained at 2008** level for all suppliers
- **Tariffs for captive industrial consumers have been increased by 3.3% for CEZ**; CEZ has the highest regulated tariffs for regulated industrial consumers

IN Q1 2010 NET INCOME DECREASED BY CZK 1.9 BN. Y-O-Y



Key factors

- Decrease of sale prices of electricity sold.
- Decrease of purchase prices of fossil fuels (especially black coal).
- New trading commodity - gas.
- Introduction of a new nuclear fuel type (Temelín NPP).
- Mild increase in personnel costs (new acquisitions).

GROSS MARGIN FROM GENERATION, TRADING, SUPPLY AND DISTRIBUTION OF ELECTRICITY DECREASED BY 4% TO CZK 36 BN. Y-O-Y

(in CZK millions)	I. Q 2009	I. Q 2010	Change 10-09	Index 10/09
Electricity sales and services	49,377	44,964		
Electricity, gas and coal derivative trading, netto	554	4,287	-2,318	94%
Purchased power and related services	-12,307	-13,945		
Heat sales and other revenues	4,021	4,635	614	115%
Fuel	-4,895	-4,599	296	94%
CO2 allowances	950	921	-28	97%
Gross margin (simplified)	**37,700**	**36,263**	**-1,437**	**96%**
Operating revenues	**53,952**	**53,886**	**-66**	**100%**
Variable operating costs	**-16,252**	**-17,622**	**-1,370**	**108%**

- The year-on-year decrease of revenues was caused by declining wholesale electricity prices, which was partly compensated by electricity sales one year or more ahead at prices higher than those achievable on the spot market in Q1 2010. The margin on these forward trades was partly realized also in commodity derivatives (to optimize and hedge production margin in 2010).
- The revenues from heat sales increased year-on-year, particularly thanks to a larger volume of heat generated in Poland, which experienced shutdowns during the same period last year. In the Czech Republic the increase is driven by expansion of heat distribution and new production facilities.
- CEZ Group's gross margin was positively influenced by the distribution and sales segment, especially because of growing regulated tariffs. Sales were positively influenced by the results of trading with a new commodity - natural gas.
- A new acquisition in Albania also contributed to the gross margin (during the comparable period last year, it was not part of CEZ Group).
- The lower fuel costs were caused especially by lower costs of fossil fuels (mostly black coal for the Dětmarovice plant). Negative effects include accelerated depreciation of nuclear fuel for Temelín NPP (the original fuel will be replaced with a new type of fuel).
- The positive effect of emission allowances was caused in both years by the release of reserves for emissions of CO_2.

OPERATING COSTS IN CEZ GROUP GREW BY 20% Y-O-Y, SPECIFICALLY THANKS TO NEW ACQUISITION

(in CZK millions)	I. Q 2009	I. Q 2010	Change 10-09	Index 10/09
SUM of selected operating costs	**-7,473**	**-8,932**	**-1,459**	**120%**
Salaries and wages	-3,693	-4,066	-373	110%
Other selected operating costs	**-3,780**	**-4,866**	**-1,086**	**129%**
Repairs and maintenance	-817	-806	11	99%
Material and supplies	-1,044	-1,186	-142	114%
Others	-1,919	-2,874	-955	150%
EBITDA	**30,227**	**27,331**	**-2,896**	**90%**
Depreciation and Amortization	-5,430	-5,640	-210	104%

- All items were increased thanks to the new acquisition in Albania - Operatori i Sistemit te Shperndarjes Sh. A.
- The slight increase of personnel costs was specifically caused by new acquisitions (distribution company in Albania CZK 170 mil.), and to a lesser extent by the increased costs of foreign mobility and limits on social security and health insurance.
- The higher material costs were caused by a larger volume of contracts from Severočeské doly.
- The other expenses and income item is affected by the formation of adjustments for receivables past due.
- The increased depreciation is caused by inclusion of acquisition in Albania.

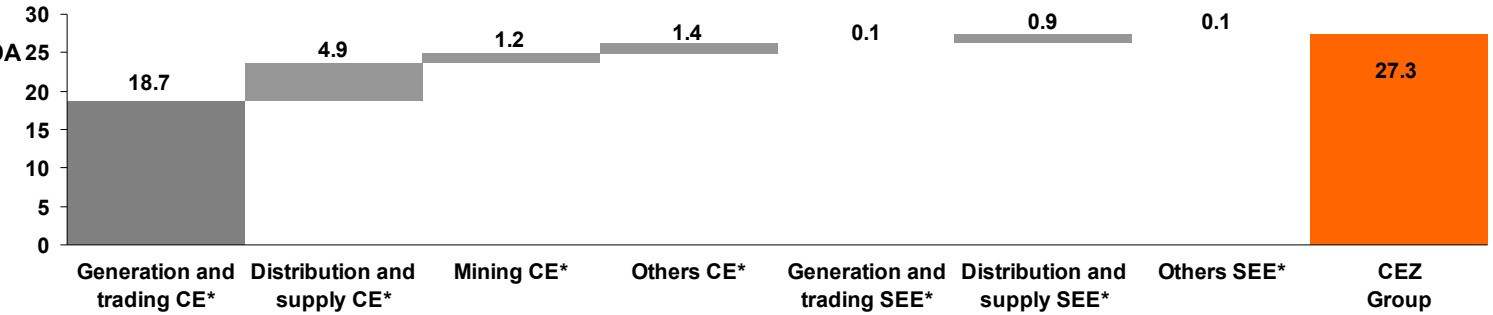
YEAR-ON-YEAR IMPROVEMENT OF OTHER EXPENSES AND INCOME BY CZK 0.6 BN.

(in CZK millions)	I. Q 2009	I. Q 2010	Change 10-09	Index 10/09
Other expenses and income	**-817**	**-228**	**589**	**28%**
Interest on debt, net of capitalized interest	-821	-907	-86	110%
Interest on nuclear and other provisions	-524	-510	14	97%
Interest income	545	703	158	129%
FX profit / loss and financial derivates	-218	349	567	x
Income from associates	-36	51	86	x
Others	236	86	-150	36%
Profit before taxes	**23 980**	**21 463**	**-2 517**	**90%**
Income tax	-4 595	-4 002	594	87%
Net Income	**19 385**	**17 462**	**-1 923**	**90%**

- Interest expenses increased in connection with a higher need for financing.
- Financial derivatives are positively influenced by the CZK exchange rate development, especially vs. EUR.
- The revenue from securities in equivalence includes the Group's net profit share from the joint venture of JV ČEZ and MOL, the Mibrag mines and the results of the Turkish acquisitions of Sakarya Elektrik Dagitim and Akenerji. In Q1, Mibrag did well and extracted 5.2 mil. tons of coal. During this period, the Turkish distribution company realized a high sale margin thanks to lower prices of electricity from water sources. The results are affected by the financing of the Mibrag acquisition and a change of the IFRIC12 accounting methodology in the Turkish distribution company.
- In the Other item, 2009 was influenced most of all by the efficient use of temporarily free money in foreign currencies available at the time.

SEGMENTAL CONTRIBUTIONS TO EBITDA IN Q1 2010

Contribution to EBITDA in 2010
CZK bn.



Index Q1 2010 / Q1 2009	81 %	188 %	80 %	87 %	126 %	82 %	101 %	90 %

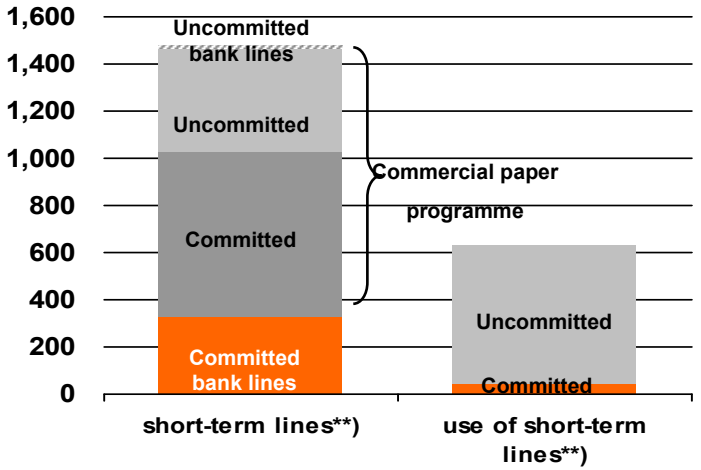
- **Generation and trading CE*:** The y-o-y decrease of EBITDA by CZK 4.5 bn. was caused mostly by lower electricity prices, but was partly compensated by its sales one year and more ahead.
- **Distribution and supply CE*:** EBITDA in the segment increased y-o-y by CZK 2.3 bn. (88%). The EBITDA increase was especially influenced by a higher distribution margin, relating mostly to an increase of regulated tariffs, particularly in reserved capacity and mandatory purchases from renewable sources. Sales were positively influenced by the results of trading with a new commodity - natural gas.
- **Mining CE*:** EBITDA decrease by CZK 0.3 bn. due to lower purchases of ČEZ, a. s. from Severočeské doly (cheaper production / purchasing alternatives). This mining decrease by 10% was partly compensated by external customers, who increased their purchases.
- **Other CE*:** EBITDA of other companies in the Central European region decreased by CZK 0.2 bn. y-o-y.
- **Generation and trading SEE*:** The results of the Varna coal-fired power plant (Bulgaria) are positively influenced by the activation of the so-called cold reserve, when the operator NEK asked for a higher volume of energy because of colder weather and the generation volume at that time reached 590GWh. In Romania, the construction of a wind park in Fântânele continues; its launch is scheduled for mid-2010.
- **Distribution and supply SEE*:** In Q1, companies in Bulgaria, Romania and Albania distributed 5.6TWh and sold 4.8TWh to end users. The y-o-y decrease of EBITDA by CZK 0.2 bn. was caused by lower distribution tariffs in Bulgaria and creation of high adjustments in Albania. Restructuring measures are currently underway to improve the payment discipline in the future.

* CE = Central Europe (Czech Republic, Slovakia, Poland, Hungary, Netherlands, Germany, Ireland)
** SEE = Southeastern Europe (Turkey, Bulgaria, Romania, Kosovo, Serbia, Albania, Russia, Bosnia and Herzegovina, Ukraine)

CEZ MAINTAINS A STRONG LIQUIDITY POSITION, A SIGNIFICANT PORTION OF COMMITTED LINES ARE HELD AS RESERVES

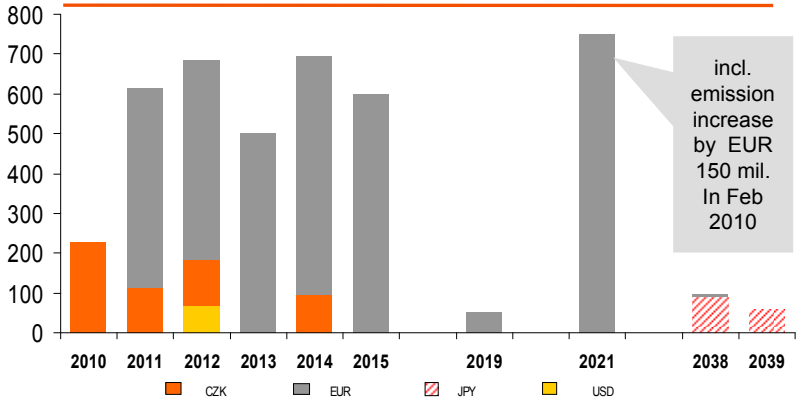
- EUR 945 m of unused committed lines
- EUR 1,209 m of cash and cash equivalents*)
- Mostly uncommitted lines in the commercial paper programme were used
- Committed lines were maintained as a reserve to cover unexpected financial needs

Utilization of lines (December 31, 2009, EUR m)



- Average maturity of bonds grew by 1 year to 6.1 years
- One-year loan contract “MOL” (EUR 550 mil.) successfully re-financed under better conditions through five private placement emissions (EUR 473 mil.) and one loan contract (EUR 75 mil.) with an average maturity of 3 years

Bond maturity profile (EUR m)



Note: CZK/EUR 26.465 as of December 31, 2009 *) Include high liquid financial assets **) Without MOL loan

SELECTED HISTORICAL FINANCIALS OF CEZ GROUP CZK

Profit and loss

CZK bn	2004	2005	2006	2007	2008	2009
Revenues	102.7	125.1	149.1	174.6	184.0	196.4
Sales of electricity	92.2	115.9	148.3	162.7	165.3	173.5
Heat sales and other revenues	10.5	9.1	11.3	11.8	14.5	16.0
Operating Expenses	63.0	74.9	84.8	99.2	95.3	105.3
Purchased power and related services	26.5	37.5	43.0	46.3	41.7	48.2
Fuel	9.3	9.0	11.6	16.9	16.2	15.8
Salaries and wages	11.4	13.4	15.1	16.9	17.0	18.1
Other	15.9	15.0	15.1	19.1	20.5	23.2
EBITDA	**39.6**	**50.2**	**64.3**	**75.3**	**88.7**	**91.1**
EBITDA margin	*39%*	*40%*	*43%*	*43%*	*48%*	*46%*
Depreciaiton	19.8	20.7	24.3	22.1	22.0	22.9
EBIT	**19.8**	**29.4**	**40.0**	**53.2**	**66.7**	**68.2**
EBIT margin	*19%*	*24%*	*27%*	*30%*	*36%*	*35%*
Net Income	13.2	21.5	27.7	41.6	47.4	51.6

Balance sheet

CZK bn	2004	2005	2006	2007	2008	2009
Non current assets	271.7	280.4	302.0	313.1	346.2	415.0
Current assets	27.5	43.8	66.7	57.9	126.9	115.3
- out of that cash and cash equivalents	8.9	16.8	30.9	12.4	17.3	26.7
Total Assets	**299.3**	**324.2**	**368.7**	**370.9**	**473.2**	**530.3**
Shareholders equity (excl. minority. int.)	178.4	191.3	194.9	171.4	173.3	200.4
Interest bearing debt	41.8	38.7	48.4	73.3	106.4	156.8
Other liabilities	79.0	94.2	125.3	126.3	193.5	173.1
Total liabilities	**299.3**	**324.2**	**368.7**	**370.9**	**473.2**	**530.3**

Note: 2004 results were restated to comply with pooling of interests method regarding Severoceske doly, i.e. the restated financials are as if CEZ had held 93% in Severoceske doly throughout the whole period of 2003 - 2005.

Source: CEZ

SELECTED HISTORICAL FINANCIALS OF CEZ GROUP EUR

Profit and loss

EUR m	2004	2005	2006	2007	2008	2009
Revenues	3,881	4,729	5,638	6,599	6,954	7,425
Sales of electricity	3,485	4,383	5,606	6,152	6,250	6,559
Heat sales and other revenues	396	345	427	447	550	605
Operating Expenses	2,383	2,833	3,207	3,752	3,601	3,982
Purchased power and related services	1,003	1,417	1,626	1,751	1,575	1,822
Fuel	352	341	440	638	612	597
Salaries and wages	430	508	570	639	641	684
Other	599	568	571	722	773	877
EBITDA	**1,498**	**1,896**	**2,431**	**2,848**	**3,353**	**3,443**
EBITDA margin	*39%*	*40%*	*43%*	*43%*	*48%*	*46%*
Depreciaiton	750	784	918	836	833	866
EBIT	**748**	**1,112**	**1,513**	**2,011**	**2,520**	**2,577**
EBIT margin	*19%*	*24%*	*27%*	*30%*	*36%*	*35%*
Net Income	500	811	1,047	1,573	1,790	1,950

Balance sheet

EUR m	2004	2005	2006	2007	2008	2009
Non current assets	10,272	10,601	11,416	11,836	13,089	15,687
Current assets	1,041	1,656	2,520	2,187	4,799	4,359
- out of that cash and cash equivalents	338	635	1,169	470	654	1,010
Total Assets	**11,313**	**12,257**	**13,937**	**14,023**	**17,888**	**20,046**
	0	0	0	0	0	0
Shareholders equity (excl. minority. int.)	6,746	7,232	7,368	6,478	6,550	7,575
Interest bearing debt	1,581	1,465	1,831	2,770	4,022	5,928
Other liabilities	2,986	3,560	4,737	4,775	7,316	6,543
Total liabilities	**11,313**	**12,257**	**13,937**	**14,023**	**17,888**	**20,046**

Note: 2004 results were restated to comply with pooling of interests method regarding Severoceske doly, i.e. the restated financials are as if CEZ had held 93% in Severoceske doly throughout the whole period of 2003 - 2005.

Exchange rate used: 26.452CZK/EUR

Source: CEZ

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