

Internal Information

ČEZ Already Owns More Than 3 % of Its Own Stock

In relation to the ongoing purchase of its own stock, the ČEZ energy utility has topped a 3 % share of nominal value of its corporate stock. It is the sum of the stock acquired in the framework of a share buyback and the stock owned by ČEZ before this program was launched. As of 12 July 2007, ČEZ has over 17,800 pieces of its own shares that are registered on its account with the Prague Security Centre (SCP). ČEZ has been carrying out the purchase of its own stock on the basis of a decision taken by its general meeting held on 23 April 2007 which, among other things, adopted a resolution on the acquisition of up to ten percent of the company's own stock. The buyback started on 30 April 2007.

The general meeting resolved that, from 23 April 2007 on, ČEZ can acquire its own equity shares in a volume that would not exceed 59,221,084 pieces in total. The lowest price for which ČEZ can acquire its stock is CZK 300 apiece. The highest price for which the company can acquire its stock is CZK 2,000 apiece.

The validity period of the general meeting's resolution, i.e. the period in which ČEZ is authorized to acquire its own stock, is 18 months since the day when the general meeting was held.

ČEZ commissioned two biggest Czech brokers – WOOD & Company Financial Services, a. s., and Patria Finance, a. s. – to make the actual purchases.

The share buyback has been taking place on regulated markets where the company's stock is quoted (Prague, Warsaw), mainly on an anonymous market in order to avoid a discrimination of the company's shareholders.

The reason of the implementation of the share buyback is the current inefficient capital structure and an inconvenient proportion between the company's own capital and debt. The timing of the implementation of the share buyback was also influenced by the decision adopted by the Czech government on 19 March 2007 on the sale of part of the ČEZ stock through the capital market. The announced plan of the Czech government offered an interesting opportunity for carrying out a buyback of the ČEZ stock in a way profitable both for the company and all its shareholders.