



CONFERENCE CALL ON CEZ GROUP FINANCIAL RESULTS IN Q1 2013

NON-AUDITED CONSOLIDATED RESULTS PREPARED IN ACCORDANCE WITH
THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

(QUARTERLY REPORT PURSUANT TO SECTION 119A(4) OF THE CAPITAL MARKETS ACT)

Prague, May 7, 2013



Financial highlights and key events in CEZ Group in Q1 2013

Martin Novák, Chief Financial Officer

Financial results

Martin Novák, Chief Financial Officer

Trading position of CEZ Group

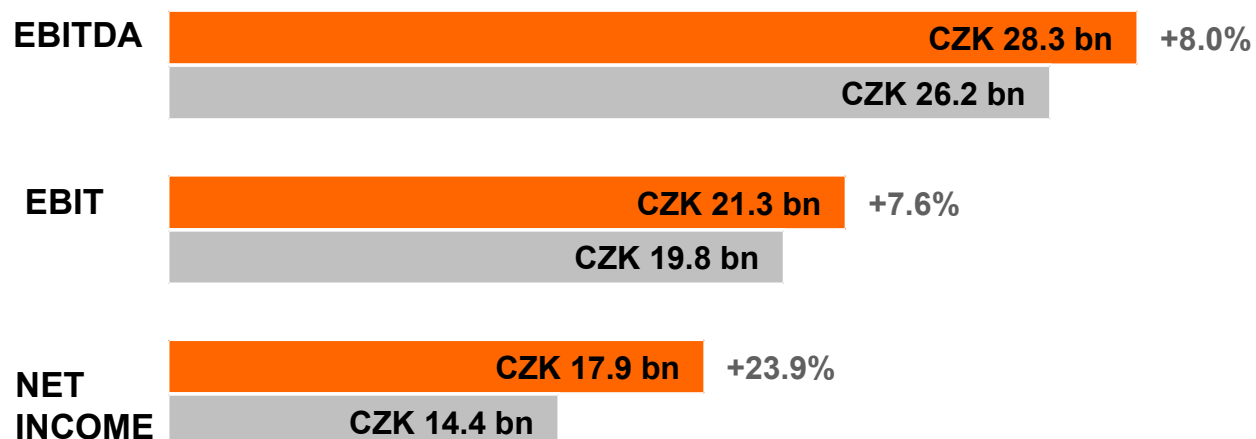
Michal Skalka, Head of Trading

FINANCIAL HIGHLIGHTS OF Q1 2013



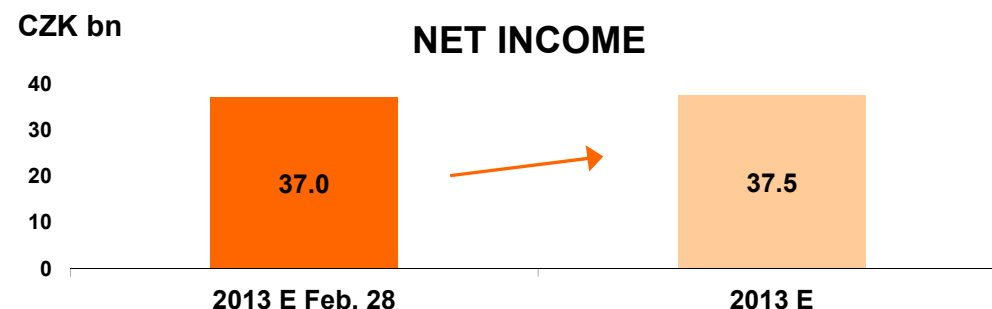
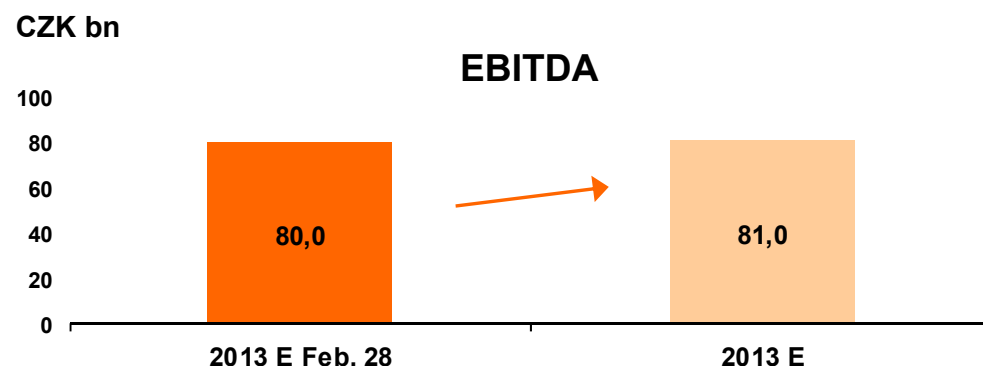
- earnings before interest, taxes, depreciation and amortization (EBITDA) **CZK 28.3 bn**
- earnings before interest and taxes (EBIT) **CZK 21.3 bn**
- net income **CZK 17.9 bn**

Comparison of Q1 2013 vs. Q1 2012 results



WE ARE RAISING EXPECTED 2013 RESULTS

EBITDA CZK 81 BN & NET INCOME CZK 37.5 BN



Selected y-o-y negative effects:

- Trend of declining electricity prices
- Lower allocation of emission allowances for power production
- European Parliament's decision to reject the proposed amendment to the ETS EU Directive
- Decision of the Bulgarian regulatory authority

Selected y-o-y positive effects:

- End of operations in Albania
- Correction factors for distribution in the Czech Rep.
- Full production in wind farms in Romania
- Allowance trading (CER gate)

Selected effects not included in prediction:

- Risk of worsened national regulatory conditions in Southeastern Europe
- Risk of adjustments for fixed assets due to the development of power industry regulation, deepening debt crisis and risk of economic development in Europe
- Impact of the sale of Chvaletice Power Plant

WE SIGNED TWO STRATEGIC CONTRACTS THAT WILL GREATLY CONTRIBUTE TO THE FUTURE STABILITY OF CEZ AND STABILITY OF THE COAL & ELECTRICITY MARKET IN CZ



Long-term contract on coal deliveries to Počerady Power Plant

- Contract with Vršanská uhelná, a.s. (Czech Coal group) signed on March 19
- Delivery of 5 million tons per year until the Vršany mine is decoaled (around 2062)
- Initial price of CZK 38.8/GJ will gradually get to the level of 65% of hard coal price (ARA)
- Contract includes CEZ's option to sell the Počerady Power Plant in 2016 and 2024 at predefined price
- A dispute resolution agreement was also signed



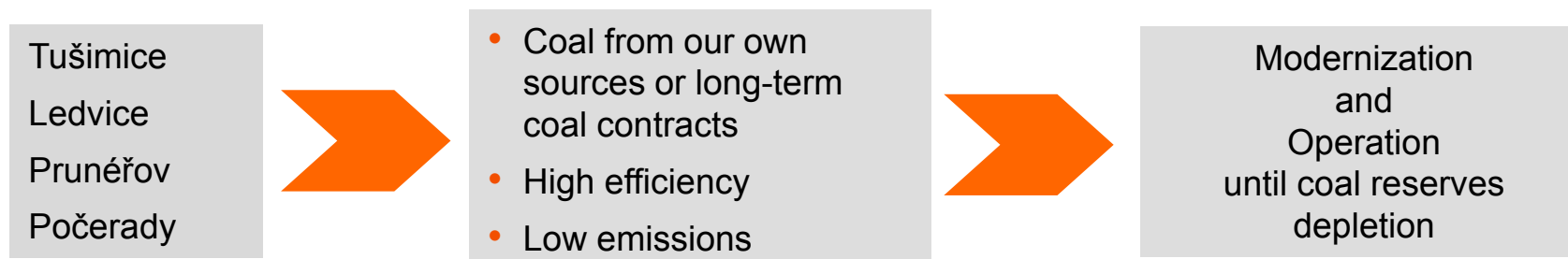
Sale of Chvaletice Power Plant

- Contract with Litvínovská uhelná, a.s. was signed on March 19
- Sales price is CZK 4.12 bn plus 90% of the market price of emission allowances assigned to the Chvaletice Power Plant every year during the NAP III period (5.3 million tons of EUAs in total)
- Actual deal settlement date depends on the opinion of the Czech Rep. antimonopoly body (OPC)

WE ARE THUS SUCCESSFULLY PURSUING OUR STRATEGY FOR COAL PLANTS IN THE CZECH REPUBLIC



Strategic coal-fired plants: modern coalfield power plants with secured fuel



Other coal-fired plants:





Selection of contractor for Temelín Nuclear Power Plant units 3 & 4

- March 25, notification of assessment and preliminary evaluation of bids sent to bidders:
 - consortium of Westinghouse Electric Company, LLC and WESTINGHOUSE ELECTRIC ČR
 - Czech-Russian consortium of ŠKODA JS, Atomstroyexport and Hidropress
- April 3 – 4, individual negotiations with both bidders concerning the preliminary evaluation of their bids
- April 15 - 18 & May 2- 3, further individual negotiations with both bidders



Record-breaking and reliable production in Q1

- Thanks to highly reliable operation, nuclear power plants broke a record in electricity generation (8.2 TWh/quarter)
- The margin achieved in Q1 was aided by reliable operation of coal-fired plants and higher production in hydro plants

We increase the efficiency of hydro power plants

- Overhaul of Lipno Power Plant with a total investment of CZK 200 million is on schedule
- In December 2013, approx. 3% increase in efficiency will be achieved and production will increase by 4 million kWh/year

BULGARIA

CEZ GROUP HAS DULY FULFILLED ITS OBLIGATIONS AS AN ENERGY LICENCE HOLDER SINCE THE BEGINNING OF ITS OPERATIONS



- **Feb. 19,** Bulgarian regulatory authority (DKEVR) announced the start of licence revocation proceedings without giving any reason
- **March 5,** Household electricity prices in the distribution area of CEZ Razpredelenie reduced by 7.17%; this tariff decision of the Bulgarian regulatory authority is valid until June 30, 2013
- **March 28,** Bulgarian antimonopoly body started investigation of CEZ, Energo-Pro and the Austrian company EVN on suspicion of their cooperation on joint steps to make changing the electricity supplier more difficult for consumers; on the same day, the antimonopoly body raided the CEZ headquarters in Sofia
- **March 29,** CEZ sent a complaint to the European Commission concerning the methods of licence granting and revocation in the energy industry as well as some other official procedures that violate Bulgarian and EU law and the Treaty on the Functioning of the EU (in the area of freedom of establishment and free movement of capital)
- **April 3,** Bulgarian High Public Prosecutor's Office finished the first part of investigation of electricity distributors, the Bulgarian regulatory authority (DKEVR) and the state-owned energy company (NEK EAD); on its basis, it announced its intent to commence several criminal proceedings – against these entities and the state's representatives in the supervisory bodies of distribution companies (as for CEZ companies, this only concerns awarding public contracts that are not directly related to their licensed activities)
- **April 16,** Public hearing of CEZ representatives with DKEVR where CEZ explained that identified irregularities (stated by DKEVR) are not of a nature allowing licence revocation. The discussion was fair and, according to the latest information, DKEVR's decision on licence revocation will be hold up by 2 months, i.e. probably after the date of the parliamentary election



OTHER SELECTED EVENTS IN THE PAST QUARTER

Albania

- Jan. 21, The Albanian regulator decided to revoke the licences of CEZ Shpërndarje (CEZ SH) and appoint an “administrator”, thereby assigning to him the management of CEZ SH, including the decision-making authority, responsibilities and rights of CEZ SH statutory bodies and thus the shareholder’s rights of ČEZ, a. s.
- Due to the loss of CEZ’s control over it, CEZ Shpërndarje was removed from the consolidated CEZ Group, which had a one-off positive impact of CZK +1.8 bn on financial results (net income) in Q1 2013
- Feb. 7, CEZ Group officially informed the Albanian government of its intention to conduct international arbitration on the grounds of a failure to protect the investment of ČEZ, a. s., in the distribution company CEZ Shpërndarje
- Preparations for the initiation of the announced arbitration are underway

Romania

- March 29, The energy regulator published its regular annual report, containing a proposal to reduce future support for renewables
- April 2, The Ministry of Economy published draft amendment to Act 220/2008 on renewable sources, incl. a vague proposal to postpone the assignment of a portion of green certificates (GCs)
- Uncertainty concerns especially the scheme of assignment of deferred GCs, GC price guarantee, approval process for the newly proposed procedure (incl. possible role and notification of the European Commission)

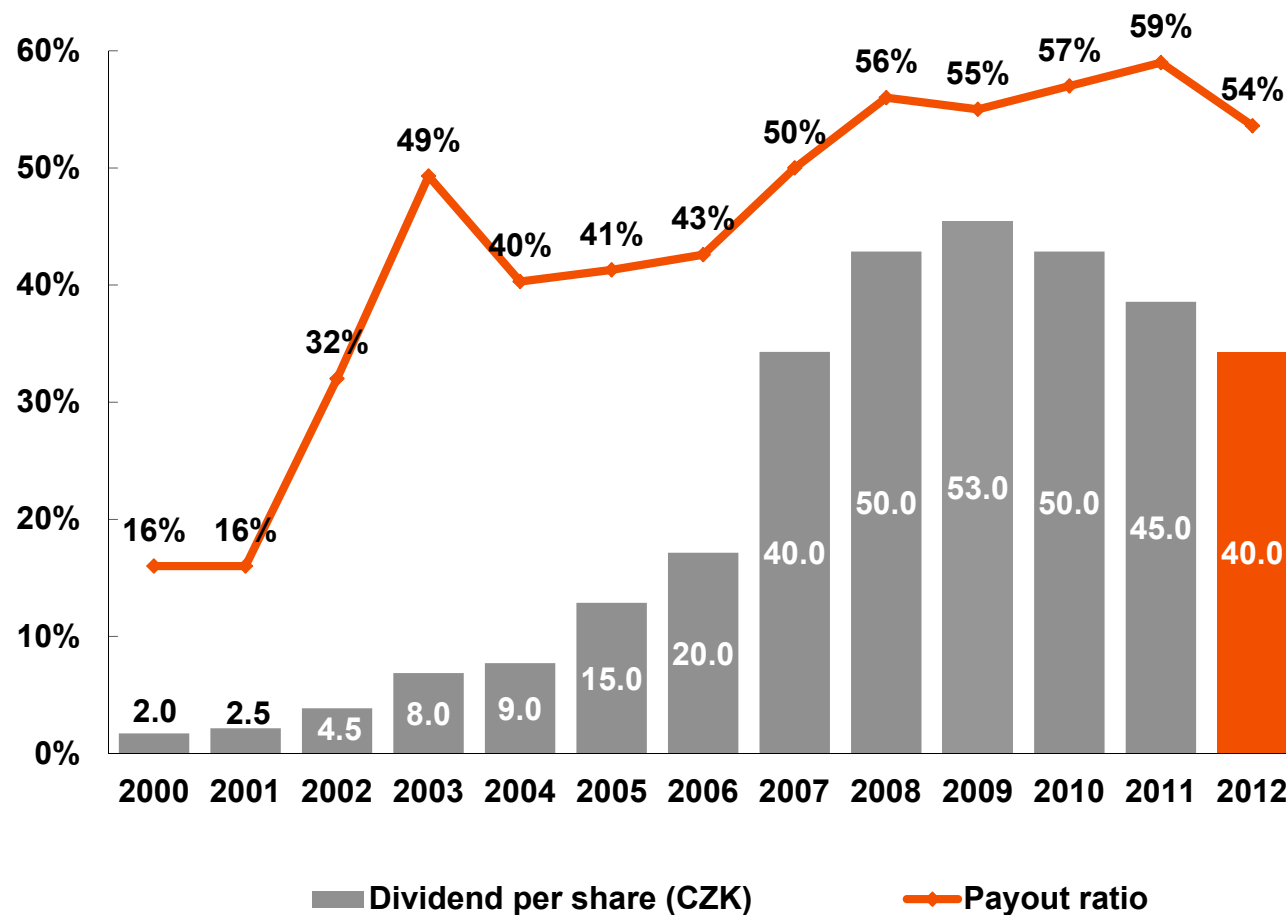
Poland

- Preliminarily negotiated coal delivery contract, incl. price reduction, for Skawina power plant for 2013 and 2014
- Completed construction of Borek Szlachecki small hydro power plant with an installed capacity of 885 kW
- Continued wind farm development and preparations for the commencement of construction of the first three projects from the Ecowind portfolio

ČEZ, A. S., 2012 DIVIDEND IS PROPOSED TO BE CZK 40, WHICH IS APPROX. 7% OF SHARE MARKET PRICE



Payout ratio (%)



The proposed 2012 dividend of CZK 40 per share (gross) is in line with the dividend policy that anticipates a payout ratio of 50-60% of the consolidated net income of CEZ Group.

The proposed effective date for 2012 dividend is June 25, 2013.

Annual general meeting that will decide on the above proposals will be held on June 19, 2013.

AGENDA



Financial highlights and key events in CEZ Group in Q1 2013

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Financial results

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Trading position of CEZ Group

Michal Skalka, Head of Trading

CEZ GROUP FINANCIAL RESULTS

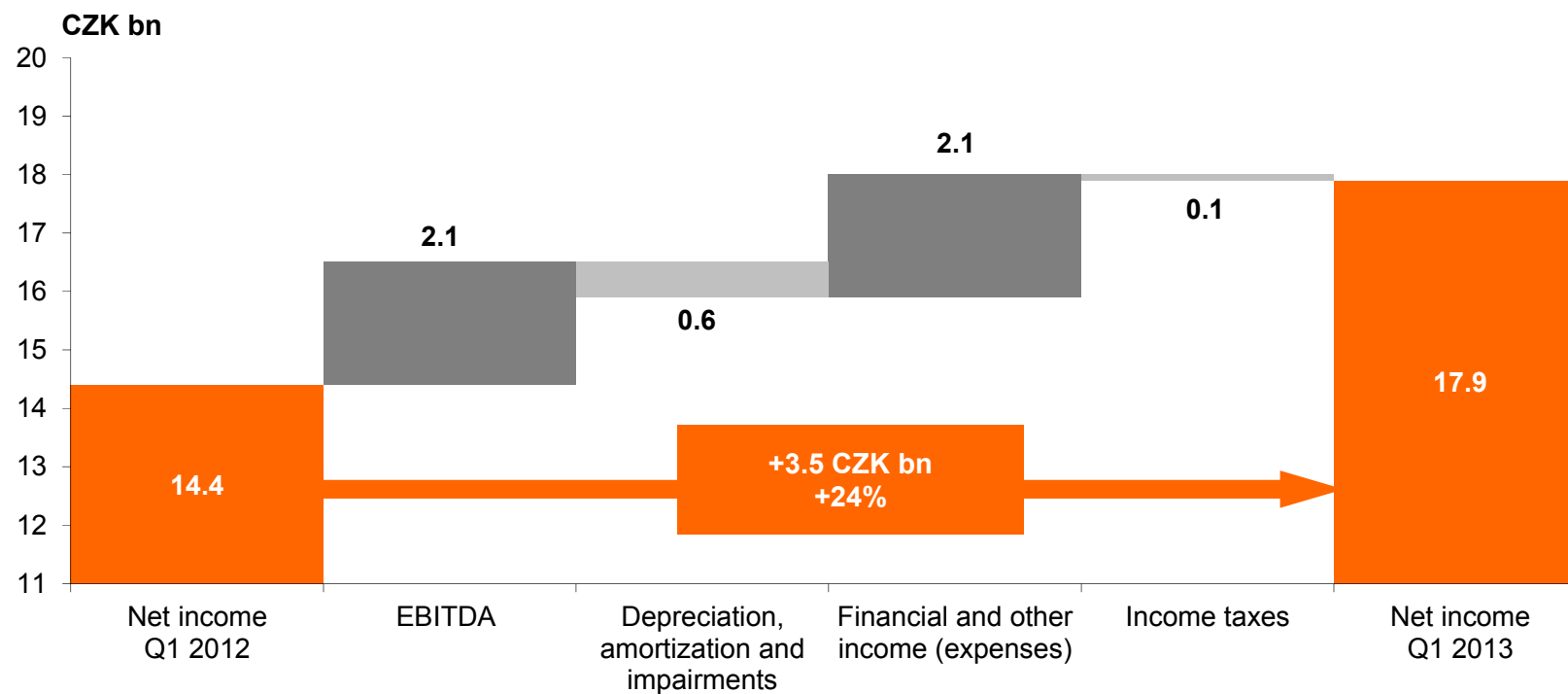


| (CZK bn) | Q1 2012 | Q1 2013 | Change | % |
|-----------------|----------------|----------------|---------------|----------|
| Revenues | 60.8 | 60.0 | -0.8 | -1% |
| EBITDA | 26.2 | 28.3 | +2.1 | +8% |
| Net income | 14.4 | 17.9 | +3.5 | +24% |
| Operating CF | 16.2 | 16.5 | +0.3 | +2% |
| CAPEX | 9.4 | 8.8 | -0.6 | -7% |
| Net debt *) | 142.0 | 152.9 | 10.9 | +8% |

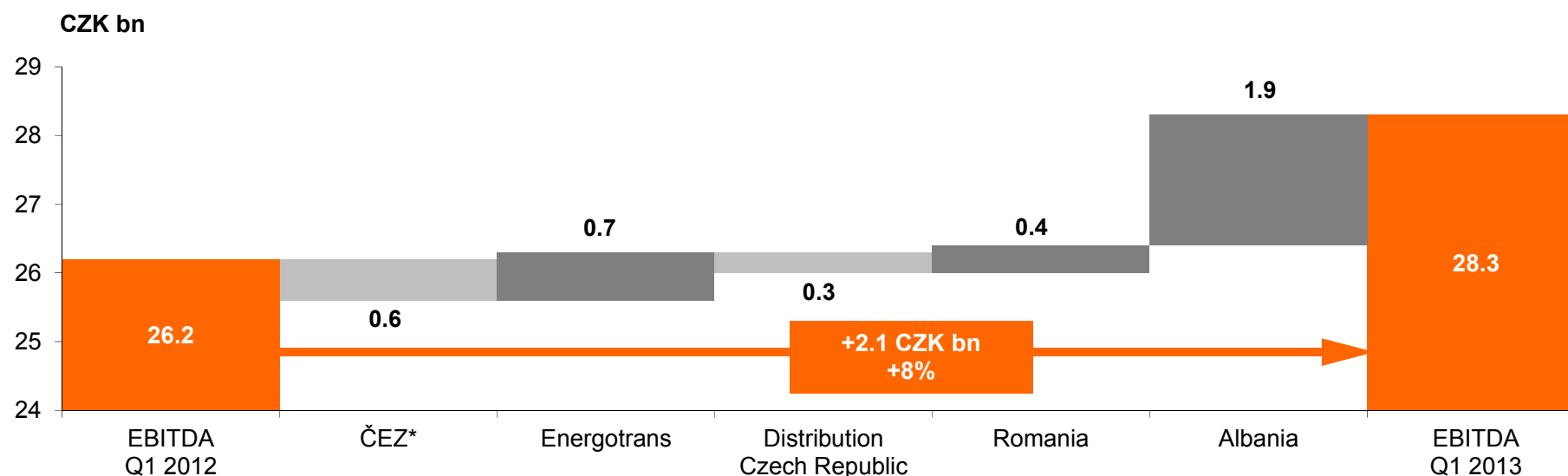
| | | Q1 2012 | Q1 2013 | Change | % |
|---|--------|----------------|----------------|---------------|----------|
| Installed capacity *) | GW | 15.2 | 15.8 | +0.6 | +4% |
| Generation of electricity | TWh | 19.3 | 18.5 | -0.8 | -4% |
| Electricity distribution to end customers | TWh | 14.9 | 13.5 | -1.4 | -10% |
| Electricity sales to end customers | TWh | 11.9 | 10.4 | -1.5 | -13% |
| Sales of natural gas to end customers | TWh | 2.1 | 2.5 | +0.4 | +18% |
| Sales of heat | 000'TJ | 6.8 | 11.0 | +4.2 | +62% |
| Number of employees *) | 000's | 31.3 | 27.1 | -4.2 | -14% |

Financial values for 2012 throughout this presentation reflect a change in the method of reporting Sales and adjustments for fixed assets, goodwill and Financial and other expenses and revenues.

DRIVERS OF Y-O-Y CHANGE IN NET INCOME



KEY DRIVERS OF Y-O-Y CHANGE IN EBITDA



ČEZ* (CZK -0.6 bn)

- Negative impact of a drop in electricity prices significantly compensated by revenue from trading in emission allowances, failure-free operation of nuclear plants and higher production of hydro power plants

Energotrans (CZK +0.7 bn)

- Effect of integration into CEZ Group (June 28, 2012)

Distribution Czech Rep. (CZK -0.3 bn)

- Mostly effect of seasonality of expenses on purchases from RESs and CHP and takeover of RES & CHP purchases administration by the state-owned company OTE since Jan 1, 2013 (following a change in legislation)

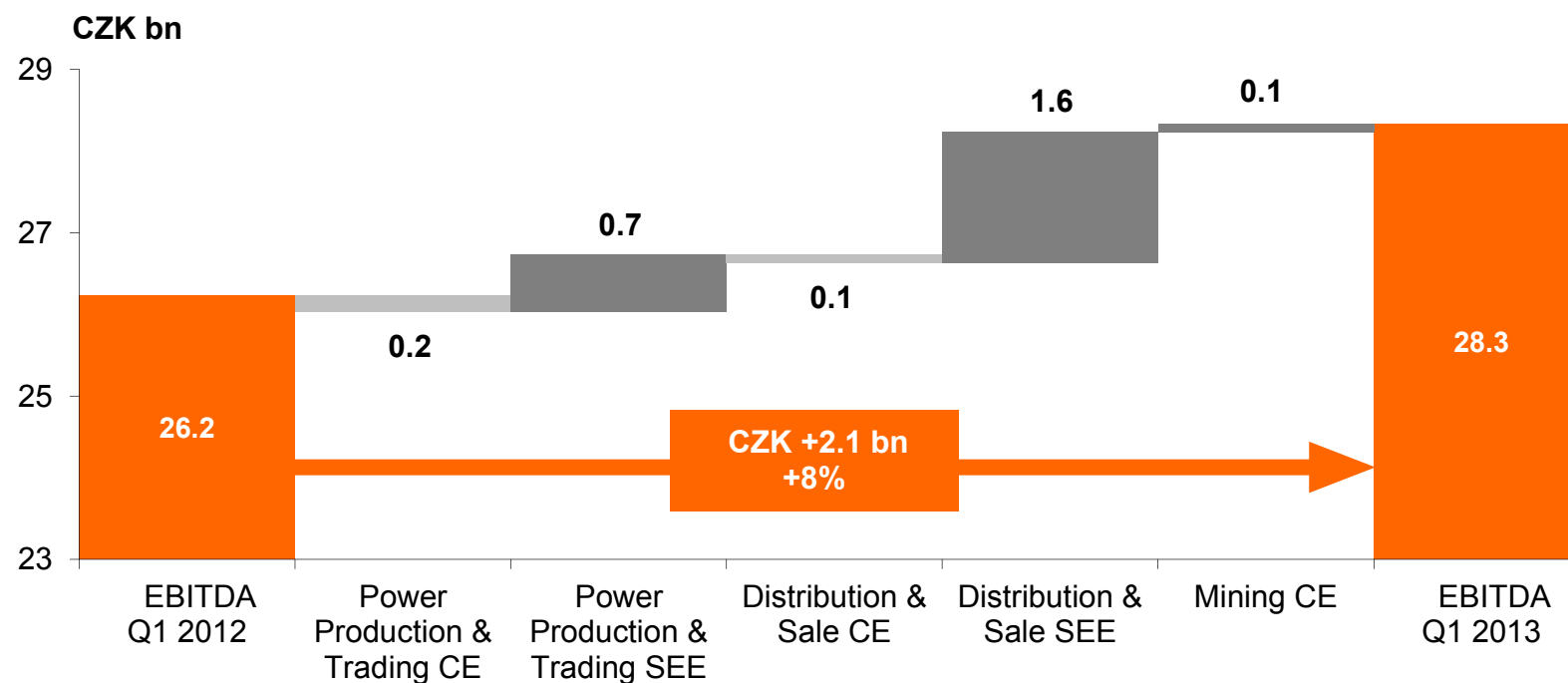
Romania (CZK +0.4 bn)

- Production (CZK +0.6 bn) thanks to completion of Cogeaalac wind park (higher volume of production +0.1 TWh and award of a second green certificate)
- Distribution and sale (CZK -0.2 bn) due to an extraordinary payment of debts by Romanian state railways in 2012

Albania (CZK +1.9 bn)

- Eliminating of CEZ Shpërndarje's financial results from consolidated group due to loss of control by ČEZ, a. s., in January 2013 (zero impact on CEZ Group's EBITDA in 2013)

Y-O-Y CHANGE OF EBITDA BY SEGMENT



EBITDA BY SEGMENT:

POWER PRODUCTION AND TRADING CENTRAL EUROPE



| CZK bn | Q1 2012 | Q1 2013 | Change | % |
|---------------------|-------------|-------------|-------------|------------|
| Czech Republic | 17.1 | 17.2 | 0.1 | +0% |
| Poland | 0.6 | 0.3 | -0.3 | -44% |
| Total EBITDA | 17.7 | 17.5 | -0.2 | -1% |

Czech Republic (CZK +0.1 bn)

- Y-o-y drop in realization prices of electricity and lower electricity generation in ČEZ* coal-fired power plants (CZK -1.4 bn)
- Positive effect of trading in emission allowances (incl. utilization of a part of CER gate) and other ČEZ* effects (CZK +0.8 bn)
- Effect of Energotrans integration into CEZ Group on June 28, 2012 (CZK +0.7 bn)

Poland (CZK -0.3 bn)

- Lower revenues due to a drop in the price of assigned colour certificates (CZK -0.2 bn)
- Expenses on emission allowance purchases within NAP III, assigned for free (NAP II) in 2012 (CZK -0.1 bn)

EBITDA BY SEGMENT:

POWER PRODUCTION AND TRADING SOUTHEAST EUROPE



| CZK bn | Q1 2012 | Q1 2013 | Change | % |
|---------------------|------------|------------|-------------|-------------|
| Bulgaria | 0.0 | 0.1 | +0.1 | - |
| Romania | 0.8 | 1.4 | +0.6 | +60% |
| Total EBITDA | 0.8 | 1.5 | +0.7 | +71% |

Bulgaria (CZK +0.1 bn)

- Higher revenues from availability due to y-o-y lower activation of cold reserve
- Slight increase in regulated sales prices from July 1, 2012

Romania (CZK +0.6 bn)

- Higher power production in Fântânele and Cogeaalac wind parks +0.1 TWh
- Higher revenue due to the start of assignment of a second green certificate for Cogeaalac production in Q4 2012

EBITDA BY SEGMENT:

DISTRIBUTION AND SALE CENTRAL EUROPE



| CZK bn | Q1 2012 | Q1 2013 | Change | % |
|---------------------|------------|------------|-------------|------------|
| Distribution | 4.5 | 4.2 | -0.3 | -7% |
| Sale | 1.1 | 1.3 | +0.2 | +23% |
| Total EBITDA | 5.6 | 5.5 | -0.1 | -1% |

Distribution (CZK -0.3 bn)

- Effect of seasonality of expenses on purchases from RESs and CHP and takeover of RES & CHP purchases administration by the state-owned company OTE (following a change in legislation) on Jan. 1, 2013 (CZK -0.4 bn)
- Operational cost savings (CZK +0.1 bn)

Sale (CZK +0.2 bn)

- Higher margin on natural gas sales in the Czech Rep., especially due to continued growth in the number of customers and below-average temperatures in Q1 2013 (CZK +0.1 bn)
- Higher margin on electricity sales in the Czech Rep. (CZK +0.1 bn)

EBITDA BY SEGMENT:

DISTRIBUTION AND SALE SOUTHEAST EUROPE



| CZK bn | Q1 2012 | Q1 2013 | Change | % |
|---------------------|-------------|------------|-------------|----------|
| Romania | 0.6 | 0.4 | -0.2 | -35% |
| Bulgaria | 0.4 | 0.3 | -0.1 | -19% |
| Albania | -1.9 | 0.0 | +1.9 | - |
| Total EBITDA | -0.9 | 0.7 | +1.6 | - |

Romania (CZK -0.2 bn)

- Extraordinary earnings in Q1 2012 associated with payment of debts by Romanian state railways (CZK -0.4 bn)
- Higher revenues on electricity sales (CZK +0.2 bn)

Bulgaria (CZK -0.1 bn)

- Additions to adjustments for receivables due to worsened payment behaviour in connection with massive political protests against the Bulgarian government and high electricity bills at the beginning of the year

Albania (CZK +1.9 bn)

- Eliminating of CEZ Shpërndarje's financial results from consolidated group due to loss of control by ČEZ, a. s. in January 2013
- In 2013, CEZ Shpërndarje operations has had zero impact on CEZ Group's consolidated EBITDA

EBITDA BY SEGMENT: MINING CENTRAL EUROPE, OTHER CENTRAL AND SOUTHEAST EUROPE



| EBITDA (CZK bn) | Q1 2012 | Q1 2013 | Change | % |
|-----------------|---------|---------|--------|-----|
| Mining CE | 1.4 | 1.5 | +0.1 | +3% |
| Other CE | 1.5 | 1.5 | 0.0 | -0% |
| Other SEE | 0.1 | 0.1 | 0.0 | +5% |

Mining Central Europe (CZK +0.1 bn)

- Reduction in coal and industrial mixture deliveries for ČEZ, a. s., was compensated by increased sales of sized coal and higher delivery of more calorific coal for Energotrans

OTHER INCOME (EXPENSES)



| (CZK bn) | Q1 2012 | Q1 2013 | Change | % |
|---|-------------|-------------|-------------|-------------|
| EBITDA | 26.2 | 28.3 | +2.1 | +8% |
| Depreciation, amortization and impairments | -6.4 | -7.0 | -0.6 | -9% |
| Financial and other income (expenses) | -1.8 | 0.3 | +2.1 | - |
| Interest income (expenses) | -0.5 | -0.8 | -0.3 | -47% |
| Interest on nuclear and other provisions | -0.5 | -0.4 | +0.1 | +12% |
| Income (expenses) from investments | 0.3 | 2.1 | +1.8 | >200% |
| Other income (expenses) | -1.1 | -0.6 | +0.5 | +41% |
| Income taxes | -3.6 | -3.7 | -0.1 | -3% |
| Net income | 14.4 | 17.9 | +3.5 | +24% |

Depreciation, amortization and impairments (CZK -0.6 bn)

- Mainly growth in depreciation and amortization as a result of acquisitions and investments in fixed assets, especially in the Czech Rep.

Interest income (expenses) (CZK -0.3 bn)

- Growth in interest expense due to a higher volume of issued bonds, effect of weakening of CZK/EUR exchange rate

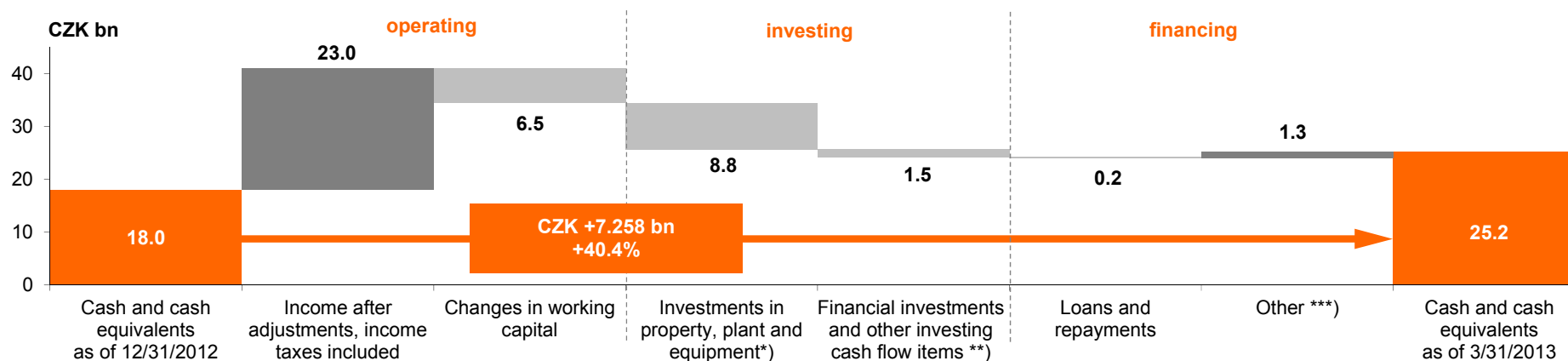
Income (expenses) from investments (CZK +1.8 bn)

- Extraordinary one-off impact of exclusion of CEZ Shpërndarje from the consolidated results of CEZ Group (CZK +1.8 bn)

Other income (expenses) (CZK +0.5 bn)

- Y-o-y difference in revaluation of MOL option in Q1 (CZK -1.6 bn)
- Other financial derivatives and exchange rate gains/losses (CZK +1.7 bn)
- Effect of gift tax on emission allowances and other effects (CZK +0.4 bn)

CASH FLOW



Cash flows from operating activities (CZK +16.5 bn)

- Income after adjustments (CZK +23.0 bn): income before tax (CZK +21.6 bn), income tax paid (CZK -2.9 bn), depreciation and amortization of nuclear fuel (CZK +7.8 bn), exclusion of CEZ Shpërndarje from the consolidated group (CZK -1.8 bn), other (CZK -1.7 bn)
- Changes in working capital (CZK -6.5 bn): growth in balance of payables and receivables incl. advances and accruals of unbilled electricity (CZK -5.8 bn), growth of liquid securities (CZK -3.1 bn), reduction in inventories of fossil fuels and materials (CZK +2.0 bn), other (CZK +0.4 bn)

Cash flows from investing activities (CZK -10.3 bn)

- Investments in property, plant and equipment – CAPEX (CZK -8.8 bn) – see details in Annex
- Other (CZK -1.5 bn) – especially payables from acquisition of fixed assets (CZK -1.0 bn) and increases of long-term financial assets (CZK -0.4 bn)

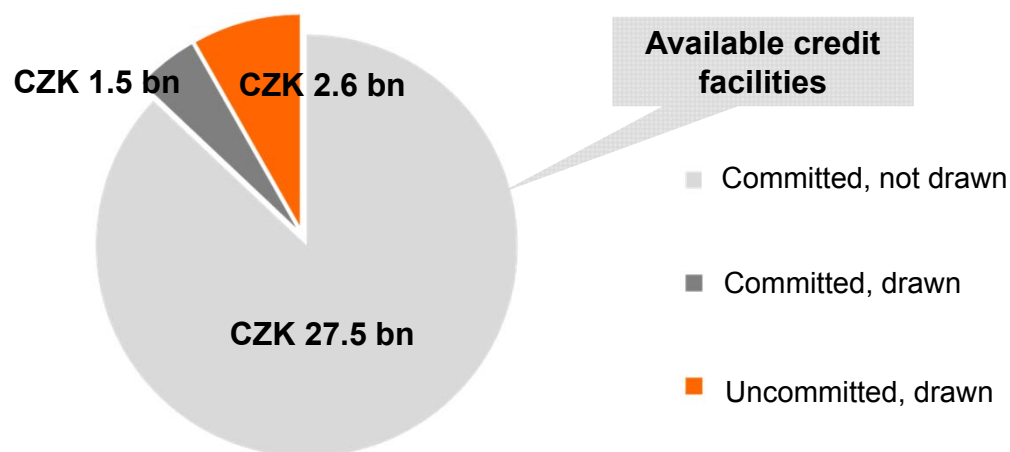
Cash flows from financing activities, incl. exchange rate differences (CZK +1.1 bn)

- Growth in other long-term liabilities (CZK +1.3 bn) – guarantee for coal delivery received from Vršanská uhelná; balance of loans and repayments (CZK -0.2 bn)

CEZ GROUP MAINTAINS A STRONG LIQUIDITY POSITION

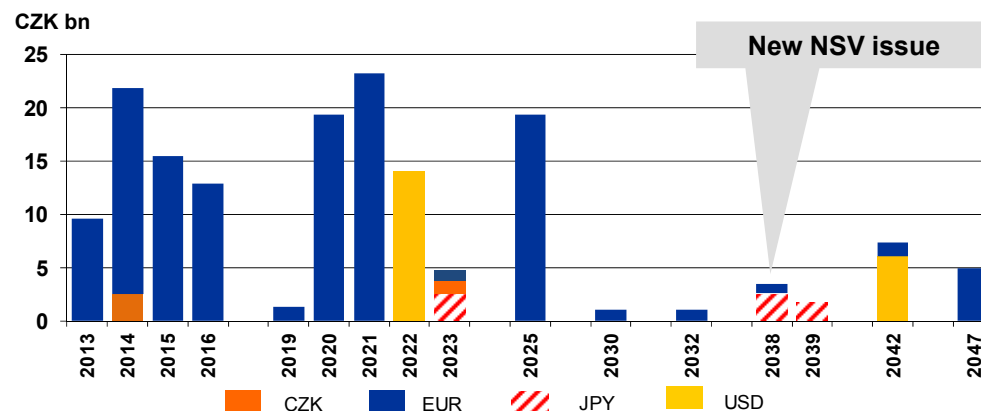


Utilization of short-term lines (as of 3/31/2013)



- CEZ Group has access to CZK 29 bn in committed credit facilities, using just CZK 1.5 bn as of 3/31/2013
- Non-committed credit facilities are used primarily
- Committed facilities are kept as a reserve for covering unexpected needs

Bond maturity profile (as of 3/31/2013)



- The first subscription commitment signed in February 2013 under a CZK bond programme worth EUR 50 mil
- 25-year NSV issue of registered bonds with a volume of EUR 30 mil issued in March 2013

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Trading position of CEZ Group

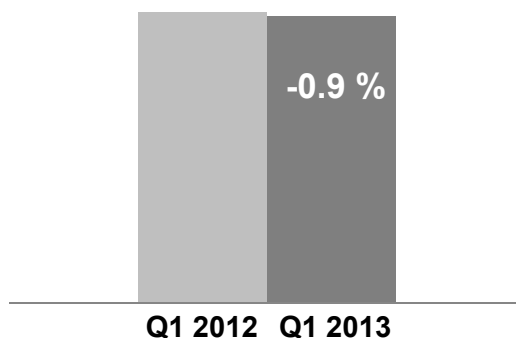
Michal Skalka, Head of Trading

ELECTRICITY CONSUMPTION DROPS Y-O-Y IN THE CZECH REPUBLIC



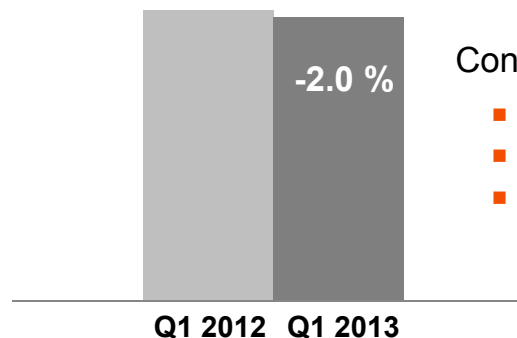
Consumption in the Czech Rep.

TWh 16.51 16.36



Consumption in the Czech Rep. (temperature adjusted)*

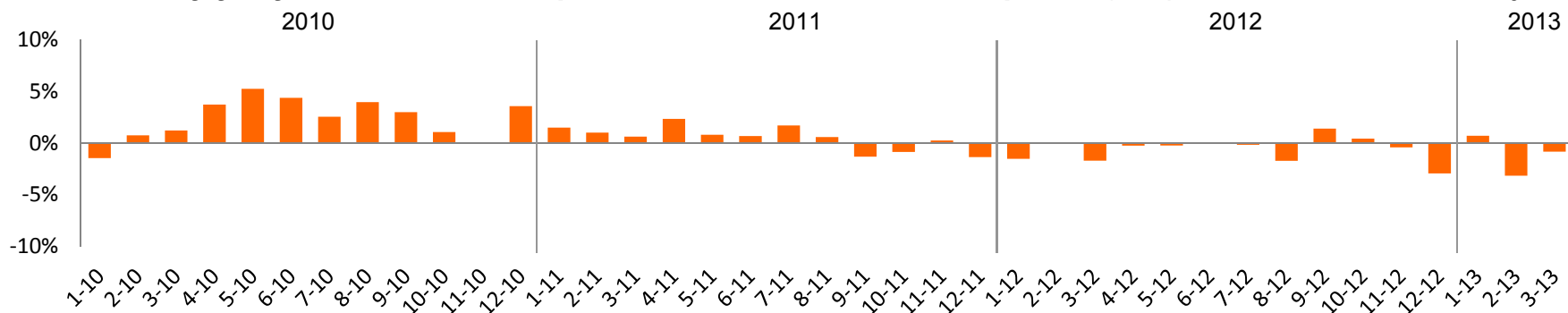
TWh 16.41 16.09



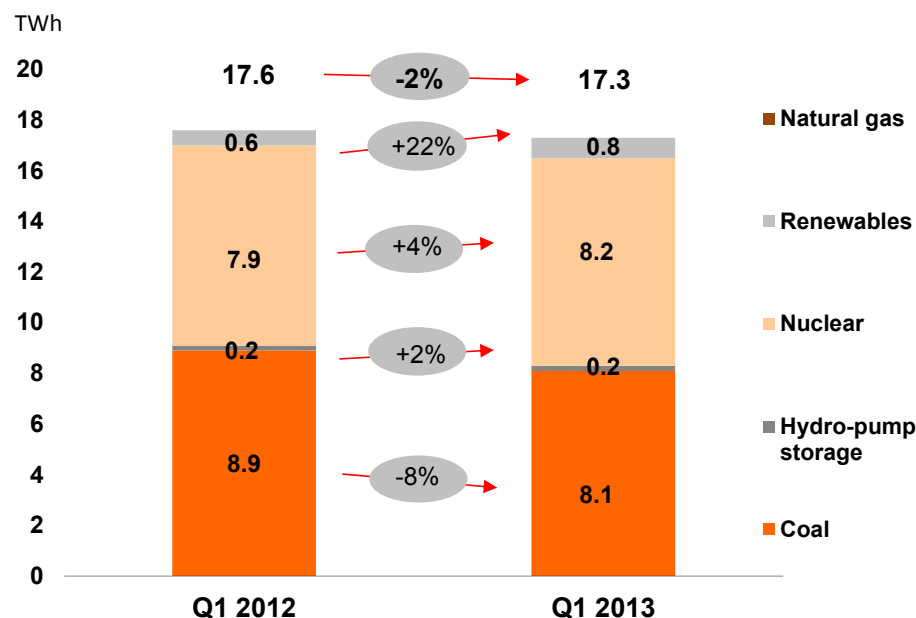
Consumption development by segment:

- -2.9% wholesale customers
- -2.7% households
- +8.1% small businesses

Monthly y-o-y absolute consumption indices for the Czech Republic (temperature and calendar adjusted)



CZECH REPUBLIC - RELIABLE OPERATION OF NUCLEAR PLANTS PARTIALLY COMPENSATES LOWER PRODUCTION IN COAL-FIRED PLANTS

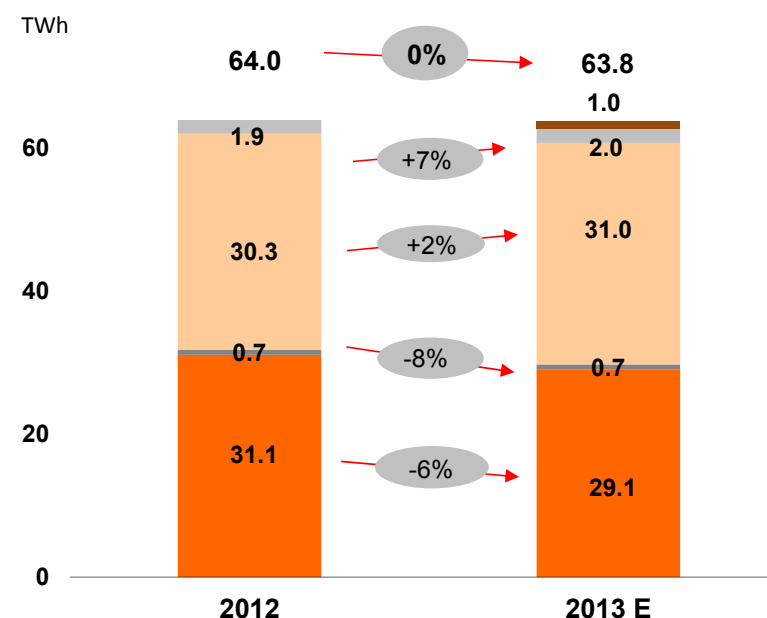


Nuclear power plants (+4%)

- + Reliable operation of Temelín Nuclear Power Plant
- + Increase in installed capacity of Dukovany Nuclear Power Plant

Coal-fired power plants (-8%)

- Start of comprehensive refurbishment of three units at Prunéřov II Power Plant since Sept. 1, 2012
- Reduced fuel deliveries



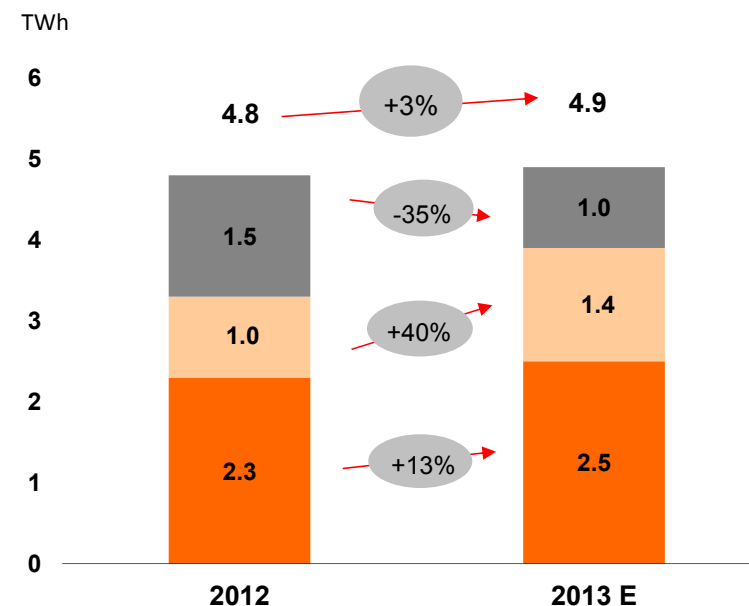
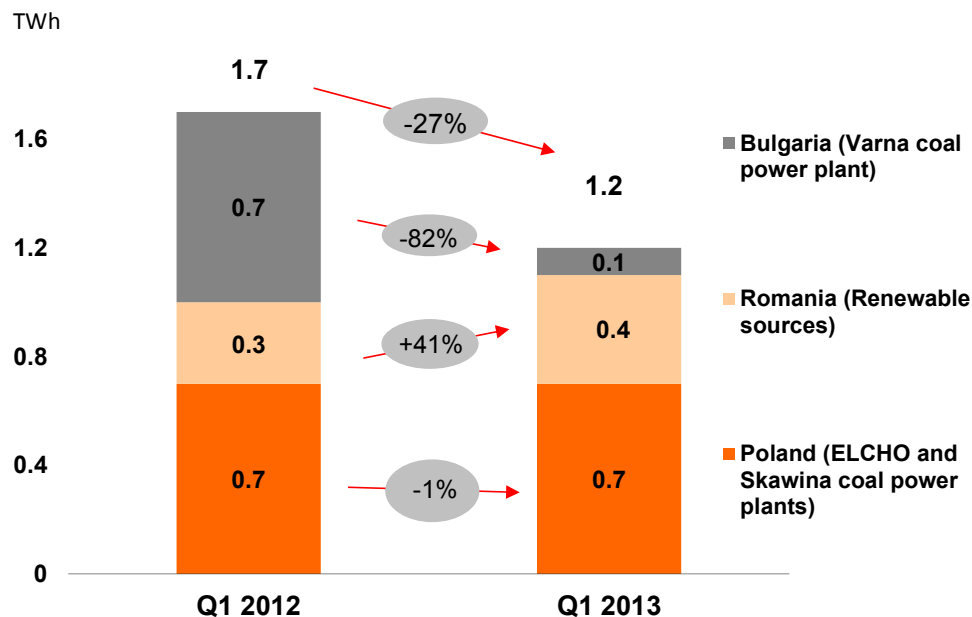
Nuclear power plants (+2%)

- + Increase in installed capacity of Temelín Nuclear Power Plant
- + Shorter outages of Dukovany Nuclear Power Plant

Coal-fired power plants (-6%)

- Lower fuel deliveries and source deployment
- Year-round comprehensive refurbishment of three units of Prunéřov II Power Plant

ABROAD – DESPITE A DECREASE IN Q1, WE EXPECT A SLIGHT INCREASE IN PRODUCTION



Romania renewables (+41%)

- + Production at all 240 wind turbines in Fântânele & Cogeaalac

Poland – coal-fired ELCHO & Skawina plants (-1%)

- Lower production in ELCHO power plant due to a breakdown in March 2013

Bulgaria – coal-fired Varna plant (-82%)

- Decrease in power production caused by lower demand for deliveries to regulated market, especially lower activation of cold reserve as well as lower quota production

Romania renewables (+40%)

- + Production at all 240 wind turbines in Fântânele & Cogeaalac

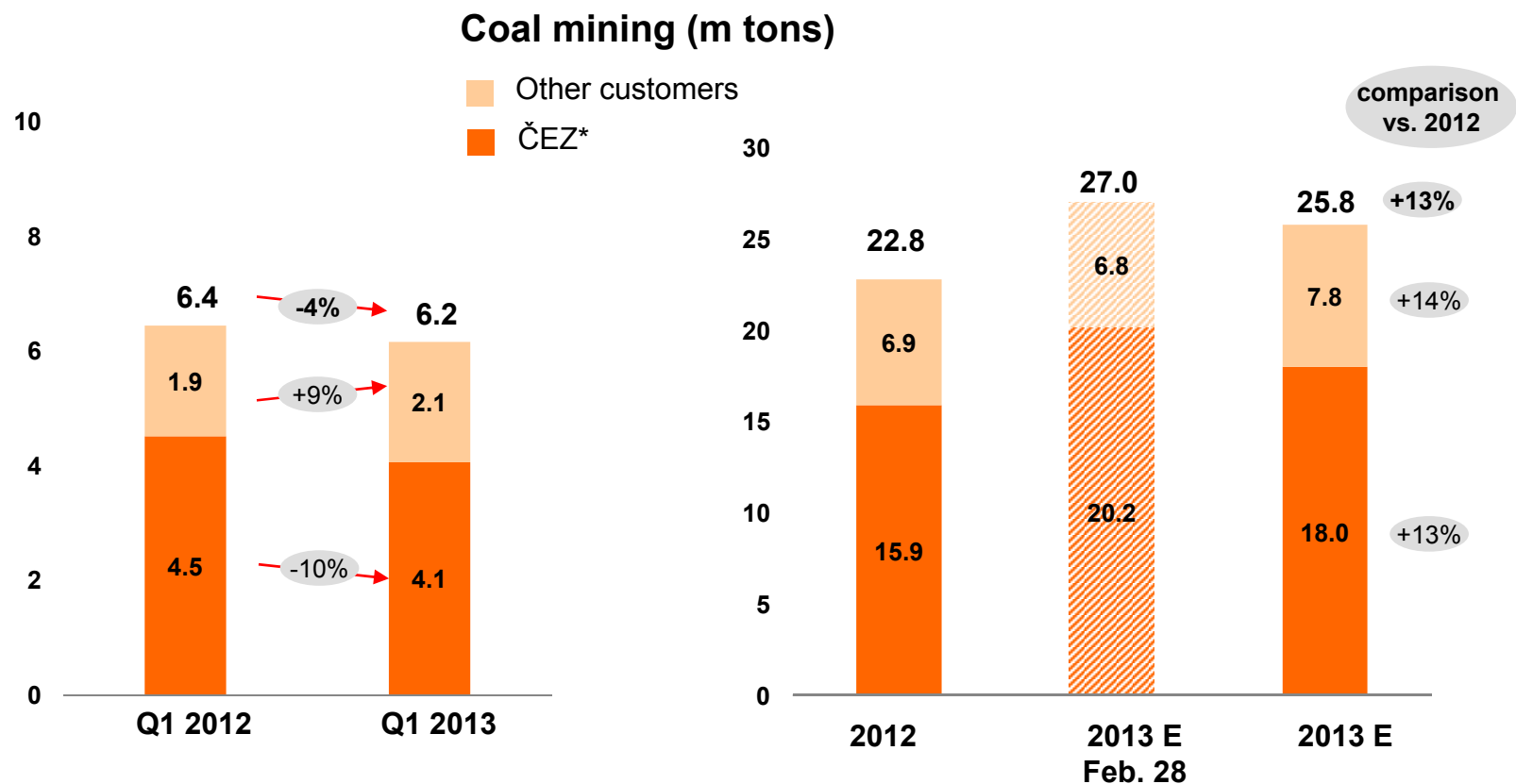
Poland – coal-fired ELCHO & Skawina plants (+13%)

- + production in ELCHO power plant affected by planned boiler repairs in 2012
- + Increase in production in Skawina thanks to favourable coal contract in 2013
- + Planned commissioning of Borek small hydro power plant

Bulgaria – coal-fired Varna plant (-35%)

- Lower production for regulated market

HAVING SECURED DELIVERIES FROM CZECH COAL, WE PARTIALLY DECREASE MINING EXPECTATION FOR 2013



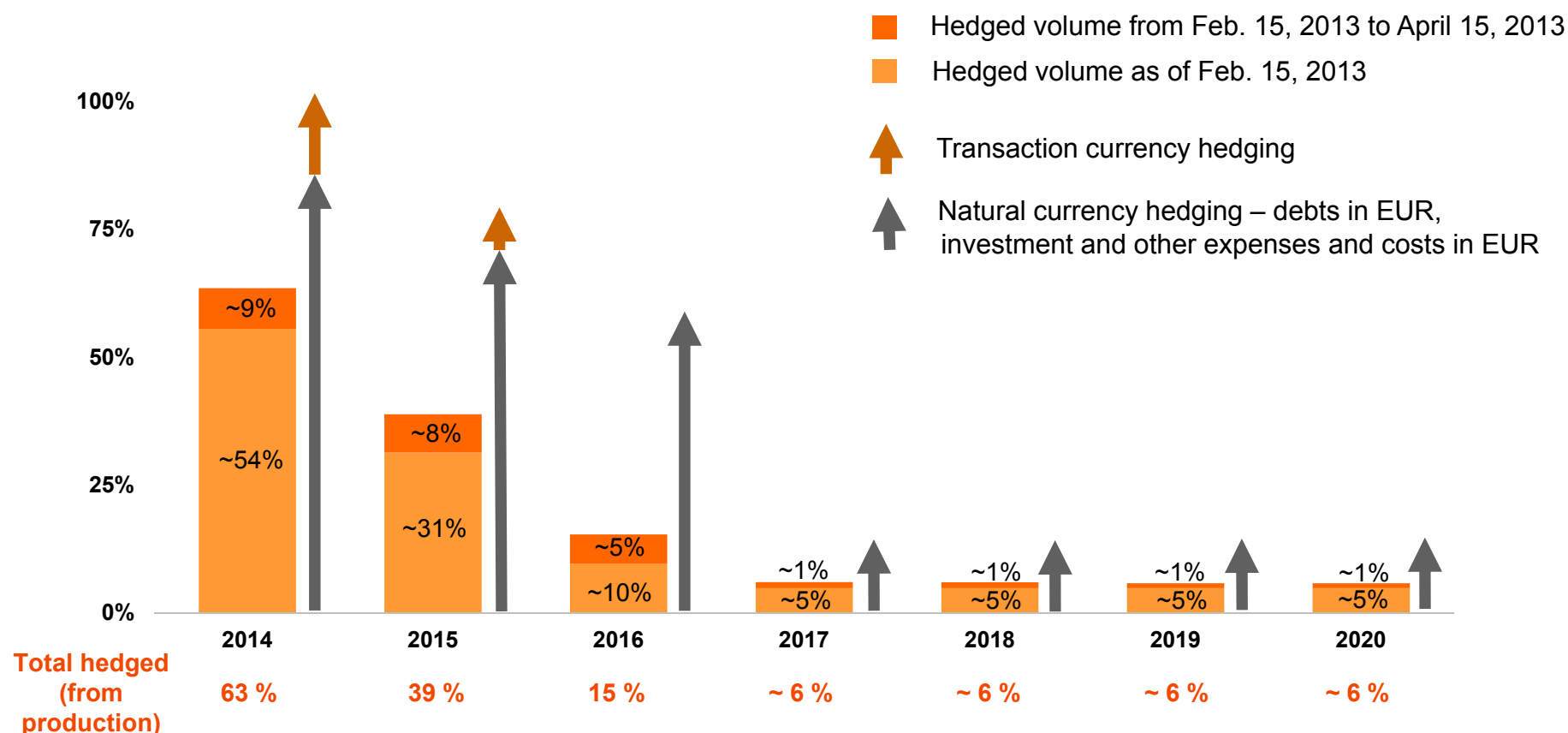
- Lower demand for power coal by ČEZ* partially compensated by sales to other customers

- Still higher expectations y-o-y due to expected high demand by ČEZ* and other customers in next quarters

ČEZ CONTINUES HEDGING ITS REVENUES FROM SALES OF ELECTRICITY IN THE MEDIUM TERM IN LINE WITH STANDARD POLICY



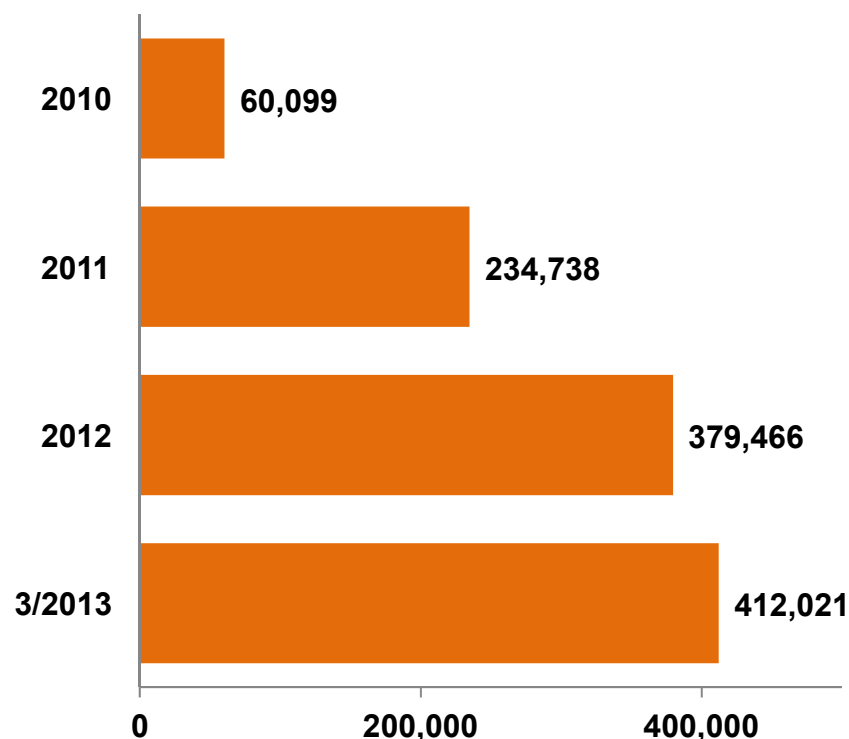
Share of hedged production from ČEZ* power plants
(as of 4/15/2013, 100% corresponds to 50-55 TWh)



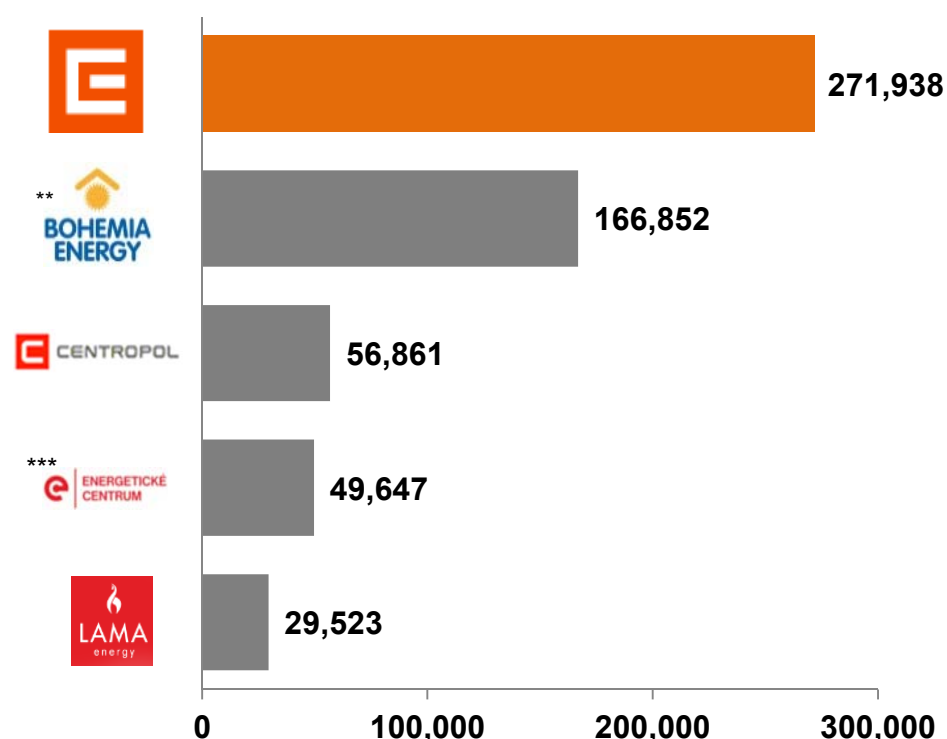
ČEZ PRODEJ STRENGTHENS ITS LEADERSHIP AMONG ALTERNATIVE GAS SUPPLIERS



Numbers of contracts received by ČEZ Prodej (cumulative)



Alternative gas suppliers by number of connection points (at the end of March 2013)*



LIGHTING UP RISKY PEDESTRIAN CROSSINGS

YOUR CHOICE 2013



35 newly built and lighted pedestrian crossings:

- 10 risky pedestrian crossings identified in 7 regions
- Experts' and authorities' participation in regional committees, involvement of the general public
- Crossing lighting supervision compliant with standards
- Cooperation in education and prevention

Media campaign:

- TV spots, advertisements, billboards, social networks
- Campaign runs from April 10 to May 24, 2013

www.cezregiony.cz

- Website with a poll, interim results on-line, final results to be announced by May 31, 2013
- Allocation of construction grants by CEZ Foundation
- Actual construction in summer and autumn 2013



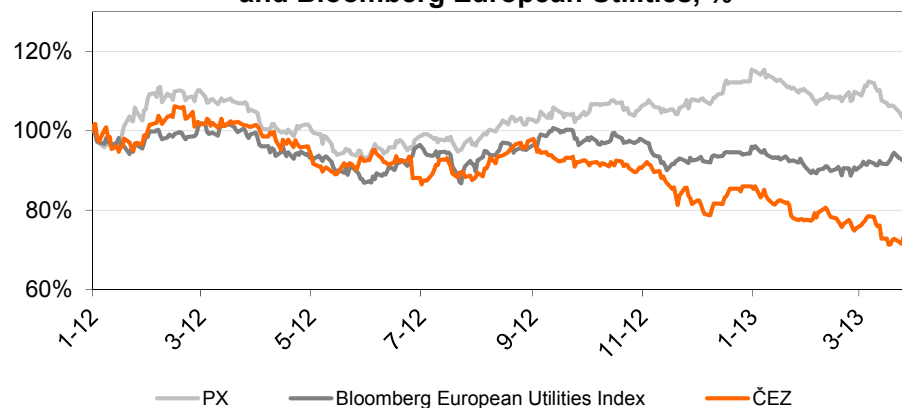


- Market developments
- Investments in fixed assets
- Balance sheet overview
- Other
- Balance of electricity

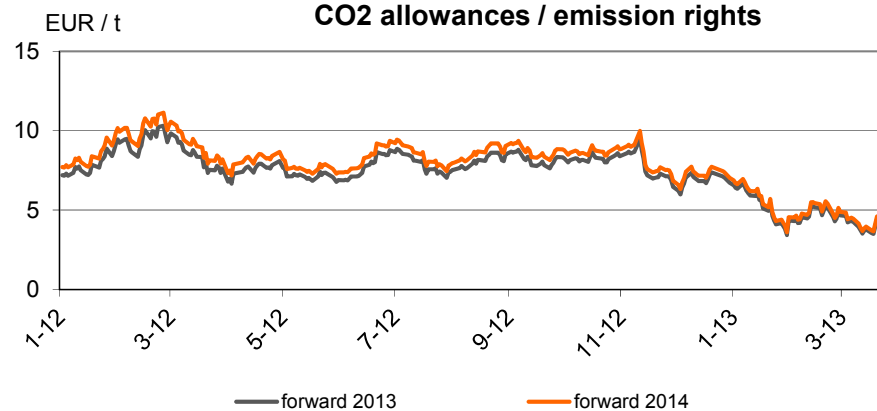
MARKET DEVELOPMENTS



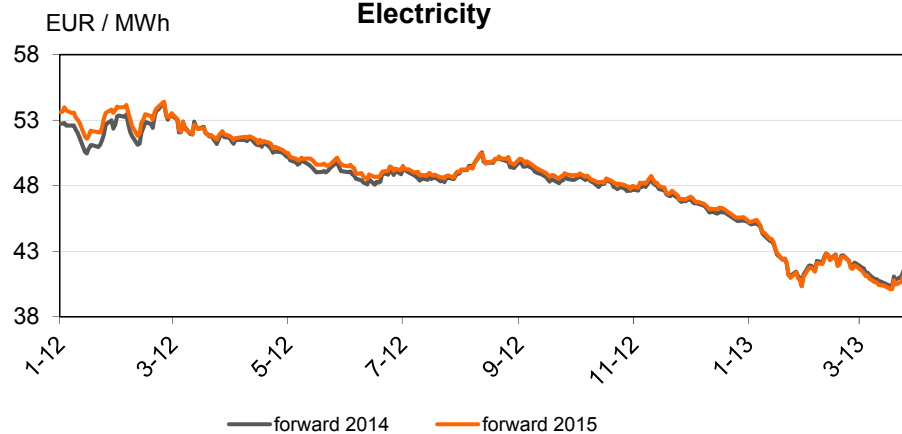
Development of ČEZ share price compared to PX index and Bloomberg European Utilities, %



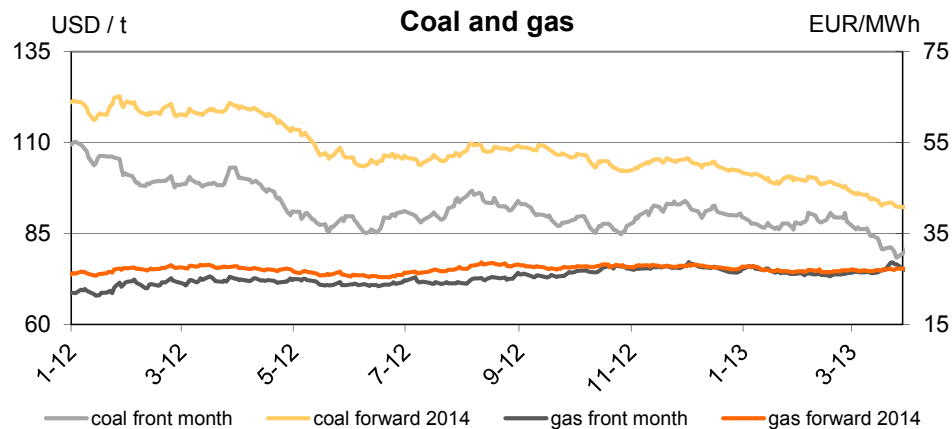
CO2 allowances / emission rights



Electricity



Coal and gas



INVESTMENTS IN FIXED ASSETS (CAPEX)



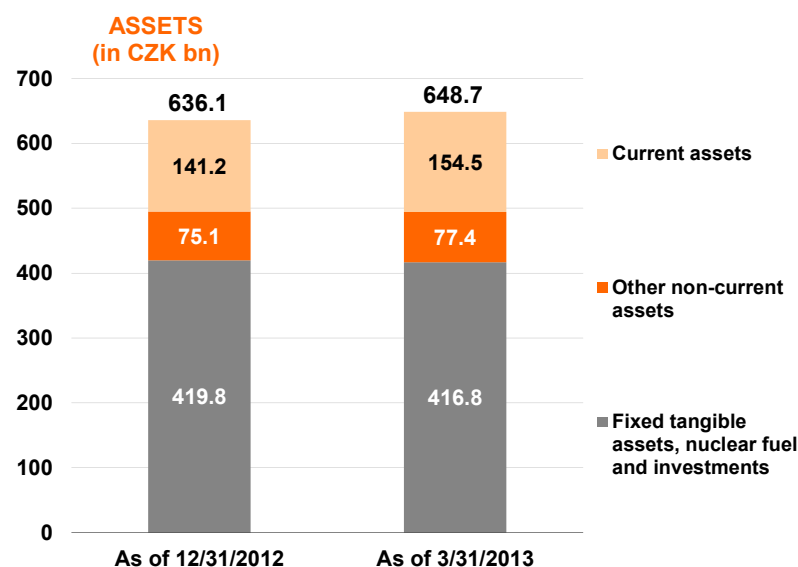
| | |
|--|--|
| Investments in fixed assets in Q1 2013: | CZK 8.8 bn |
| Conventional power plants | CZK 4.7 bn <u>Počerady CCGT plant:</u> performed first ignition of both gas turbines, work needed for first steam in turbine underway <u>Ledvice new plant:</u> construction and assembly work on boiler house, turbine building and control inspection system is underway, FGD assembly finished, functional testing underway <u>Prunéřov II comprehensive refurbishment:</u> disassembly and demolition are being finished, steam generator installation started, absorbers are constructed, turbine generator stand foundations are under construction |
| Nuclear power plants | CZK 1.4 bn <u>Temelín NPP:</u> preparations were made for Unit 2 shutdown planned for 4 May – 20 June 2013 for fuel replacement and planned investment and maintenance <u>Dukovany NPP:</u> Unit 3 shut down for fuel replacement for 42 days, control inspection system renovated during the shutdown <u>Temelín new nuclear power plant:</u> Czech Ministry of the Environment issued a favourable opinion within the environmental impact assessment (EIA) procedure; notification of preliminary evaluation of bids sent to both bidders in March 2013, negotiation with the bidders is underway to improve the bids in every part; preparation for the authorization and licensing process and preparation of projects for related and induced investments <u>Dukovany new nuclear power plant:</u> updates to the schedule of investment and zoning documentation preparation, land parcels are being purchased, data collection for a Jihlava river basin quality model finished, negotiations with water authorities are underway |
| Electricity distribution | CZK 2.1 bn Czech Republic: CZK 1.3 bn Romania: CZK 0.6 bn Bulgaria: CZK 0.2 bn |
| Mining | CZK 0.3 bn Investment in equipment and buildings on overburden cuts 1 and 2 in the Bílina Mine; reconstruction of large-scale excavators and conveyor belts in Bílina and Nástup Tušimice Mines |
| Others | CZK 0.3 bn |

BALANCE SHEET OVERVIEW



Fixed assets

- Decrease in tangible fixed assets CZK -3.0 bn: loss of control over CEZ Shpërndarje and reclassification of assets of Chvaletice Power Plant as assets for sale
- Increase in other fixed assets CZK +2.3 bn, especially long-term investments (long-term receivables from derivatives and impacts of exclusion of CEZ Shpërndarje from the consolidated group)

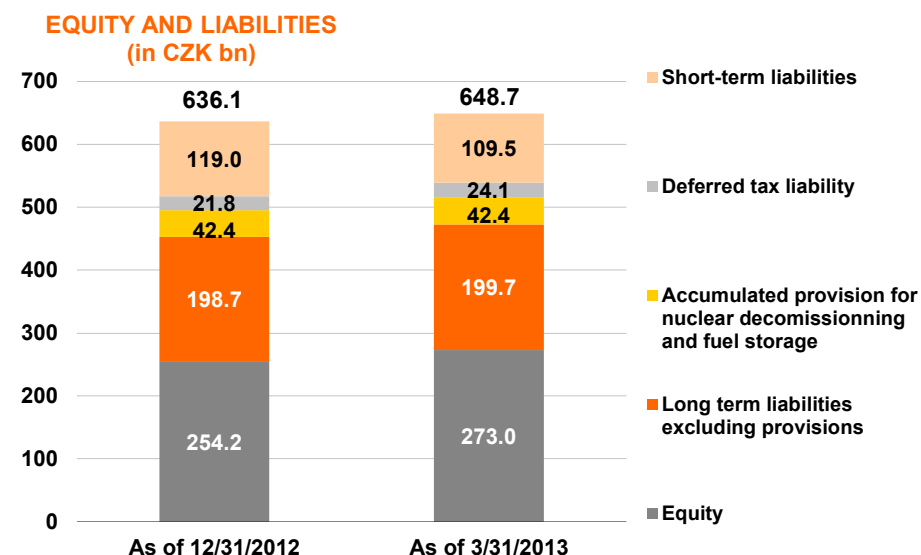


Current assets

- Increase in receivables from derivatives CZK +8.9 bn (compensated in liabilities)
- Increase in cash and cash equivalents CZK +7.3 bn and highly liquid securities CZK +3.1 bn
- Increase in assets for sale CZK +1.6 bn (Chvaletice Power Plant)
- Decrease in receivables, net CZK -6.6 bn: especially exclusion of CEZ Shpërndarje from consolidated group and lower receivables of ČEZ, a. s. (compensated by a decrease in liabilities)
- Decrease in inventories of fossil fuels and materials CZK -2.0 bn; other effects CZK +1.0 bn

Equity and long-term liabilities

- Increase in equity CZK +18.7 bn: net income CZK +17.9 bn, other CZK +0.8 bn – especially the effect of exclusion of CEZ Shpërndarje from the consolidated group
- Increase in long-term liabilities CZK +1.0 bn: CZK +1.3 bn guarantee for coal received from Vršanská uhelná, CZK -0.4 bn long-term liabilities from derivatives
- Increase in deferred tax liability CZK +2.3 bn



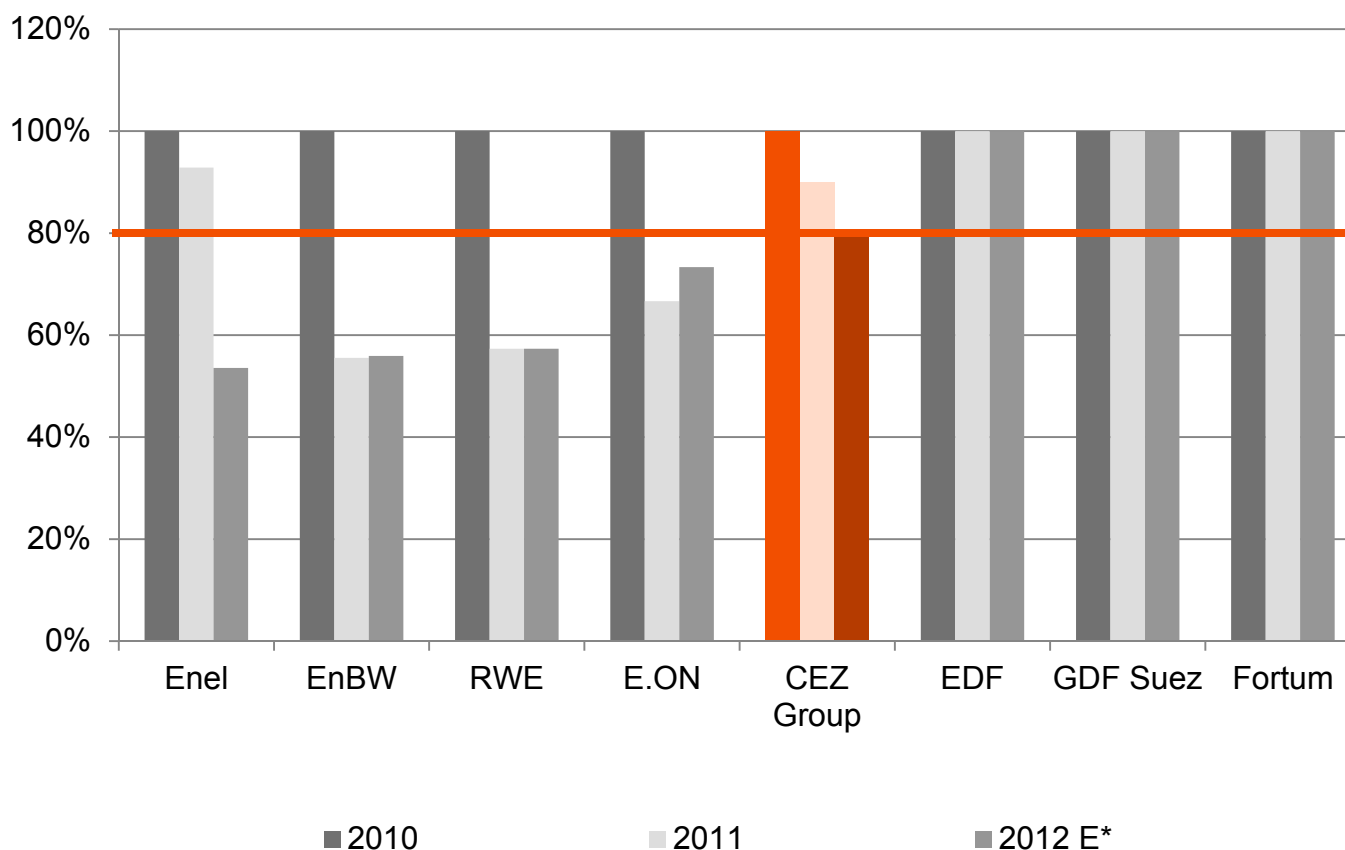
Current liabilities

- Decrease in trade payables, incl. received advances CZK -15.2 bn: especially the impact of exclusion of CEZ Shpërndarje from consolidated group and lower liabilities of ČEZ, a. s.
- Decrease in provisions CZK -2.8 bn, especially the effect of exclusion of CEZ Shpërndarje from consolidated group and reversals of emission allowance provisions
- Increase in liabilities from derivatives, incl. options CZK +8.0 bn
- Increase in current portion of long-term debt, incl. short-term bank loans CZK +1.8 bn
- Accruals and deferrals and other effects CZK +2.1 bn

ČEZ DIVIDENDS OVER TIME REFLECT DEVELOPMENT OF INCOME AND OF THE ENERGY SECTOR IN EUROPE



Dividend per share
(as % of amount declared for year 2010)

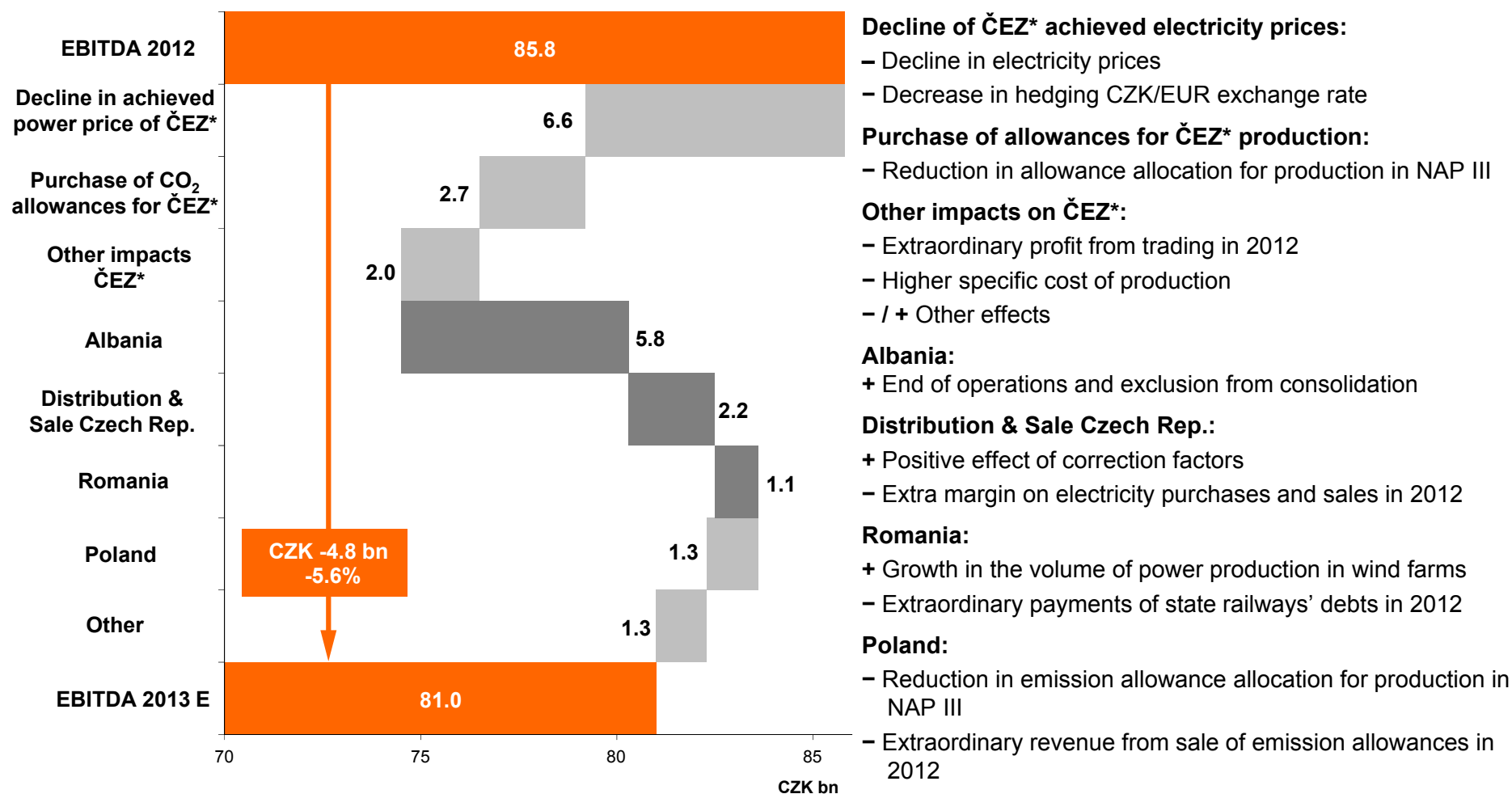


Proposed dividends per share for 2012 decrease (in comparison with value paid for 2010):

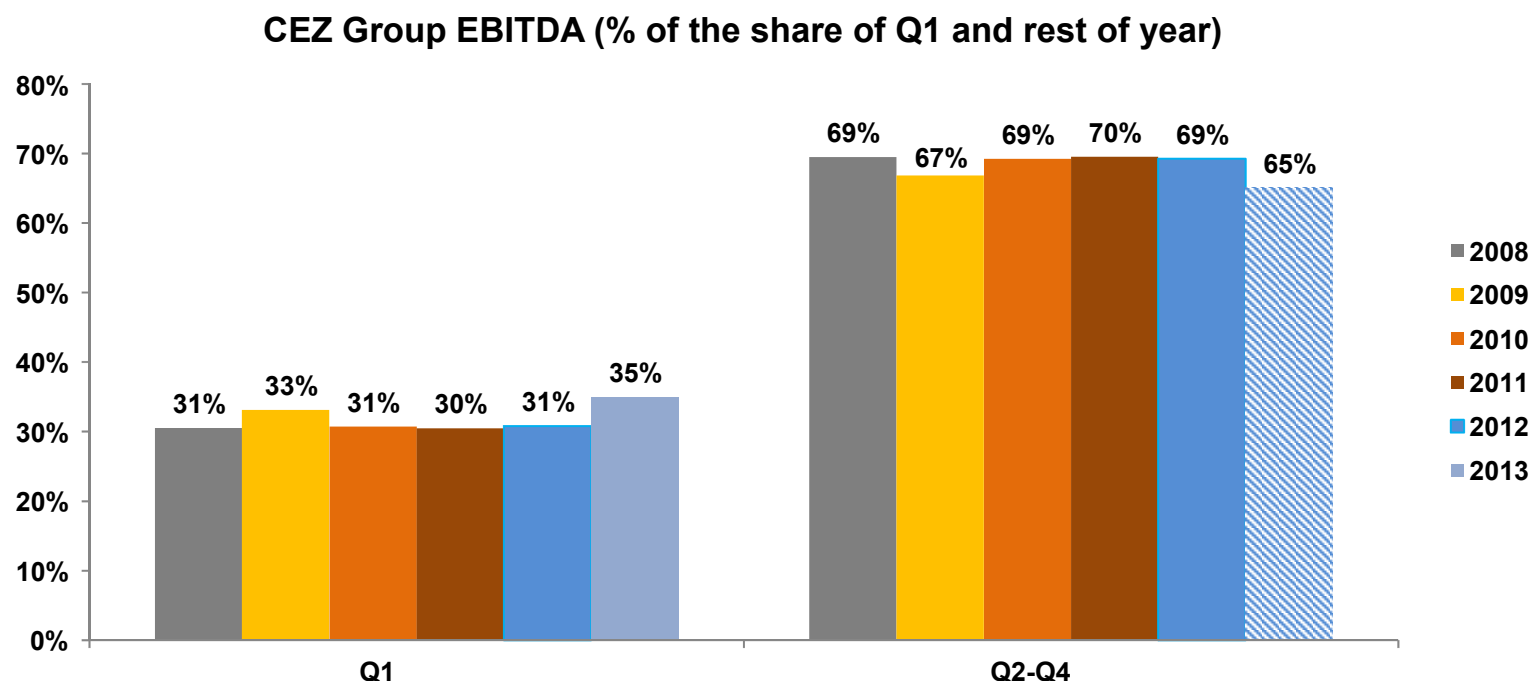
- in large German energy companies by 27-44%
- in CEZ by 20% due to a long-term conservative financial policy and gradual adjustment of expenses and investments to development of the energy market in Europe

EXPECTED Y-O-Y DECREASE IN CEZ GROUP'S EBITDA

MAIN REASONS



Q1 SHARE REGULARLY EXCEEDS 30% OF THE FULL YEAR RESULTS; MOREOVER, 2013 IS SPECIFIC



Selected effects on splitting out the amount of EBITDA throughout 2013 (in comparison with 2012)

- CZK 2.7 bn cost of allowances purchased for 2013 production (free derogatory allocation from NAP III in Q1)
- Effect of hedging exchange rate in comparison with 2012: positive in Q1 2013 but negative in Q2-Q4 (CZK 2.4 bn)
- Specific cost of ČEZ* production higher by CZK 1 bn in Q2-Q4 2013 (higher coal prices and effect of commencement of gas generation)
- Extraordinary gain in Q1 2013 from allowance trading, especially utilization of a portion of CER gate (CZK 1.5 bn)

Electricity balance (GWh)

| | Q1 2012 | Q1 2013 | Index 2013/2012 |
|---|----------------|----------------|--------------------|
| Electricity procured | 17,425 | 16,759 | -4% |
| Generated in-house (gross) | 19,281 | 18,542 | -4% |
| In-house and other consumption, including pumping in pumped-storage plants | -1,856 | -1,783 | -4% |
| Sold to end customers | -11,936 | -10,383 | -13% |
| Sold in the wholesale market (net) | -2,633 | -4,790 | +82% |
| Sold in the wholesale market | -56,962 | -46,727 | -18% |
| Purchased in the wholesale market | 54,329 | 41,937 | -23% |
| Grid losses | -2,857 | -1,587 | -44% |

Electricity generation by source (GWh)

| | Q1 2012 | Q1 2013 | Index 2013/2012 |
|------------------|---------------|---------------|--------------------|
| Nuclear | 7,868 | 8,148 | +4% |
| Coal and lignite | 10,121 | 8,859 | -12% |
| Water | 722 | 903 | +25% |
| Biomass | 250 | 176 | -30% |
| Photovoltaic | 24 | 16 | -33% |
| Wind | 286 | 411 | +44% |
| Natural gas | 10 | 28 | +180% |
| Bio gas | 0 | 1 | - |
| Total | 19,281 | 18,542 | -4% |

Sales of electricity to end customers (GWh)

| | Q1 2012 | Q1 2013 | Index 2013/2012 |
|---|----------------|----------------|--------------------|
| Households | -4,959 | -4,237 | -15% |
| Commercial (low voltage) | -2,344 | -1,947 | -17% |
| Commercial and industrial (medium and high voltage) | -4,633 | -4,199 | -9% |
| Sold to end customers | -11,936 | -10,383 | -13% |

Distribution of electricity to end customers

| | | |
|----------------|----------------|-------------|
| -14,929 | -13,496 | -10% |
|----------------|----------------|-------------|

Electricity balance (GWh)

| Q1 2013 | Power Production & Trading CE | | Distribution & Sale CE | | Power Production & Trading SEE | | Distribution & Sale SEE | | Eliminations | | CEZ Group | |
|--|----------------------------------|-------------|---------------------------|------------|-----------------------------------|-------------|----------------------------|-------------|--------------|----------|----------------|-------------|
| | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- |
| Electricity procured | 16,237 | -2% | 0 | - | 521 | -44% | 0 | - | 0 | - | 16,759 | -4% |
| Generated in-house (gross) | 18,012 | -2% | 0 | - | 530 | -46% | 0 | - | 0 | - | 18,542 | -4% |
| In-house and other consumption, including pumping in pumped-storage plants | -1,775 | -1% | 0 | - | -9 | -84% | 0 | - | 0 | - | -1,783 | -4% |
| Sold to end customers | -203 | +66% | -6,459 | -7% | 0 | - | -3,721 | -23% | 0 | - | -10,383 | -13% |
| Sold in the wholesale market (net) | -16,034 | -2% | 7,162 | -7% | -522 | -44% | 4,604 | -34% | 0 | - | -4,790 | +82% |
| Sold in the wholesale market | -53,795 | -15% | -611 | -68% | -522 | -44% | -412 | +84% | 8,614 | -5% | -46,727 | -18% |
| Purchased in the wholesale market | 37,761 | -19% | 7,773 | -19% | 0 | - | 5,016 | -31% | -8,614 | -5% | 41,937 | -23% |
| Grid losses | 0 | - | -703 | -1% | 0 | - | -883 | -59% | 0 | - | -1,587 | -44% |

Electricity generation by source (GWh)

| Q1 2013 | Power Production & Trading CE | | Distribution & Sale CE | | Power Production & Trading SEE | | Distribution & Sale SEE | | Eliminations | | CEZ Group | |
|------------------|----------------------------------|------------|---------------------------|----------|-----------------------------------|-------------|----------------------------|----------|--------------|----------|---------------|------------|
| | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- |
| Nuclear | 8,148 | +4% | 0 | - | 0 | - | 0 | - | 0 | - | 8,148 | +4% |
| Coal and lignite | 8,738 | -7% | 0 | - | 121 | -83% | 0 | - | 0 | - | 8,859 | -12% |
| Water | 903 | +26% | 0 | - | 0 | - | 0 | - | 0 | - | 903 | +25% |
| Biomass | 176 | -30% | 0 | - | 0 | - | 0 | - | 0 | - | 176 | -30% |
| Photovoltaic | 15 | -38% | 0 | - | 1 | - | 0 | - | 0 | - | 16 | -33% |
| Wind | 3 | -25% | 0 | - | 408 | +44% | 0 | - | 0 | - | 411 | +44% |
| Natural gas | 28 | +180% | 0 | - | 0 | - | 0 | - | 0 | - | 28 | +180% |
| Bio gas | 1 | - | 0 | - | 0 | - | 0 | - | 0 | - | 1 | - |
| Total | 18,012 | -2% | 0 | - | 530 | -46% | 0 | - | 0 | - | 18,542 | -4% |

Sales of electricity to end customers (GWh)

| Q1 2013 | Power Production & Trading CE | | Distribution & Sale CE | | Power Production & Trading SEE | | Distribution & Sale SEE | | Eliminations | | CEZ Group | |
|---|----------------------------------|--------------|---------------------------|----------------|-----------------------------------|--------------|----------------------------|-----------------|--------------|--------------|--------------------|-----------------|
| | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- |
| Households | 0 | - | -2,499 | -5% | 0 | - | -1,737 | -25% | 0 | - | -4,237 | -15% |
| Commercial (low voltage) | 0 | - | -876 | -15% | 0 | - | -1,071 | -19% | 0 | - | -1,947 | -17% |
| Commercial and industrial (medium and high voltage) | -203 | +66% | -3,084 | -6% | 0 | - | -912 | -25% | 0 | - | -4,199 | -9% |
| Sold to end customers | -203 | +66% | -6,459 | -7% | 0 | - | -3,720 | -24% | 0 | - | -10,383 | -13% |
| Distribution of electricity to end customers | 0 | - | -9,122 | -2% | 0 | - | -4,373 | -23% | 0 | - | -13,496 | -10% |

Electricity balance (GWh)

| Q1 2013 | Czech Republic | | Poland | | Other Central Europe | | Bulgaria | | Romania | | Albania | | Eliminations | | CEZ Group | |
|--|----------------|------------|-------------|-------------|----------------------|-------------|---------------|-------------|-------------|-------------|----------|----------|--------------|----------|----------------|-------------|
| | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- |
| Electricity procured | 15,634 | -2% | 604 | -1% | 0 | - | 113 | -82% | 408 | +42% | 0 | - | 0 | - | 16,759 | -4% |
| Generated in-house (gross) | 17,319 | -2% | 693 | -1% | 0 | - | 122 | -82% | 408 | +41% | 0 | - | 0 | - | 18,542 | -4% |
| In-house and other consumption, including pumping in pumped-storage plants | -1,685 | -2% | -89 | +0% | 0 | - | -9 | -83% | 0 | - | 0 | - | 0 | - | -1,783 | -4% |
| Sold to end customers | -5,964 | -5% | -100 | +72% | -598 | -18% | -2,902 | -6% | -818 | -10% | 0 | - | 0 | - | -10,383 | -13% |
| Sold in the wholesale market (net) | -8,966 | +1% | -504 | -9% | 598 | -18% | 3,234 | +7% | 849 | -20% | 0 | - | 0 | - | -4,790 | +82% |
| Sold in the wholesale market | -46,758 | -16% | -620 | -3% | -37 | -97% | -180 | -75% | -753 | +72% | 0 | - | 1,621 | +3% | -46,727 | -18% |
| Purchased in the wholesale market | 37,792 | -19% | 116 | +33% | 635 | -66% | 3,414 | -8% | 1,602 | +7% | 0 | - | -1,621 | +3% | 41,937 | -23% |
| Grid losses | -703 | -1% | 0 | - | 0 | - | -445 | -20% | -439 | -0% | 0 | - | 0 | - | -1,587 | -44% |

Electricity generation by source (GWh)

| Q1 2013 | Czech Republic | | Poland | | Other Central Europe | | Bulgaria | | Romania | | Albania | | Eliminations | | CEZ Group | |
|------------------|----------------|------------|------------|------------|----------------------|----------|------------|-------------|------------|-------------|----------|----------|--------------|----------|---------------|------------|
| | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- |
| Nuclear | 8,148 | +4% | 0 | - | 0 | - | 0 | - | 0 | - | 0 | - | 0 | - | 8,148 | +4% |
| Coal and lignite | 8,145 | -8% | 593 | +5% | 0 | - | 121 | -83% | 0 | - | 0 | - | 0 | - | 8,859 | -12% |
| Water | 902 | +27% | 1 | +0% | 0 | - | 0 | - | 0 | - | 0 | - | 0 | - | 903 | +25% |
| Biomass | 78 | -34% | 99 | -25% | 0 | - | 0 | - | 0 | - | 0 | - | 0 | - | 176 | -30% |
| Photovoltaic | 15 | -38% | 0 | - | 0 | - | 1 | - | 0 | - | 0 | - | 0 | - | 16 | -33% |
| Wind | 3 | -25% | 0 | - | 0 | - | 0 | - | 408 | +44% | 0 | - | 0 | - | 411 | +44% |
| Natural gas | 28 | +180% | 0 | - | 0 | - | 0 | - | 0 | - | 0 | - | 0 | - | 28 | +180% |
| Bio gas | 1 | - | 0 | - | 0 | - | 0 | - | 0 | - | 0 | - | 0 | - | 1 | - |
| Total | 17,320 | -2% | 693 | -1% | 0 | - | 122 | -82% | 408 | +41% | 0 | - | 0 | - | 18,542 | -4% |

Sales of electricity to end customers (GWh)

| Q1 2013 | Czech Republic | | Poland | | Other Central Europe | | Bulgaria | | Romania | | Albania | | Eliminations | | CEZ Group | |
|---|----------------|------------|-------------|-------------|----------------------|-------------|---------------|------------|---------------|-------------|----------|----------|--------------|----------|----------------|-------------|
| | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- | GWh | +/- |
| Households | -2,461 | -6% | 0 | - | -38 | +52% | -1,309 | -8% | -428 | -6% | 0 | - | 0 | - | -4,237 | -15% |
| Commercial (low voltage) | -858 | -16% | 0 | - | -18 | >200% | -808 | -8% | -263 | -1% | 0 | - | 0 | - | -1,947 | -17% |
| Commercial and industrial (medium and high voltage) | -2,645 | -0% | -100 | +72% | -542 | -23% | -785 | -2% | -127 | -31% | 0 | - | 0 | - | -4,199 | -9% |
| Sold to end customers | -5,964 | -5% | -100 | +72% | -598 | -18% | -2,902 | -6% | -818 | -10% | 0 | - | 0 | - | -10,383 | -13% |
| Distribution of electricity to end customers | -9,122 | -2% | 0 | - | 0 | - | -2,674 | -7% | -1,700 | -11% | 0 | - | 0 | - | -13,496 | -10% |