CEZ GROUP 2007 RESULTS

PRELIMINARY NONAUDITED CONSOLIDATED RESULTS (IFRS)

Prague, February 25th, 2008

AGENDA

- **Financial highlights and key events of 2007**
  Martin Novák, CFO

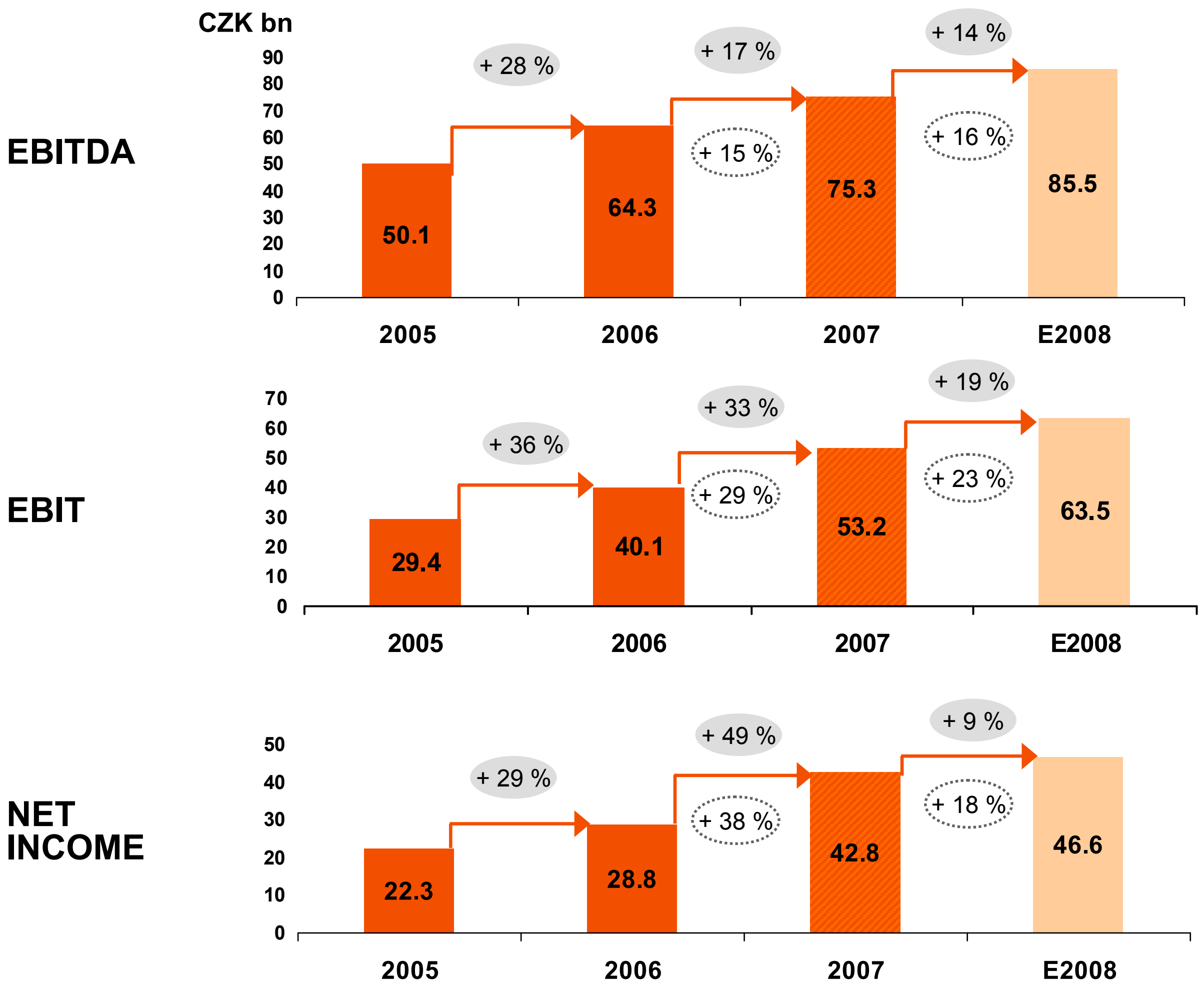
- **Financial results**
  Martin Novák, CFO

- **CEZ Group trading position**
- Alan Svoboda, Executive Director Sales Trading

MAIN 2007 RESULTS AND GUIDANCE FOR 2008

- **EBITDA** increased by 17 % to CZK 75.3 bn, an increase by CZK 11.0 bn
- **EBIT** increased by 33 % to CZK 53.2 bn, an increase by CZK 13.1 bn
- **Net Income** increased by 49 % to CZK 42.8 bn (by CZK 14.0 bn)
- **ROE** increased from 14.9 % to 22.7 %
- **CEZ share price** at BCPP and GPW reached CZK 1,246 on February 21st, 2008
- **CEZ expects 2008 EBITDA** to reach CZK 85.5 bn (up by 14 %)
- **CEZ expects 2008 Net income** to reach CZK 46.6 bn (up by 9 %)

IN 2007 EBITDA REACHED CZK 75.3 BN, EBIT WAS CZK 53.2 BN AND NET INCOME CZK 42.8 BN

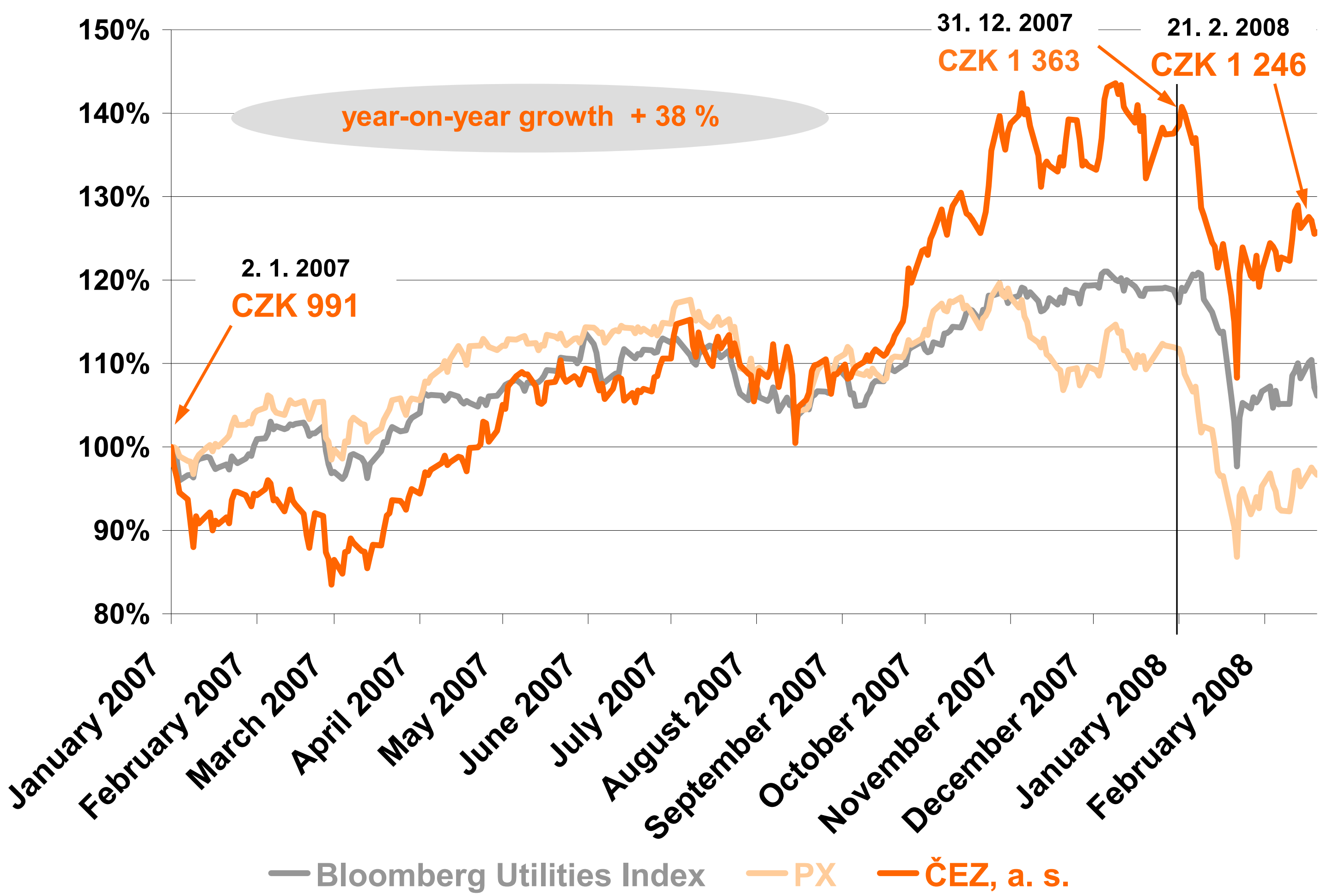


Excluding extraordinary items

Key drivers:

- Continuing increase of generation volume of CEZ, a. s.
- Optimisation of repairs and maintenance, reduction of other operating costs
- Increase in wholesale electricity prices
- Contribution of acquisitions for the whole year
- In 2007 extraordinary influences: change in valuation and rectification of volume of non-invoiced electricity, change of income tax rate influencing deferred tax

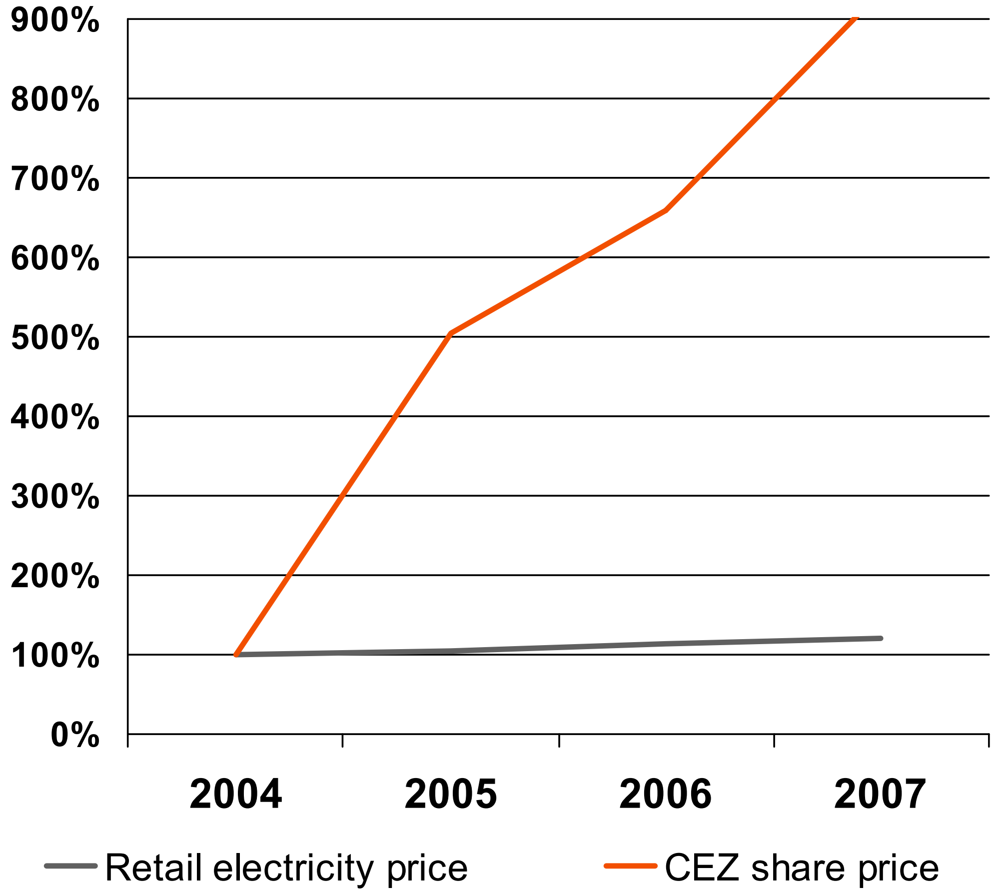
SHARES OF CEZ CLOSED AT CZK 1,246 ON FEBRUARY 21ST, 2008



- Market capitalization reached CZK 672 bn as of Feb 21st, 2008

DEVELOPMENT OF ELECTRICITY PRICES WAS ONLY ONE OF THE DRIVERS BEHIND THE GROWTH OF CEZ SHARE PRICE

Growth of share price and of price of electricity (%)



Since the beginning of 2004 until year end of 2007 share price increased by 935 %.

Retail electricity price increased by 21% over the same period and was only one of several drivers influencing the share price performance.

Other drivers include:

- **CEZ Group restructuring.** Project Vision 2008 brought annual savings of CZK 2.8 bn per year compared to 2003 base.
- **Increased generation volume.** In 2007 CEZ, a. s. generation reached 65.4 TWh; 6,6 % more than in 2003.
- **Successful expansion abroad at attractive prices.** Foreign subsidiaries represent 20 % of revenues, 8 % EBITDA and employ 29% of employees

MAIN EVENTS OF Q4 2007 AND OF THE BEGINNING OF 2008

- **NAP allocation** – On October 4th, Czech government awarded CEZ emission allowances of 34.3 m t CO_2 for the period 2008-2012 (NAP II). Total quota for the Czech Republic approved by European Commision is 86.8 m t of CO_2 .
- **CEZ & MOL** – On December 20th, CEZ created a strategic alliance and signed a joint venture agreement with Hungarian oil & gas company MOL
- **Bulgaria** – As of November 2nd, three Bulgarian distribution companies owned by CEZ Group were merged into one. EDC Pleven and EDC Sofia Oblast were acquired by EDC Stolichno, which was subsequently renamed to CEZ Razpredelenie Bulgaria AD.
- **Martin Roman** – On February 11th, 2008, CEZ's board of directors re-elected Martin Roman to the position of chairman for the period from February 20th, 2008 until 2012 and confirmed him in a position of Chief Executive Officer in line with decision of supervisory board taken last year.

MAIN EVENTS OF Q4 2007 AND OF THE BEGINNING OF 2008 (continued)

- **New dividend policy** – In December board of directors decided to increase a dividend payout ratio from 40 - 50% to 50 - 60 % of CEZ Group's net income adjusted for extraordinary items. Budget for 2008 already assumes that proposal of dividend from 2007 profit, which will be submitted for approval to the annual general meeting, will fall into the increased band.
- **Bond issuance** – On August 27th, CEZ issued CZK 7bn of of 3-year bonds with coupon of 4.3 %.
- **Bond issuance** – On October 12th, CEZ issued EUR 500 m of 5-year bonds with coupon of 5.125 %. This issue was realized as part of EMTN (Euro Medium Term Notes) program.
- **Merger of CEZ Data - CEZnet** – On December 21st, supervisory board confirmed the decision taken by CEZ's board of directors to merge CEZ Data and CEZnet companies. By January 1st, 2009 a new company providing complex ICT service will be established.
- **Hedging of FX risk** – app. 90 % expected EURO denominated 2008 revenues is hedged.

CEZ GROUP RESPONDS TO THE EXPECTED DEVELOPMENT OF PRICE OF CO_2 ALLOWANCES AND SYSTEM OF THEIR ALLOCATIONS BY SERIES OF STRATEGIC MEASURES

1. Addition of gas fired power plants into generation portfolio
2. Increase of electricity generation potential of nuclear power plants and construction of new nuclear plants
3. Creation of significant portfolio of emission certificates from JI/CDM projects
4. Development of renewables – technically still complementary capacity (1,000 MW of wind capacity by 2020)

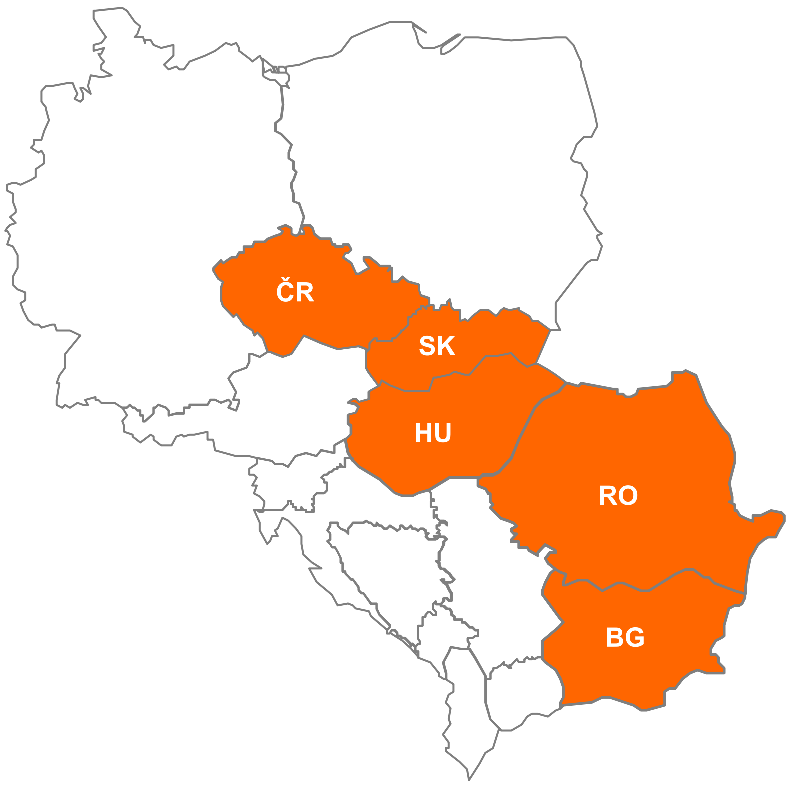
Target

Reduction of CO_2 emission factor by 50 % in 2020 (from 0.65 to 0.30 t CO_2/MWh of supplied electricity)

source: CEZ

CEZ GROUP DECIDED TO BUILD NEW LOW-EMISSION GAS FIRED POWER PLANTS IN THE WHOLE REGION WHERE IT IS PRESENT

1



- **Czech Republic**, 880 MW in Northern Bohemia, preferred locations Počerady, Úžín
- **Slovakia**, 800 + 160 MW (joint venture with MOL)
- **Hungary**, 800 MW (joint venture with MOL)
- **Romania**, tender for gas fired power plants Galati and Borzesti
- **Bulgaria**, 880 MW in Varna location

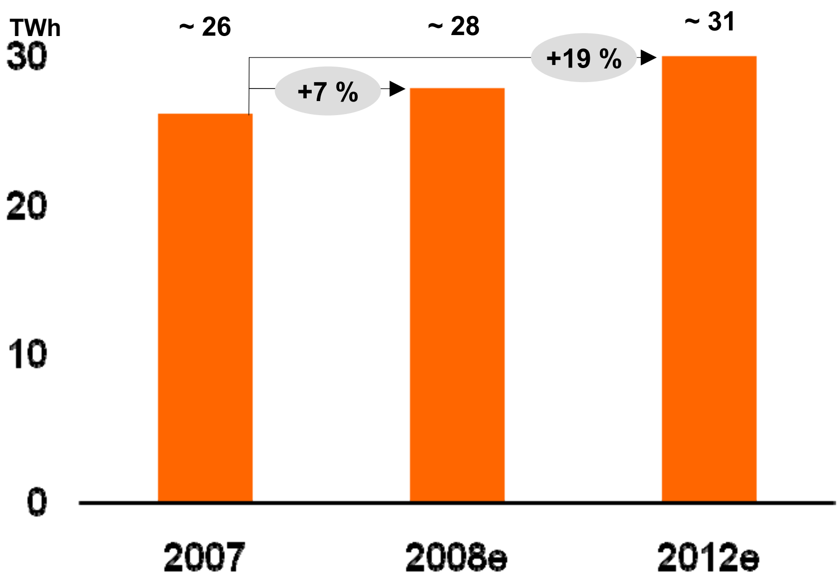
Note: Other projects are under consideration.

source: CEZ

IN 2008 CEZ, A. S. EXPECTS TO INCREASE GENERATION FROM NUCLEAR POWER PLANTS BY 7% AND THUS TO LOWER EXPOSURE OF PORTFOLIO TO CO_2 ALLOWANCES

2

CEZ, a. s. generation from nuclear power plants (gross)



Further increase in availability will be brought by projects

- 15 TERA ETE
- 16 TERA EDU

with deadline for implementation in 2012

Possible participation in further projects:

- **Romania** (Cernavodă) – participation in tender for strategic partnership for construction and financing of units 3 and 4
- **Bulgaria** (Belene) – bid submitted in a tender for strategic partnership for construction of nuclear power plant

source: CEZ

FAST GROWING PORTFOLIO OF JI/CDM PROJECTS OF CEZ GROUP REPRESENTS IMPORTANT HEDGE AGAINST INCREASING PRICE OF CO_2 ALLOWANCES

3

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

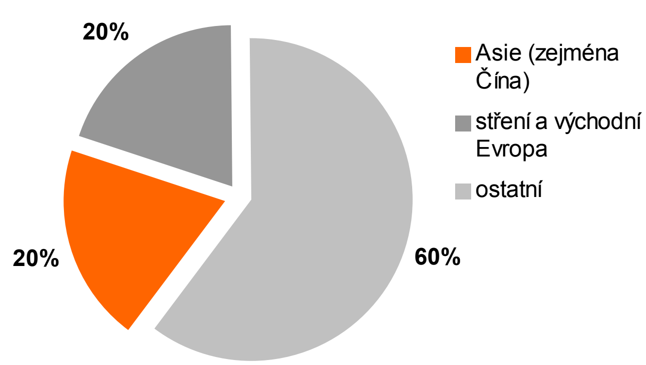
- Until 2012 CEZ Group can import to EU ETS approximately 21 m of CER credits from JI/CDM
- So far CEZ contracted more than 13 m of credits with deliveries in 2008-2012
  - Directly from CDM projects

    Example : wind farm or project of biomass power plant in China
  - On secondary markets

Next steps in development of JI/CDM program of CEZ Group: direct investments into projects

- To import at least 8 m of CER credits by 2012
- Current pipeline includes projects with volume > 15 m CO_2 credits
- Expected composition: > 70 % energy projects (renewable energy, fire damp, energy savings)

Expected geographical composition of JI/CDM portfolio of direct investments



CURRENT STATUS OF WIND PROJECTS OF CEZ GROUP

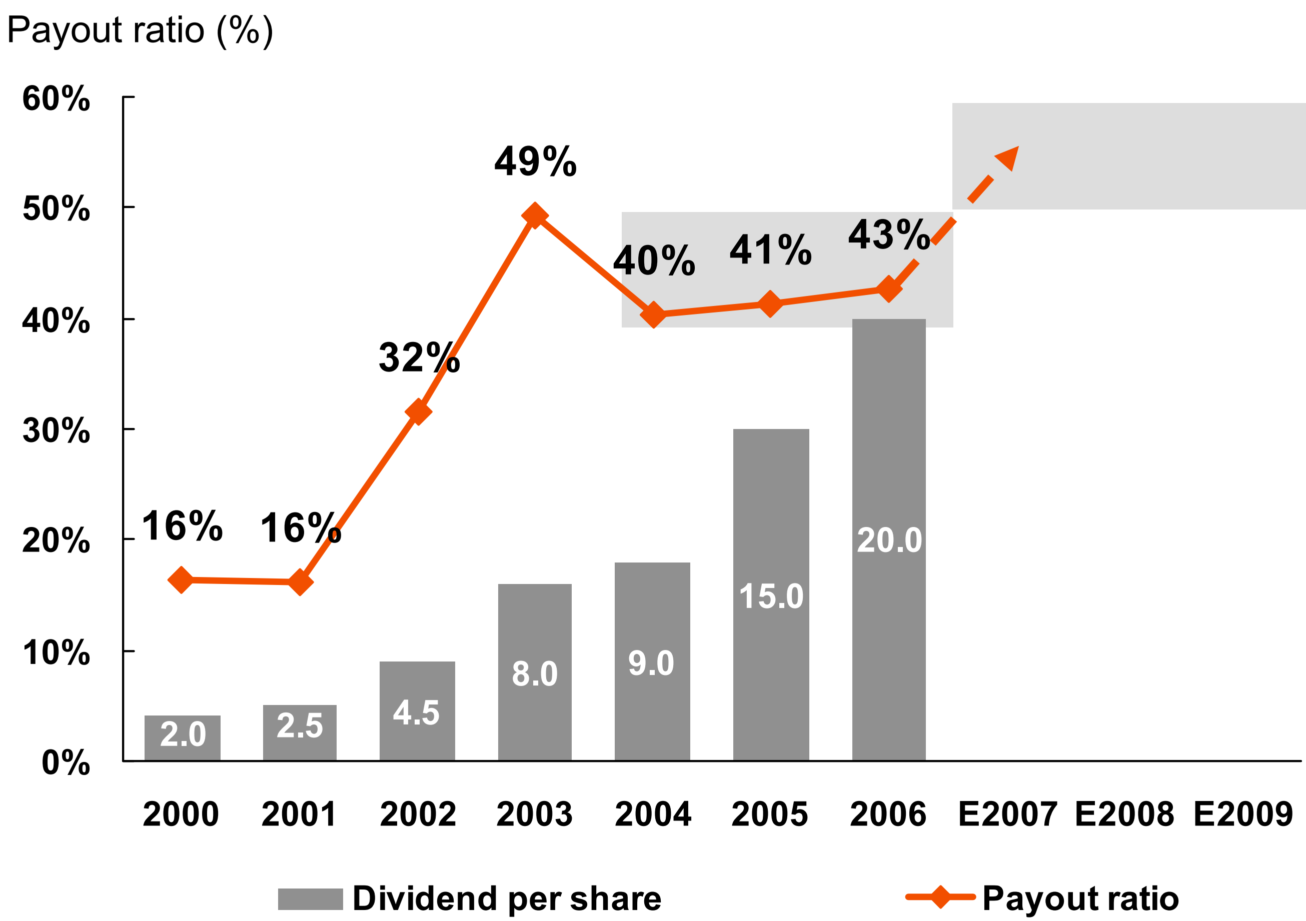
4

- **Wind farm near Dukovany nuclear power plant**
  - 20-24 MW (10-12 turbines) located in land register of Rešice and Horní Dubňany, expected construction in 2011
- **Wind farm Tavíkovice - Čermákovice (surroundings of Dukovany nuclear power plant)**
  - 32-48 MW (16 turbines with capacity 2-3 MW), expected construction in 2011
- **Wind farm Stříbro**
  - 26-39 MW (13 turbines with capacity 2-3 MW), expected construction in 2012
- **Wind farm Dlouhé Pole**
  - Up to 66 MW (33 turbines)
  - We are negotiating with Ministry of Defense due to military radars and we are measuring the strength of wind
- **Other projects**
  - Several projects larger than 10 MW (5 and more turbines in one location)
  - More than 10 projects up to 4 MW (1-2 turbines in one location)
  - Possible acquisition of existing wind farm projects
- **Targets**
  - To reach 100 MW in wind power plants in 2012, which represents annual electricity generation of 200-250 GWh
  - In the Czech Republic to reach installed capacity in wind of 500 MW by 2020

PROGRESS OF FOREIGN ACQUISITIONS

- **Strategic alliance with MOL**
  - Territories of cooperation – Hungary, Slovakia (potentially Croatia, Slovenia)
  - Projects with total installed capacity of 1,760 MW (2 x 800 MW + 160 MW)
- **Romania**
  - Construction of units 3 and 4 of Cernavodă nuclear power plant – ČEZ selected as one of investors into the project
  - Tenders for gas power plants in Galați and Borzeşti - ČEZ submitted bids for strategic partner in both projects in January
- **Bulgaria**
  - Construction of Belene nuclear power plant – in January ČEZ, a. s. submitted refined indicative bid for strategic partnership in the project
- **Slovakia**
  - Memorandum of understanding signed with U. S. Steel Košice; it sets out the framework for a possible construction of power generating capacity with installed capacity up to 400 MW
- **Turkey**
  - Negotiations with partner for Turkish market are ongoing
  - Tender for construction of coal plants Afşin-Elbistan C and D declared, deadline for submission of bids set for June 26th, 2008
- **Russia**
  - Moscow projects is in the phase of negotiation between CEZ and entrusted organization of Moscow city government
  - Deadline for submission of bid for TGK-4 postponed for March 25th, 2008

RECENTLY APPROVED DIVIDEND POLICY TARGETS PAYOUT RATIO OF 50 – 60 % OF NET INCOME EXCLUDING EXTRAORDINARY ITEMS



- Dividend policy sets the payout ratio of 50% to 60% from net profit excluding extraordinary effects
- Proposal of dividend from 2007 profit will already reflect the newly established range of payout ratio

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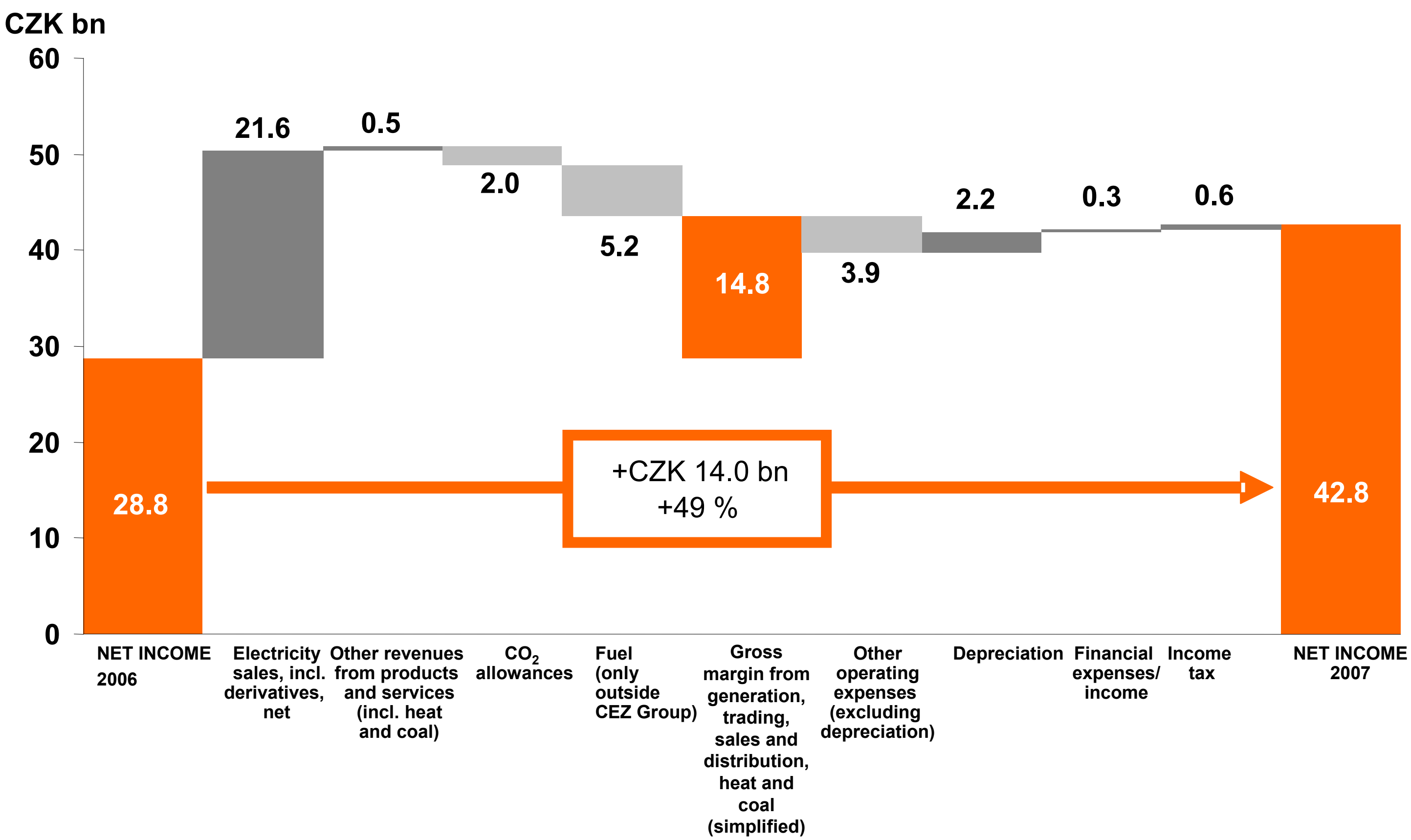
NET INCOME INCREASED BY CZK 14.0 BN Y-O-Y, i.e. by 49 %



Key drivers

- Increased production
- Increase in wholesale prices
- New acquisitions (Varna since 10/06, ELCHO, Skawina since 6/06)
- Cost control
- Optimization of portfolio of subsidiaries – divestments
- Change in valuation and rectification of volume of non-invoiced electricity

GROSS MARGIN FROM GENERATION, TRADING, SALES AND DISTRIBUTION OF ELECTRICITY INCREASED BY 15 % TO CZK 112.4 BN

(CZK m)	2006	2007	Change 07-06	Index 07/06	2007 comparable entity *	Index 07/06 comparable entity
Operating revenues	**149,134**	**174,563**	**25,429**	**117%**	**170,186**	**114%**
Sales of electricity	138,157	160,046	21,889	116%	156,029	113%
Heat sales and other revenues	11,285	11,827	542	105%	11,467	102%
Electricity derivatives, net	-308	2,689	2,998	x	2,689	x
Variable operating costs	**-51,561**	**-62,153**	**-10,592**	**121%**	**-59,406**	**115%**
Fuel	-11,637	-16,883	-5,246	145%	-14,088	121%
Purchased power and related services	-43,001	-46,328	-3,328	108%	-46,273	108%
Emission rights, net	3,077	1,058	-2,019	34%	955	31%
Gross margin (simplified)	**97,573**	**112,409**	**14,837**	**115%**	**110,779**	**114%**

Main changes

- Increase of generation by 8.3 TWh (12.6 %), of which 4.8 TWh is attributable to new acquisitions. Generation in coal power plants grew by 8.9 TWh (24.1 %), in nuclear plants by 0.1 TWh (0.5 %)
- Increase in wholesale electricity prices
- Increase in amount of electricity distributed by 0.4 TWh (+0.3 TWh in SEE segment, +0.1 TWh CE segment); increase of electricity sold by 6.6 TWh (9.0 %), of which +9.5 TWh sales on wholesale market and -2.9 TWh sales for final consumption
- Emission rights in 2007 constituted largely from gains from trades with JI/CDM certificates. In 2006 we successfully timed the sale of NAP II allowances.

*) Comparable entity excludes results of Varna (BG) for the period of Jan 07 – Sep 07 and excludes results of ELCHO (PL), Skawina (PL) for Jan 07 - May 07

CEZ GROUP MANAGES TO KEEP ITS OPERATING COSTS UNDER CONTROL

<table>
<tr><th>(CZK m)</th><th>2006</th><th>2007</th><th>Change 07-06</th><th colspan="2">Index 07/06</th><th>2007 comparable entity *</th><th colspan="2">Index 07/06 comparable entity</th></tr>
<tr><td>Sum of selected operating costs</td><td>-33,228</td><td>-37,083</td><td>-3,855</td><td colspan="2">112%</td><td>-36,111</td><td colspan="2">109%</td></tr>
<tr><td>Salaries and wages</td><td>-15,084</td><td>-16,900</td><td>-1,816</td><td colspan="2">112%</td><td>-16,612</td><td colspan="2">110%</td></tr>
<tr><td>Repairs and maintenance</td><td>-5,487</td><td>-4,880</td><td>606</td><td colspan="2">89%</td><td>-4,823</td><td colspan="2">88%</td></tr>
<tr><td>Materials and supplies</td><td>-4,981</td><td>-6,066</td><td>-1,085</td><td>122%</td><td rowspan="2">121%</td><td>-5,966</td><td>120%</td><td rowspan="2">116%</td></tr>
<tr><td>Others</td><td>-7,677</td><td>-9,237</td><td>-1,561</td><td>120%</td><td>-8,711</td><td>113%</td></tr>
<tr><td>EBITDA</td><td>64,344</td><td>75,326</td><td>10,982</td><td colspan="2">117%</td><td>74,668</td><td colspan="2">116%</td></tr>
<tr><td>Depreciation</td><td>-24,280</td><td>-22,123</td><td>2,157</td><td colspan="2">91%</td><td>-21,598</td><td colspan="2">89%</td></tr>
</table>

- Y-o-y increase in operating costs of a comparable entity was 9 % (excluding depreciation, CO_2 allowances, purchases of fuel and power)
- Increase in salaries and wages was influenced in addition to general wage hike particularly in CEZ, a.s. also by conservative approach to creation of provisions for future employee benefits (CZK -610 m) due to cancellation of social fund (IFRS) and to creation of provisions for annual bonuses (CZK -395 m)
- Large increase in materials and supplies costs and slower growth in other costs is caused by change in accounting policy for project costs of SKODA PRAHA – transfer from Others to Materials and Supplies (CZK 860 m)
- Increase in other costs is caused by extraordinary items in 2006 and in 2007, particularly release of provisions for lawsuits in 2006 amounting to CZK 367 m, change in nuclear provisions between 2007 and 2006 amounting to CZK 484 m, supplementary charge of tax on transfer of real estate amounting to CZK 230 m (ČEPS)
- Decrease in depreciation is caused by extraordinary write-offs in 2006 in companies ČEZ Správa majetku and ČEZData.

*) Comparable entity excludes results of Varna (BG) for the period of Jan 07 – Sep 07 and excludes results of ELCHO (PL), Skawina (PL) for Jan 07 - May 07

OTHER EXPENSES AND INCOME DECREASED BY CZK 0.3 M Y-O-Y

(CZK m)	2006	2007	Change 07-06	Index 07/06	2007 comparable entity*	Index 07/06 comparable entity
Other expenses / income	**-2,356**	**-2,052**	**304**	**87%**	**-1,850**	**79%**
Interest on debt, net of capitalized interest	-2,236	-1,954	282	87%	-1,653	74%
Interest on nuclear and other provisions	-1,891	-1,937	-46	102%	-1,937	102%
Interest income	921	1,163	241	126%	1,070	116%
FX gains/losses and derivatives	517	-570	-1,087	x	-571	x
CO_2 allowances derivatives	361	7	-353	2%	7	2%
Gain/loss on sale of subsidiaries/associates	-228	129	357	x	129	x
Income from associates	74	40	-34	54%	40	54%
Others	125	1,070	945	> 500%	1,064	> 500%
Income before income taxes	**37,708**	**51,150**	**13,443**	**136%**	**51,219**	**136%**
Income taxes	-8,952	-8,387	565	94%	-8,322	93%
Net income	**28,756**	**42,764**	**14,008**	**149%**	**42,548**	**148%**

- Decrease in interest expense compared to 2006 (despite higher indebtedness at the end of 2007) was caused by better cash management in CEZ Group and thanks to early repayment of loans with high interest
- Change in FX losses compared to 2006 is a result of application of hedging accounting on foreign currency bonds
- Lower gain from change in fair values of CO_2 allowances by CZK -353 m reflects primarily very successful sale and settlement of CO_2 allowances in 2006
- Increase in other financial income is caused by disposal of subsidiaries involved in non-core activities
- Income tax decreased by CZK 565 m in 2007, of which deferred tax decreased by CZK 3,271 m as a result of lower income tax rate applicable for future years. On the other hand payable income tax increased by CZK -2,706 m due to higher pre-tax profit in 2007

*) Comparable entity excludes results of Varna (BG) for the period of Jan 07 – Sep 07 and excludes results of ELCHO (PL), Skawina (PL) for Jan 07 - May 07

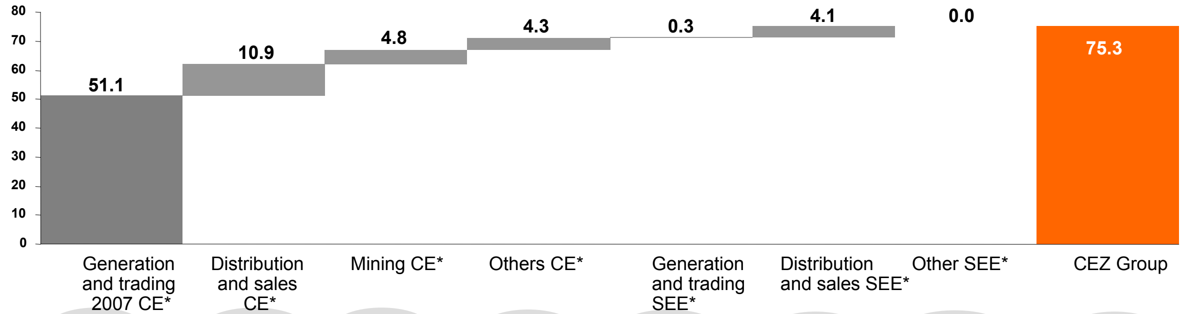
DEVELOPMENT IN Q4 2007

(CZK m)	Q4 2006	Q4 2007	Change 07-06	Index 07/06	
Total operating costs	**40,654**	**51,067**	**10,412**	**126%**	
Variable operating costs	**-12,758**	**-17,131**	**-4,373**	**134%**	
Gross margin (simplified)	**27,896**	**33,935**	**6,039**	**122%**	
			0	x	
Sum of selected operating costs	**-11,851**	**-13,746**	**-1,896**	**116%**	
Salaries and wages	-4,995	-5,958	-963	119%	
Repairs and maintenance	-2,273	-1,756	516	77%	
Materials and supplies	-1,468	-1,614	-146	110%	132%
Others	-3,116	-4,419	-1,303	142%	
EBITDA	**16,045**	**20,189**	**4,144**	**126%**	
Depreciation	-5,922	-5,925	-3	100%	
EBIT	**10,123**	**14,263**	**4,140**	**141%**	
Other expenses/income	**-850**	**-1,658**	**-808**	**195%**	
Income before income tax	**9,273**	**12,606**	**3,333**	**136%**	
Income taxes	-2,536	473	3,009	x	
Net income	**6,737**	**13,079**	**6,342**	**194%**	

- In Q4 electricity generation increased by 1.8 TWh (by 10 %), particularly due to increased generation in Varna (by 0.5 TWh) and of ČEZ, a. s. (by 1.3 TWh)
- Change in valuation and rectification of volume of non-invoiced electricity by CZK 2,926 m
- Salaries and wages influenced by creation of provisions for employee benefits CEZ, a.s. CZK -610 m (replacement of social fund)
- Increase in other operating costs is caused by extraordinary influences in Q4 2006 and 2007 (creation of nuclear provision of CZK 484 m, supplementary charge of tax on transfer of real estate of CZK 230 m (ČEPS))
- Change in other expenses/income by CZK -808 m reflects application of hedging accounting (view previous slide)

SEGMENTAL CONTRIBUTIONS TO EBITDA

Contribution to EBITDA for 2007
CZK bn



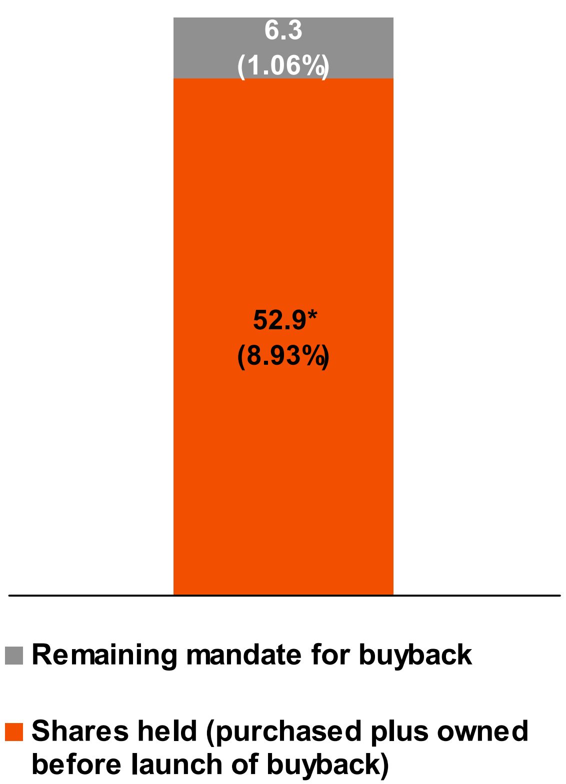
	Generation and trading 2007 CE*	Distribution and sales CE*	Mining CE*	Others CE*	Generation and trading SEE*	Distribution and sales SEE*	Other SEE*	CEZ Group
Index 2007 / 2006	117 %	133 %	109 %	109 %	396 %	99 %	N/A	117 %
Index Q4 07 / Q4 06	106 %	260 %	51 %	N/A	N/A	191 %	N/A	126 %

- **Generation and trading CE*:** An increase of 17 % y-o-y is caused by an increase in wholesale prices and successful optimisation of electricity generation and also due to acquisition of power plants in Poland in May 2006. Generation reached 70.1 TWh (of which 4.1 TWh represents the production of Polish plants). This represents an increase of 5.2 TWh (up by 8.0 %) compared to the year 2006. Gross margin in Q4 continues the trend from previous quarters, lower pace of growth is caused by extraordinary items (change in nuclear provisions) and time difference recognition of costs.
- **Distribution and sales CE*:** An increase of 33 % y-o-y is caused by rectification of volume and change in valuation of non-invoiced electricity. Increased generation from renewables, which distribution companies are obliged to buy at higher prices (so called “green bonus”) had a negative impact of CZK 341 m. In Q4 EBITDA increased by CZK 3.3 bn, where change of estimate of non-invoiced electricity contributed CZK 2.9 bn. Electricity distributed to final customers increased by 0.4 TWh.
- **Mining CE*:** Increase of EBITDA of Severočeské doly, a. s. by CZK 0.4 bn was achieved by 9 % higher deliveries of coal within CEZ Group. Decline in EBITDA in Q4 is influenced by difference in timing of costs between 2006 and 2007 (creation and release of provisions for mining damages, maintenance and repairs costs).
- **Generation and trading SEE**:** An increase of 296 % y-oy is caused by the fact that Varna power plant was consolidated only since Q4 2006, when it was acquired.
- **Distribution and sales SEE**:** EBITDA in 2007 in Bulgaria and in Romania represents 99% of its 2006 level
  - Romania: a positive trend visible in Q3 was confirmed in Q4 (gross margin increased thanks to higher distribution tariffs and thanks to lower purchase price of electricity dedicated to sales to final customers).
  - Bulgaria: In Q4 gross margin increased y-o-y thanks to higher volume of both sold and distributed electricity.

* CE = segment Central Europe (Czech Republic, Slovakia, Poland, Hungary, Netherlands, Germany)
** CEE = segment South-eastern Europe (Bulgaria, Romania, Kosovo, Serbia, Russia, Bosnia & Herzegovina, Ukraine)

OPTIMISATION OF CAPITAL STRUCTRURE IS REDUCING TOTAL COSTS OF CAPITAL

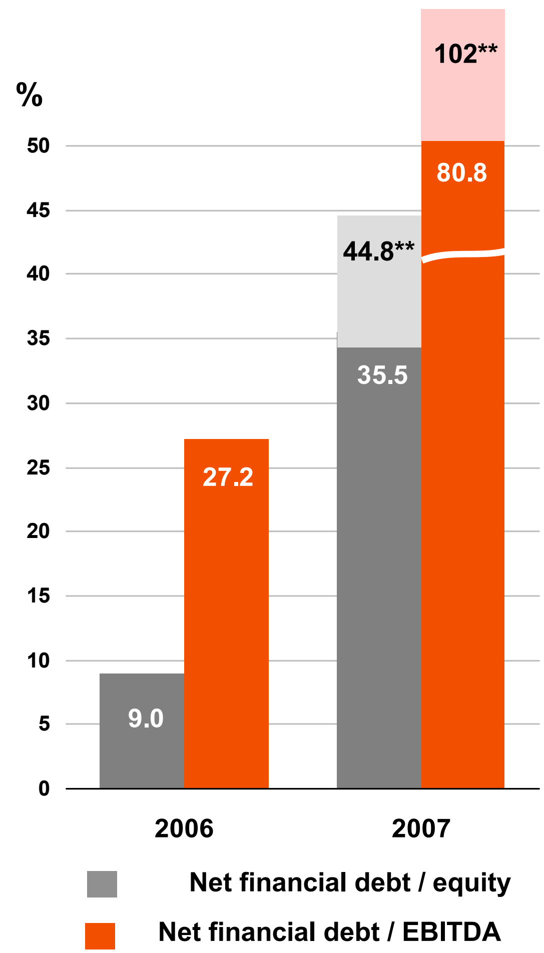
Own shares held as of 21st Feb 2008
m pieces



Share buyback is consuming financial resources of CEZ, a. s. and global financing needs of CEZ Group are being fulfilled by external capital

Cash used for share buyback from 30th Apr until 21st Feb 2008: CZK 58.7 bn

Average purchase price is CZK 1,150 per share, which is 2.4% lower than volume weighted average price for the same period***.

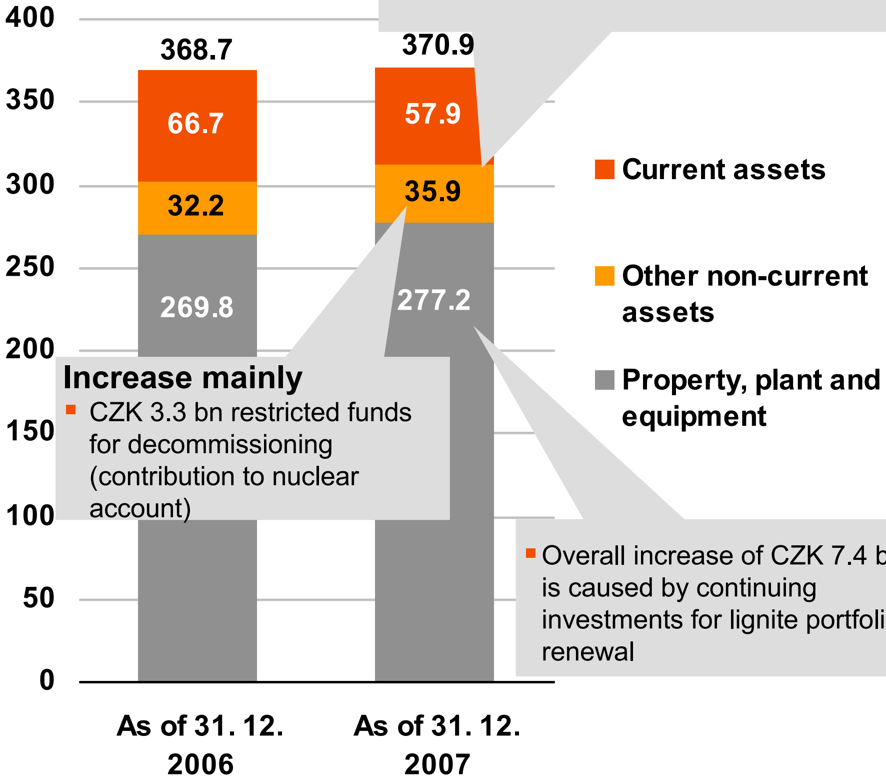


* shares traded ** inclusive of EUR 600 debt drawn in January 2008 *** Source of VWAP: Bloomberg, VWAP=CZK 1,178.3

BALANCE SHEET

- CZK -18.5 bn in cash on bank accounts and in marketable securities – used for share buyback
- CZK -1.9 bn CO_2 allowances – y-o-y decline as a result of an end of an allocation period
- Receivables, net CZK +8.7 bn – increased due to growing revenues
- CZK+2.6 bn other current assets

Assets
CZK bn

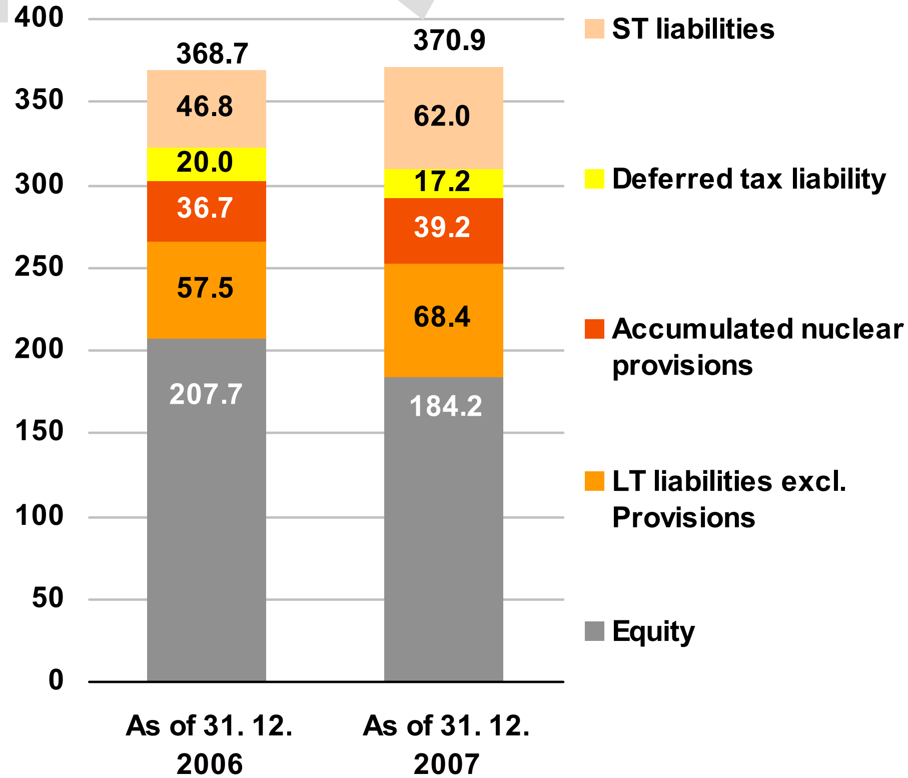


Increase mainly
- CZK 3.3 bn restricted funds for decommissioning (contribution to nuclear account)

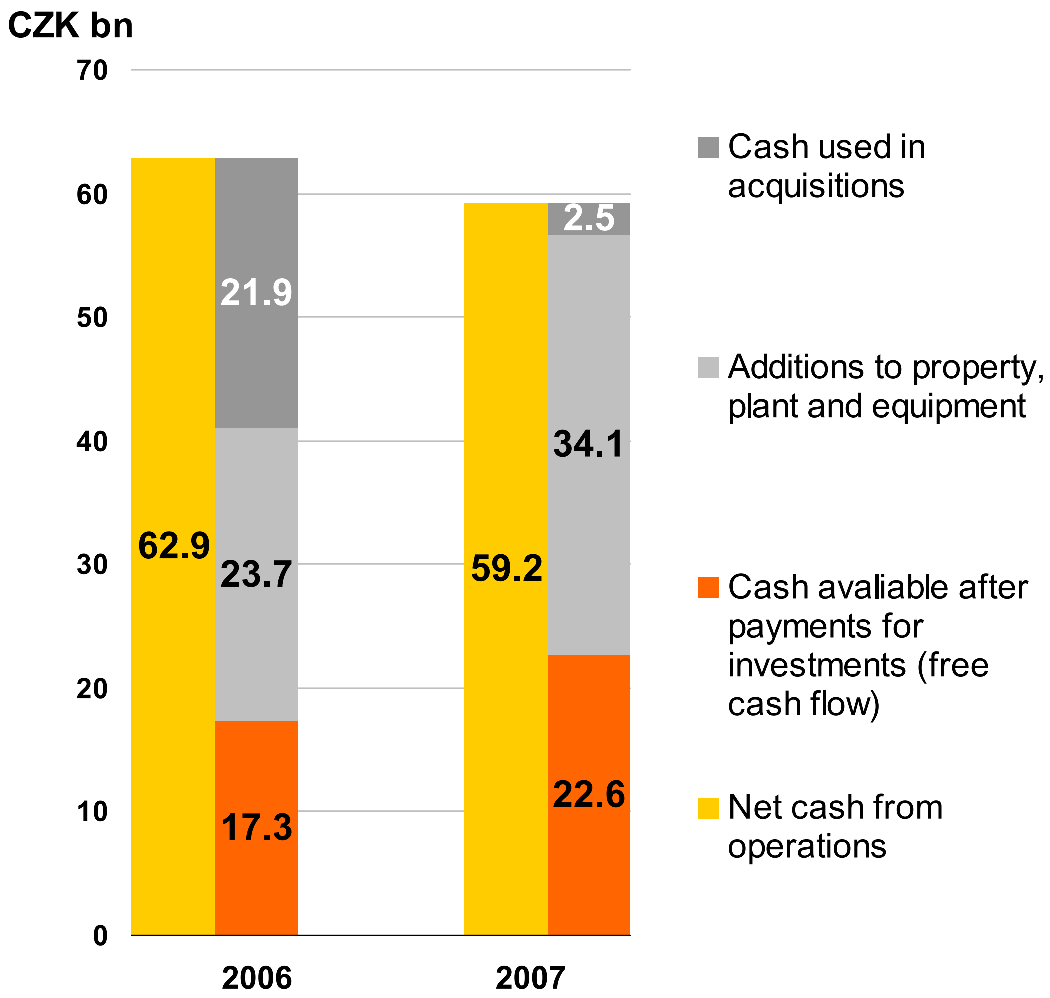
- Overall increase of CZK 7.4 bn is caused by continuing investments for lignite portfolio renewal

- CZK-23.4 bn reduction of equity – share buyback
- Increase in LT debt by CZK 10 bn – issuance of bonds
- Increase in ST liabilities by CZK 15.2 bn

Equity and Liabilities
CZK bn



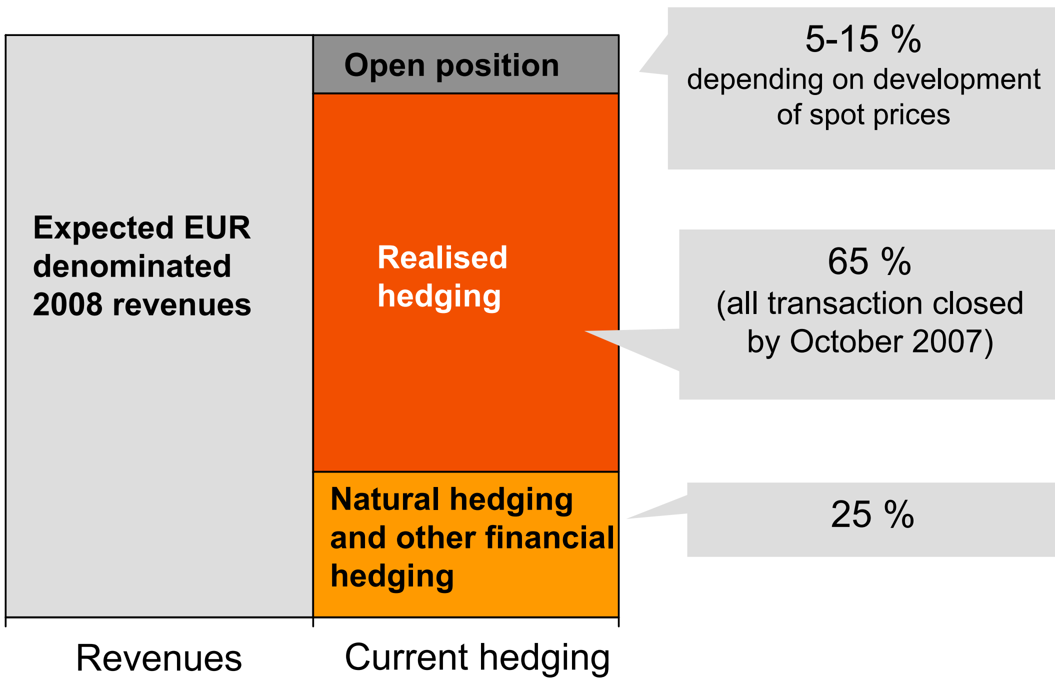
CASH FLOW – SELECTED ITEMS



- Increase in free cash flow is caused by decrease in cash used for acquisitions (in May 2006 power plants in Poland were acquired, in October 2006 Varna was bought, stakes in Severočeské doly, a. s. and in Severočeská energetika, a.s. were increased)
- Decline in CF from operations is caused by higher income tax paid by CZK 9.7 bn y-o-y

GUIDANCE FOR 2008 NET INCOME REMAINS UNCHANGED AT CZK 46.6 BN DESPITE SIGNIFICANT STRENGTHENING OF CZECH KORUNA

CEZ Group revenues in 2008, denominated in EUR in the Czech Republic



- Hedging realised through transactions on financial markets and through EUR denominated liabilities of CEZ (both with direct impact to EBITDA in line with IFRS)
- Natural hedging reflects costs and cash outlays in EUR
- Total FX exposure of CEZ is further hedged by standard financial transactions with impact below EBITDA line

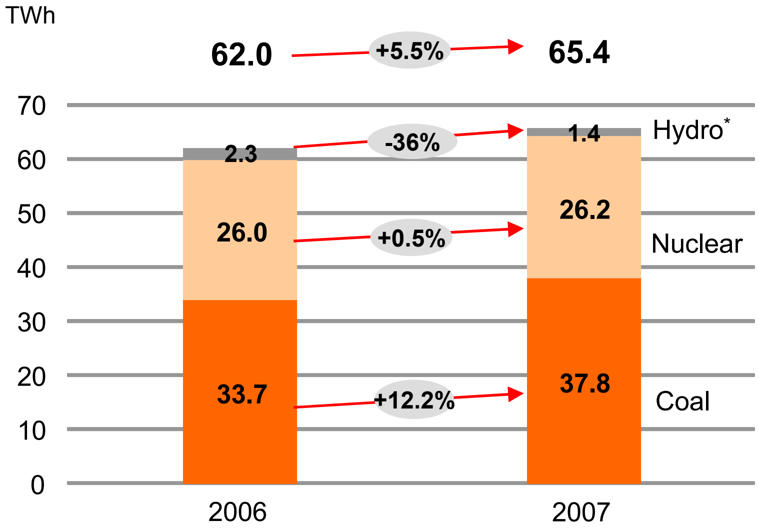
- CEZ is indirectly exposed to FX risks in connection to sales of electricity to final customers denominated in CZK (through ČEZ Prodej (CEZ Sales)) because CZK price of theses sales is derived from EUR prices on PXE. FX exposure ends in the moment of signature of contracts with final customers. (ČEZ Prodej contracted more than 85% of 2008 volume by September 2007 and 99% by November 2007).
- CEZ applies strategy of long term management of FX exposure through financial and natural hedging (for example by selling electricity to final customers in multi-year contracts).

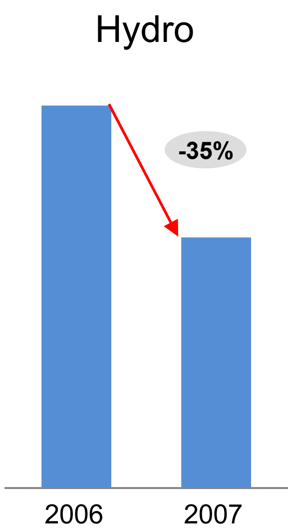
PROGRAM

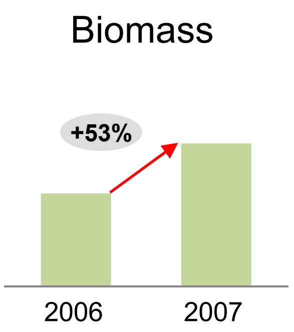
- **Financial highlights and key events of 2007**
  Martin Novák, CFO
- **Financial results**
  Martin Novák, CFO
- **CEZ Group trading position**
  Alan Svoboda, Executive Director Sales Trading

ČEZ, A. S. GENERATION REACHED A NEW REOCRD, ALSO SHARE OF RENEWABLES IS GROWING

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







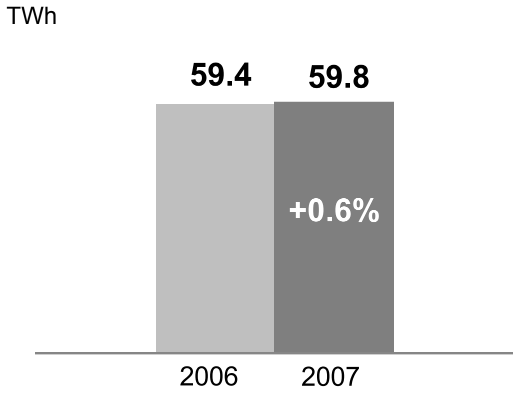
- Generation in 2007 reached a new record when it exceeded maximum from year 2006 by 3.4 TWh (5.5 %)
- Generation in CEZ, a. s.,nuclear power plants increased by 0.5 % y-o-y to 26.2 TWh and from coal-fired plants by 12.2 % to 37.8 TWh

- CEZ’s electricity production from biomass increased by 53 % y-o-y (0.25 TWh) and CEZ expects further increase by 13 % this year
- Generation in hydro power plants decreased by 35 % y-o-y, which was caused by lower amount of rainfall

source: CEZ; * including pump storage

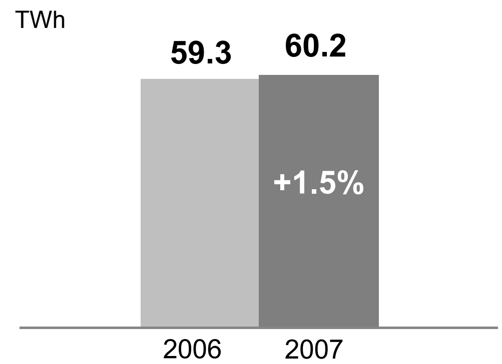
ELECTRICITY DEMAND CONFIRMED A GROWING TREND

Demand in the Czech Republic



Demand in Czech Rep.

(temperature adjusted)

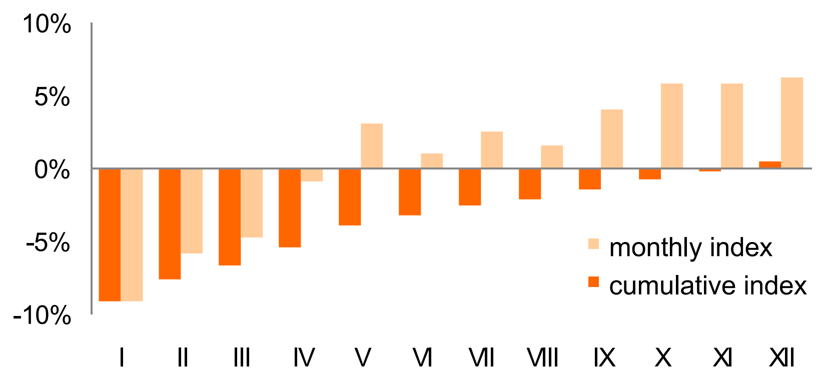


- Demand increased by 0.6 % despite warm winter
- Northern Bohemia and northern Moravia experienced the highest growth due to development of industrial zones

Structure:

- +8.5 % industrial customers
- -3.6 % households
- -1.8 % small enterprises

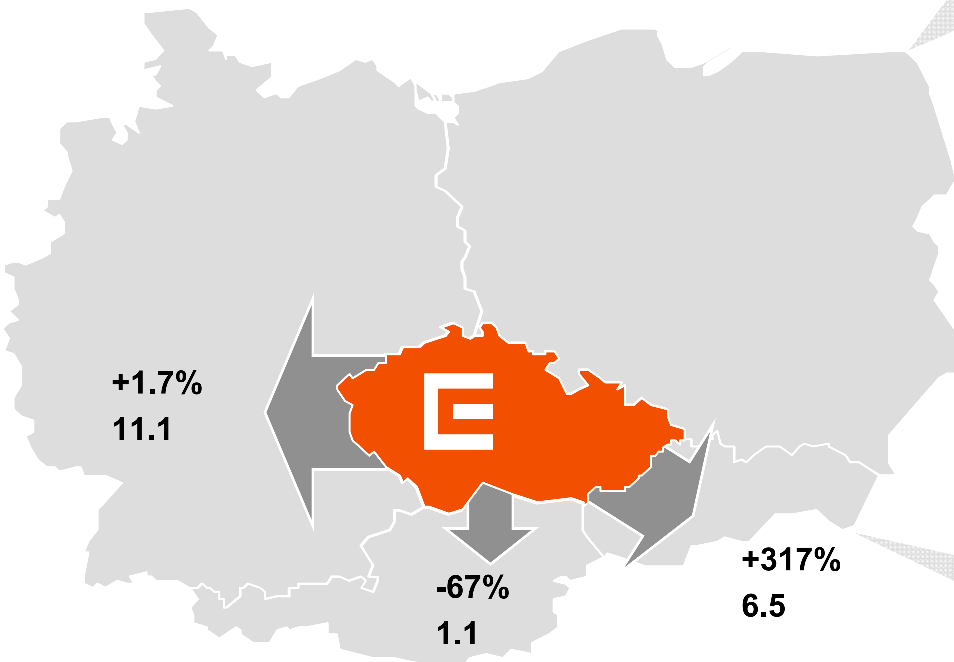
Y-o-y monthly and cumulative indexes demand in the Czech Republic



STATISTICS OF TRADE FLOWS CONFIRMED SHIFT OF CZECH EXPORTS TO THE EAST

Balance of cross-border trade in 2007

(y-o-y change in %, balance in TWh)



Poland closed exports due to the risk of breakdown (rozpad) of the grid and shortage of reliable generation supply

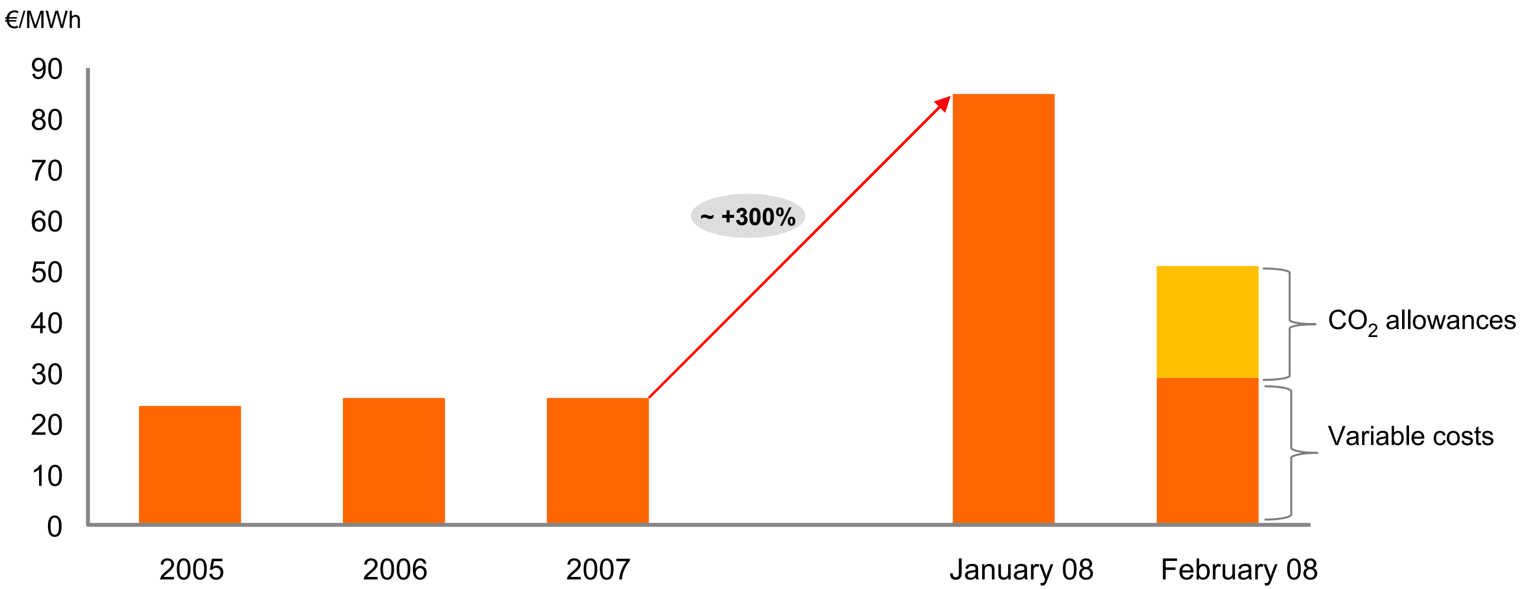
Electricity exports we directed mainly to Germany and Slovakia, y-o-y increases to Slovakia were much higher than to Germany

In 2007 Slovakia reported a deficit of 3.5 TWh, i.e. approximately 12 % of domestic consumption

source: CEPS, Czech Statistical Office

TRANSIT TO NAP II CAUSED GROWTH OF ELECTRICITY PRICES IN POLAND TO A MARKET LEVEL

Development of electricity prices in Poland



After several years when Polish power prices did not reflect the costs of CO_2 allowances, power prices dramatically increased in the beginning of this year and then stabilised on the level above 50 €/MWh, which is the price reflecting both variable costs of fuel as well as price of CO_2 allowances

source: PolPX

CONTRACTATION FOR 2008 – CEZ, A. S., FULLFILLED ITS COMMITMENT AND SOLD ALL FREE PRODUCTION ON PRAGUE ENERGY EXCHANGE (PXE)

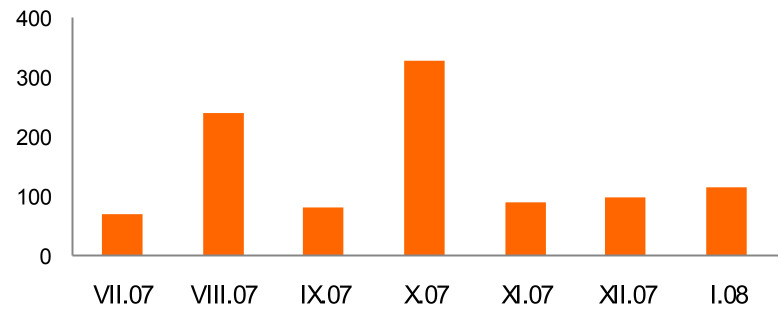
Cumulative volume of 2008 baseload contracts sold by CEZ, a. s. since the launch of trading on PXE

- CEZ, a. s., sold more than **15 TWh** of own production for 2008 on PXE as part of annual contracting

Development on PXE

- PXE is fully functional, there is an ongoing continuous trading, spot trading is being implemented
- Products M1, M2, Q1, Y1 have the highest liquidity
- Liquidity of products Q3, Q4, M4-6 is somewhat lower
- Activity of traders is increasing
- Entrance of international financial houses is expected

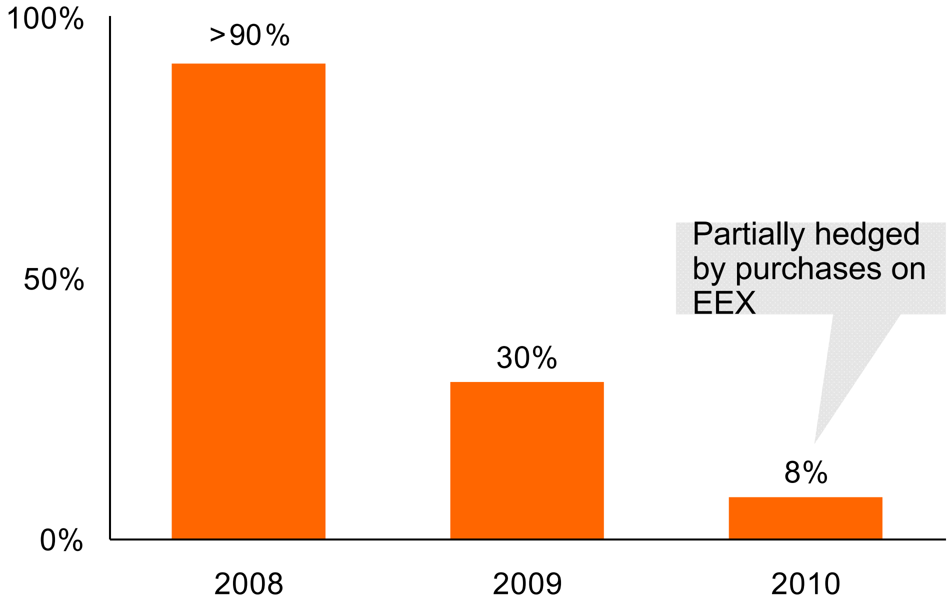
Development of number of trades on PXE



source: CEZ, PXE

WITH LAUNCH OF CONTINUAL TRADING CEZ, A. STARTED TO HEDGE ITS POSITION FOR SEVERAL YEARS AHEAD

Share of hedged production from CEZ, a. s. power plants



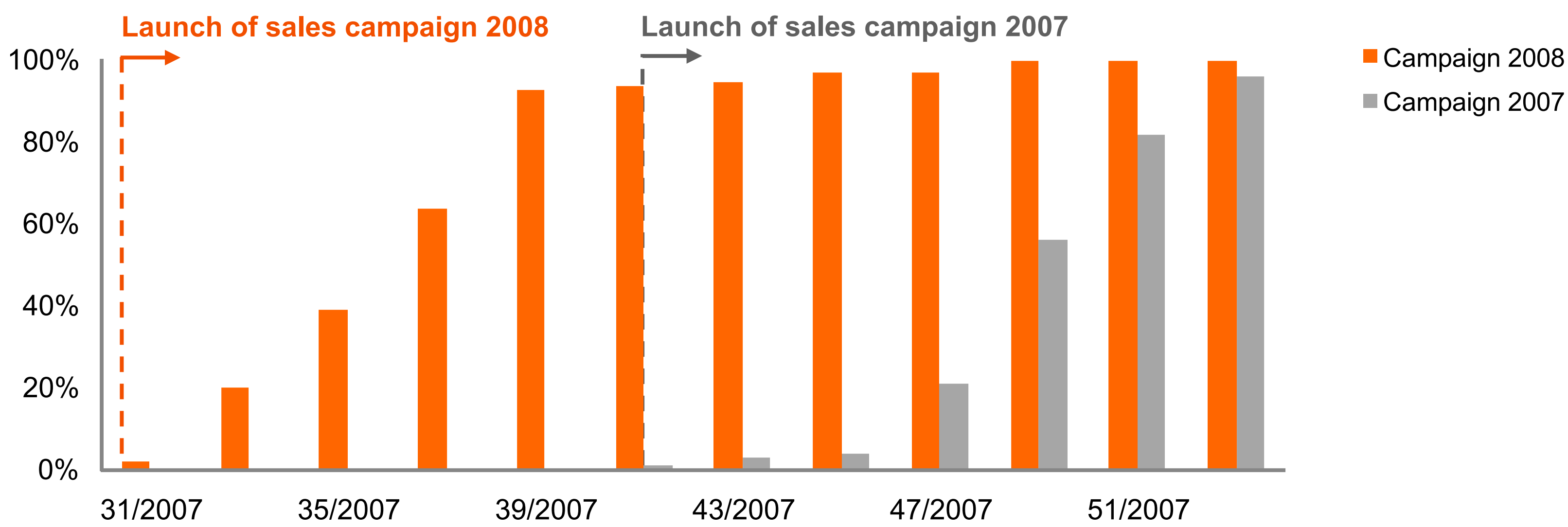
	2008	2009	2010
Expected production* (TWh)	**62**	**60 - 62**	**60 - 62**

- Thanks to existence of the exchange CEZ implemented a strategy of multi-year forward sales following the example of foreign companies
- Hedging for 2009 is done largely through sales of two-year (08/09) compound product
- Hedged position for 2010 was realised through multi-year contracts for end customers

* Without own consumption

source: CEZ

DYNAMICS OF SALES CAMPAIGN FOR FINAL CUSTOMERS EXCEEDED ALL PREVIOUS ONES

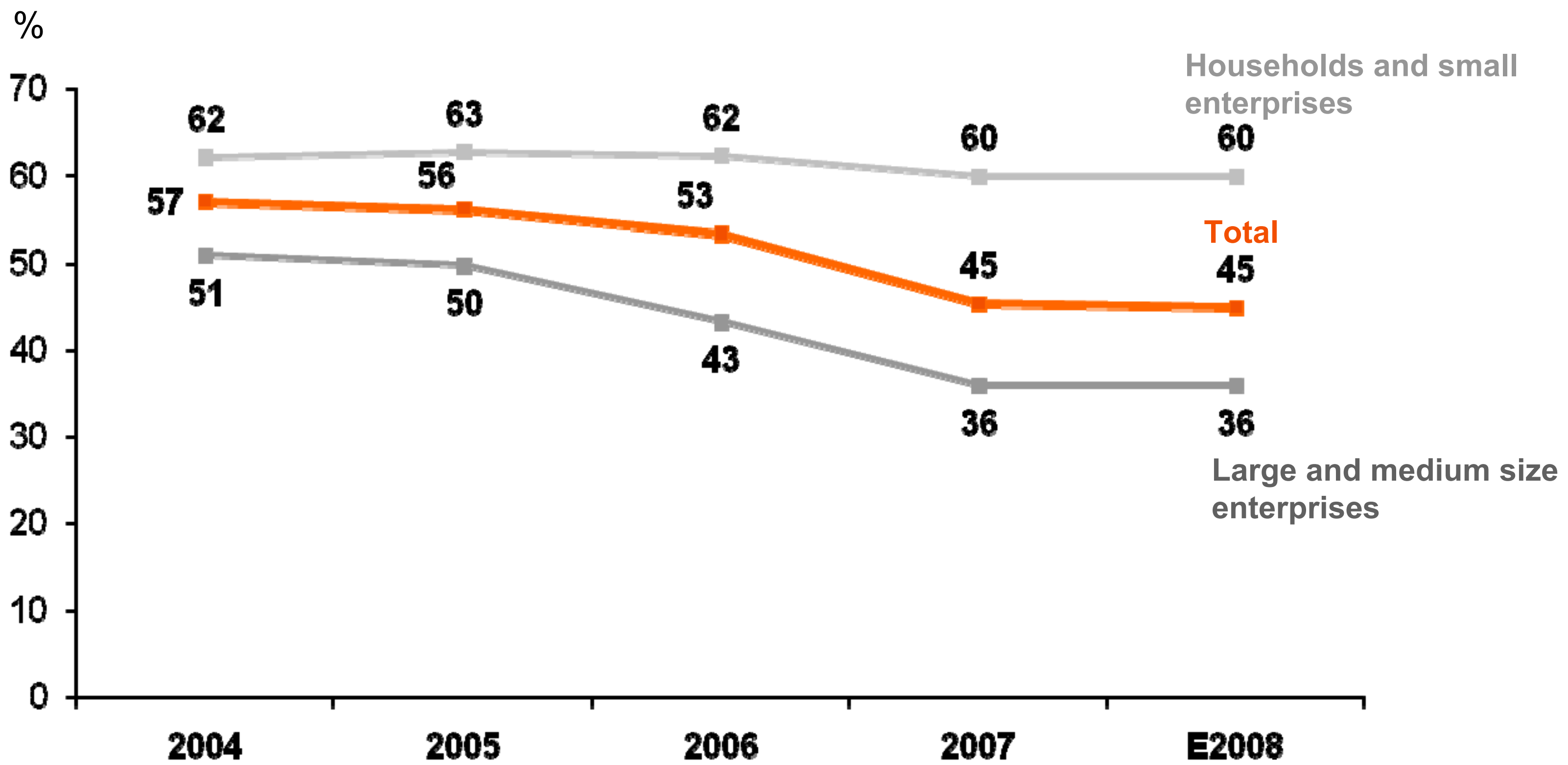


- Sales campaign for 2008 was launched 10 weeks earlier than previous year thanks to start of trading on PXE
- Development of this year's campaign was significantly more dynamic than in 2006 thanks to PXE – before the end of 2007 we contracted 100% of planned volume
- Existing market making system on PXE ensures that prices are being set objectively based on market conditions

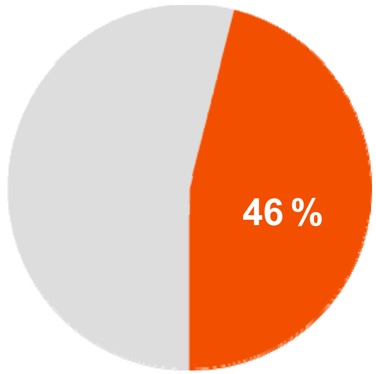
source: CEZ Prodej

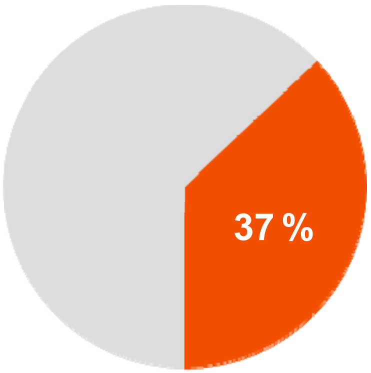
CEZ PRODEJ, A. S., STABILISED ITS MARKET SHARE AT THE LEVEL OF 45 %

Share of ČEZ Prodej, a. s., on market for final customers



CUSTOMERS WELCOMED AN OPPORTUNITY TO PURCHASE ELECTRICITY FOR 2 - 3 YEARS AHEAD





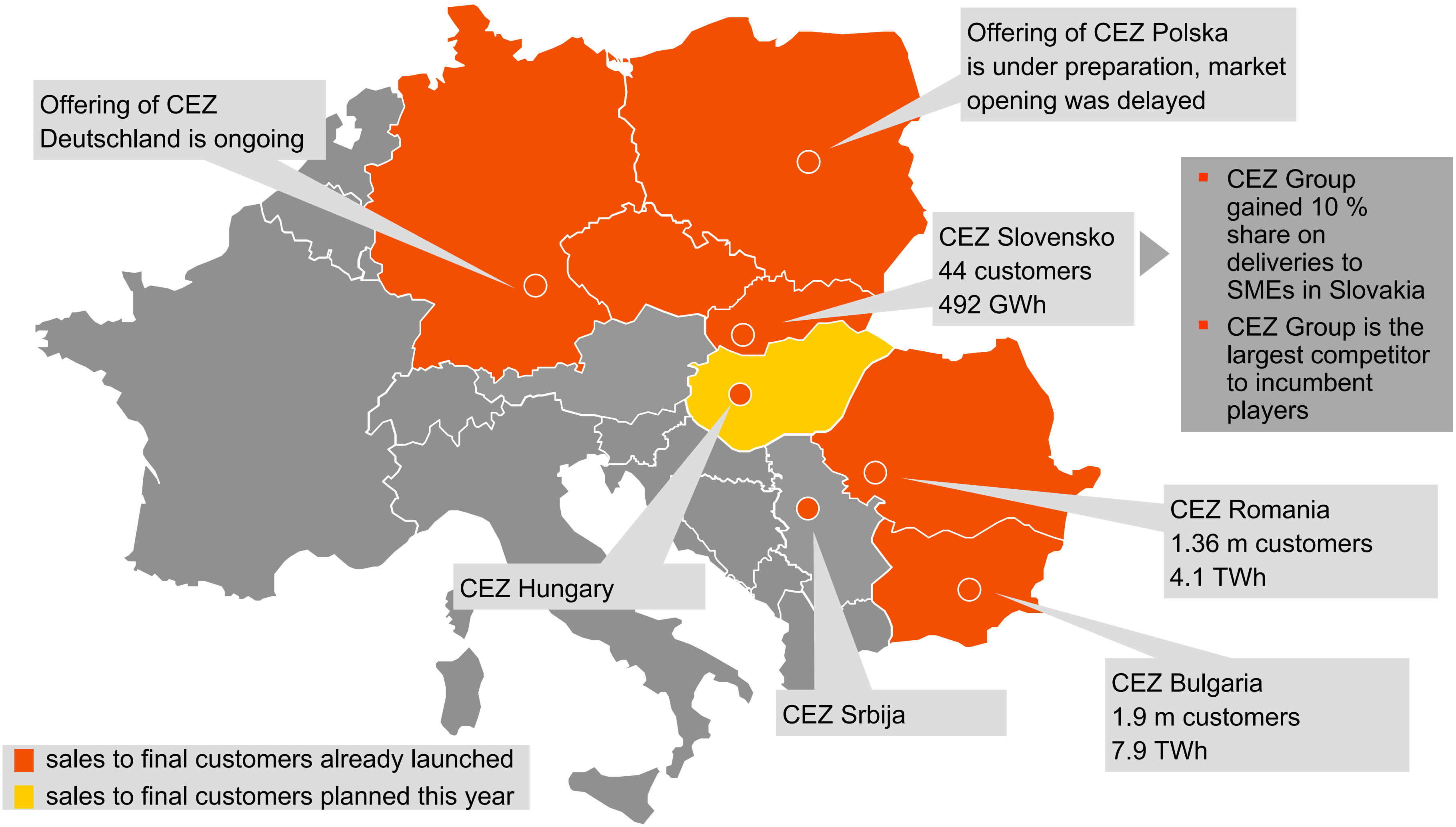
Share of customers* with contracts for 2008 - 2009

Share of customers* with contracts for 2008 - 2010

source: CEZ Prodej

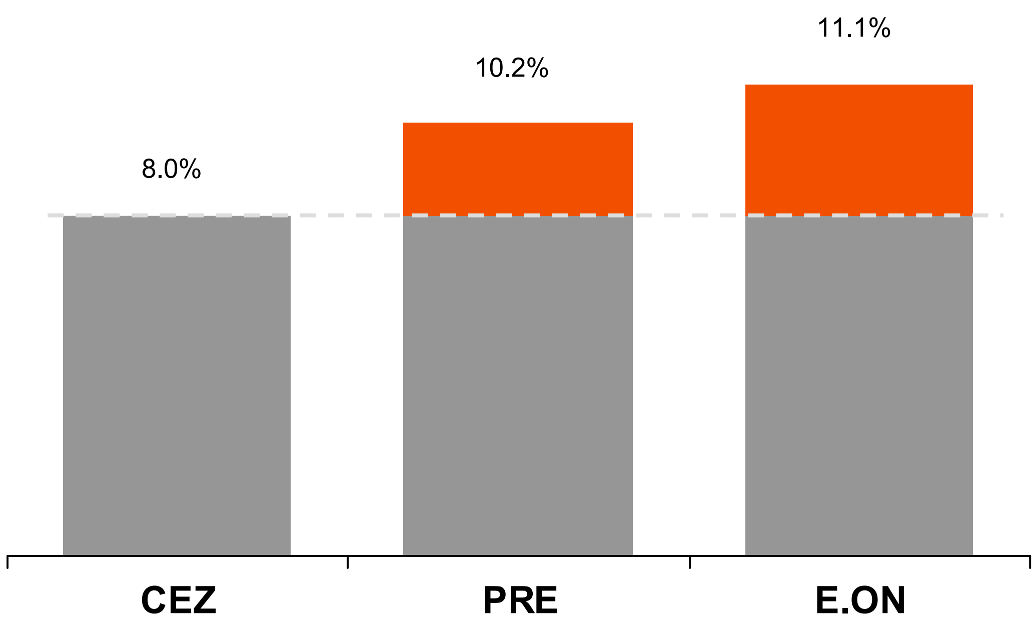
* as % of volume sold for 2008

CEZ GROUP IS SUCCESFULLY EXTENDING A PORTFOLIO OF CUSTOMERS ABROAD



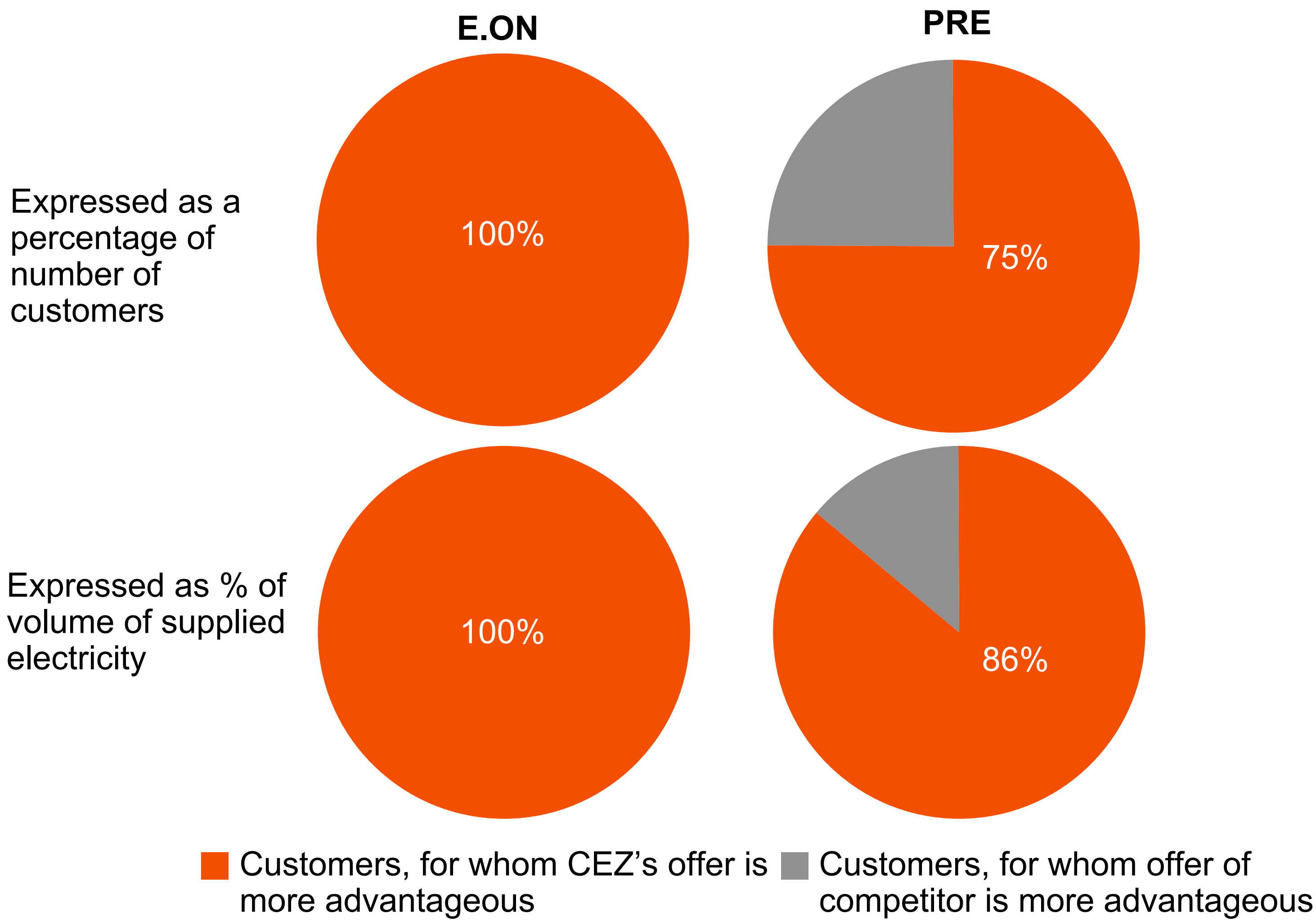
IN 2008 OUR CUSTOMERS EXPERIENCED THE LOWEST PRICE INCREASE ON THE MARKET

Change in total price of electricity supply for households in percentages 2007/08



source: CEZ Prodej

OUR PRICES ARE LOWER FOR MAJORITY OF COMPETITORS' CUSTOMERS



note: calculated using the structure of customers – households of CEZ Prodej

WE ARE OFFERING NOT ONLY FAVOURABLE PRICES BUT ALSO INOVATIVE SERVICES AND THE HIGHEST LEVEL OF CUSTOMER SERVICE

- **Wide portfolio of product ranges**
- **call centre 24/7**
- **More than 80 service centres**
- **Virtual trading office**
- **Energy advisory**
- **Strategic partnerships**
  - Payments through Sazka terminals
  - Electronic invoicing
  - Common service centres with RWE