

## **Inside Information**

### **Czech Power company CEZ, Turkish company Akenerji and its parent company Akkök will create a consortium**

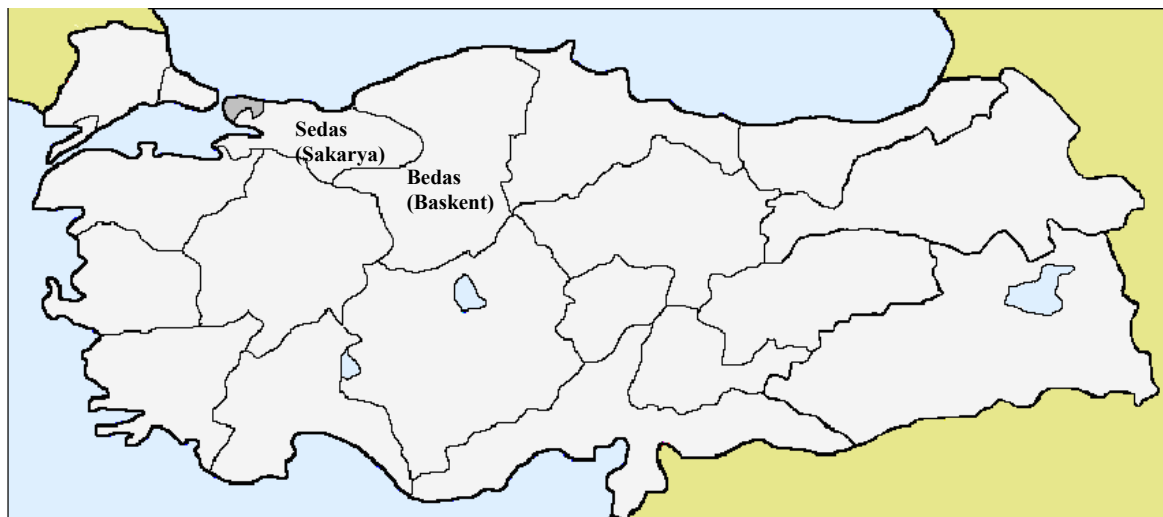
The consortium intends to bid for the Turkish Electricity Distribution Privatization Tender which includes two distribution companies - Sedas and Bedas. A submission of the binding bids is scheduled to take place on 10th June, 2008.

In case of the positive result of the tender Akenerji Elektrik Üretim A.Ş., its parent company Akkök Sanayi Yatırım ve Geliştirme A.Ş. and CEZ, a. s. will form a Joint Venture under "AkCez OGG". CEZ should participate with 50 % in the stock capital, 45 % will belong to Akenerji and 5% to its parent company Akkök.

Electricity distribution in Sakarya (Sedas) distributes almost 8 TWh of electricity per year among 1.3 million customers. Neighbouring Baskent distribution (Bedas, also including capital city Ankara) sells yearly almost 10 TWh of electricity to 2.9 million customers.

Turkey, with its 70 millions people, is comparable to the whole Central Europe. 2006 demand for electricity reached around 170 TWh. Moreover, Turkish economy and electricity consumption has been growing rapidly for several years. Electricity consumption is growing about 8 – 9 % annually comparing to the European states with year-on-year growth at about 2 - 3%.

Considering low per capita electricity consumption (at 25 % of EU states average level), fast urbanization, increasing population (moreover Turkish average age of population is only 27.3 in comparison with 38.5 at EU) and increasing economic growth as well, it is expected that the electricity consumption will increase rapidly for the following years. According to experts' estimation, Turkey will have to build about 50,000 MW of generation capacity till 2020 to meet its fast growing electricity consumption.

Map of Turkish distribution areas of the companies Sedas and Bedas

Akenerji is the member of Akkök Group which accommodates more than 4000 employees within more than 20 industrial and commercial companies in Textile, Chemicals, Energy, Marketing, Real Estate Investments, Retail and Service and Insurance Sectors. In the field of energy sector the company of the Group - Akenerji - produces heat and electricity mainly in its 12 gas fired power plants, total installed capacity of its generation portfolio reaches 541 MW. Akenerji has strong investment pipeline of hydro and wind projects, which should increase its installed capacity to 960MW.

CEZ is the leading Central European utility with almost 7 million customers and generation portfolio of 14 300 MW of installed capacity. Its market capitalization exceeds 30 billion EUR., its shares are traded on Czech and Polish stock exchange. Apart from its home base in the Czech Republic, the CEZ Group is active in more than 10 countries of Central and Southeastern Europe. In addition to the production of electricity and heat and their trading and distribution, CEZ Group also deals in telecommunications, informatics, nuclear research, planning, construction and maintenance of energy facilities, mining of raw materials and processing of energy by-products.