

Inside Information

Green light to CEZ/MOL joint venture

CEZ/MOL joint venture has already obtained all necessary rulings from relevant antimonopoly authorities. Positive statements from European Commission (May 2008) and authorities from Ukraine, Serbia and Bosnia and Herzegovina (June 2008) allow the setup of a JV company.

The establishment of the JV company should be completed during this summer. Project of the CEZ/MOL strategic alliance continues according to the schedule and intentions declared in the preliminary phase of the project are being continually fulfilled.

CEZ and MOL signed strategic alliance agreement in December 2007. A joint venture in which each party will have 50% equity interest, equal voting rights and similar split of operational decision making, will focus on the investment into gas-fired power generation facilities in 4 countries of Central and South-eastern Europe, including Slovakia, Hungary, Croatia and Slovenia.

The first major investment is the planned construction of CCGTs at the refineries of the MOL Group in Bratislava (Slovakia) and Százhalombatta (Hungary). In each location the installed capacity will be 800 MW. The expected investment of the initial projects will be approximately 1.4 billion EUR.