

## Internal Information

### ČEZ Founded a New Subsidiary - Elektrárna Počerady

Following the required approvals by corporate bodies, ČEZ, a.s. has founded a new wholly-owned subsidiary, Elektrárna Počerady, a. s. Presently, it is going to be just an “empty” corporation with no assets. ČEZ has also initiated steps aiming to spin off the Počerady power plant into this independent subsidiary during this year.

The reason for this step is an uncertainty concerning coal supplies starting from 2013, stemming from the still unfinished negotiations with the fuel supplier, Czech Coal. The spin-off of the Počerady PP will give ČEZ more flexibility in ČEZ' strategic negotiations with its external suppliers concerning fuel supply to its fossil-fuel power plants for the years following 2012. It will also make it possible to divest or exchange the power plant should ČEZ' management decide so.

The actual spin-off of such assets in a subsidiary is subject to approval by the General Meeting of ČEZ, a. s.

The Počerady power plant operates five blocks with a total installed capacity of 1,000 MW. The blocks were gradually launched in 1970 – 1977; in the 1990s, the power plant was desulfurized and its operations made more environmentally friendly. The power plant annually generates some 6 TWh by burning brown coal from the Vršany surface mine that is just 5 km away.