

CEZ GROUP Q1 – Q3 2008 RESULTS

NONAUDITED CONSOLIDATED RESULTS (IFRS)

Prague, November 13th, 2008



AGENDA

- **Financial highlights and key events of Q1 – Q3 2008**
Martin Novák, CFO
- **Financial Results**
Martin Novák, CFO
- **Trading position of CEZ Group**
Alan Svoboda, Executive Director Sales Trading

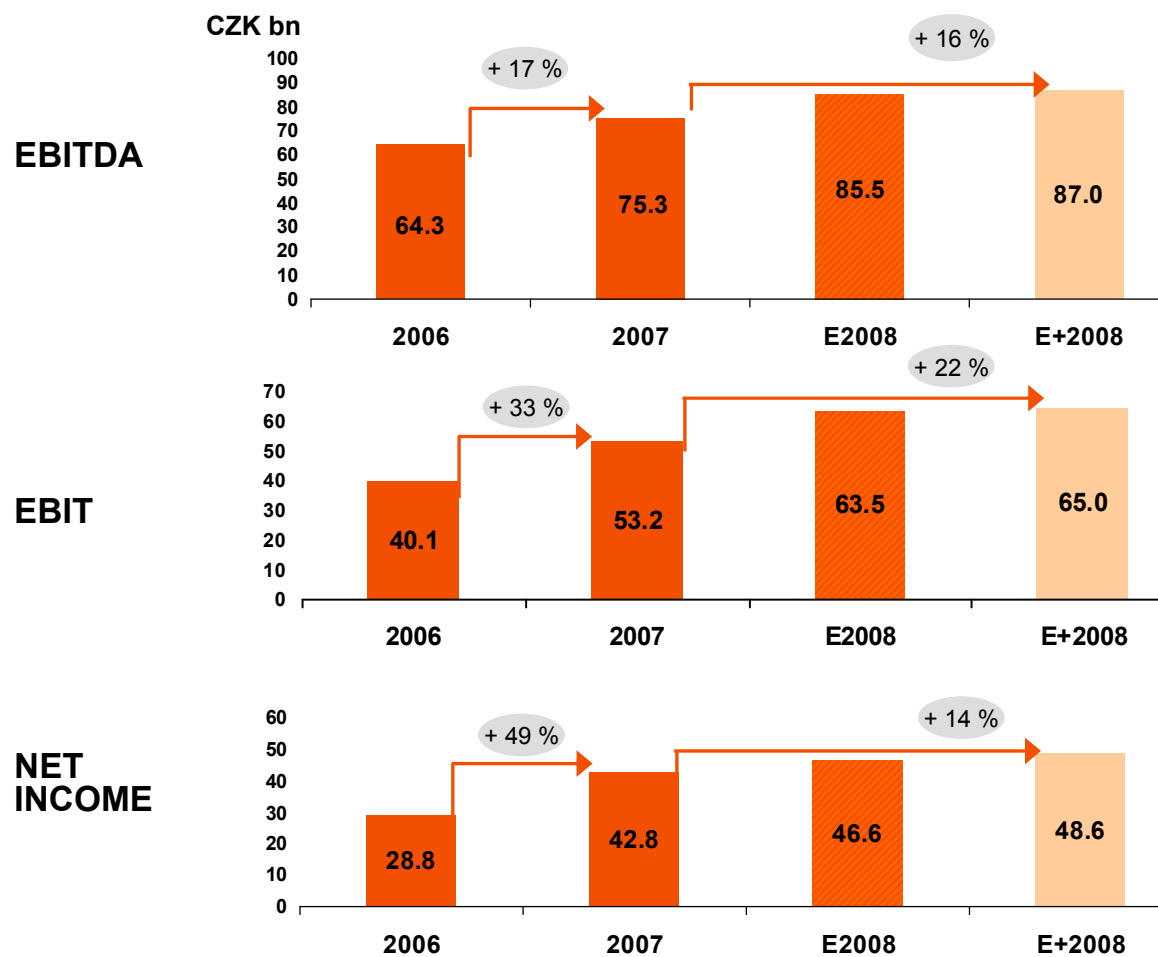


MAIN RESULTS FOR Q1 – Q3 2008 AND GUIDANCE FOR 2008

- **EBITDA** increased by 25 % y-o-y (by CZK 13.7 bn) to CZK 68.8 bn
- **EBIT** increased by 37 % y-o-y (by CZK 14.3 bn) to CZK 53.2 bn
- **Net income** increased by 40 % (by CZK 11.8 bn) to CZK 41.5 bn
- **ROE** increased from 19.5 % to 30.3 % y-o-y
- **CEZ share price at BCPP and GPW reached CZK 794.50** as of November 11th
- **CEZ expects 2008 EBITDA** to reach CZK 87.0 bn (increase of 16 % compared to 2007), net income is expected to reach CZK 48.6 bn (increase of 14 % compared to 2007)



IMPACT OF FINANCIAL CRISIS ON CEZ GROUP IS MINIMAL AND THUS WE ARE NOT CHANGING OUR GUIDANCE FOR 2008



Key drivers:

Positive

- Optimization of repairs and maintenance, reduction of other operating costs
- Successful trading strategy of electricity sales
- Increase in wholesale electricity prices
- Slight growth of generation volume in nuclear and hydro power plants of CEZ Group

Negative

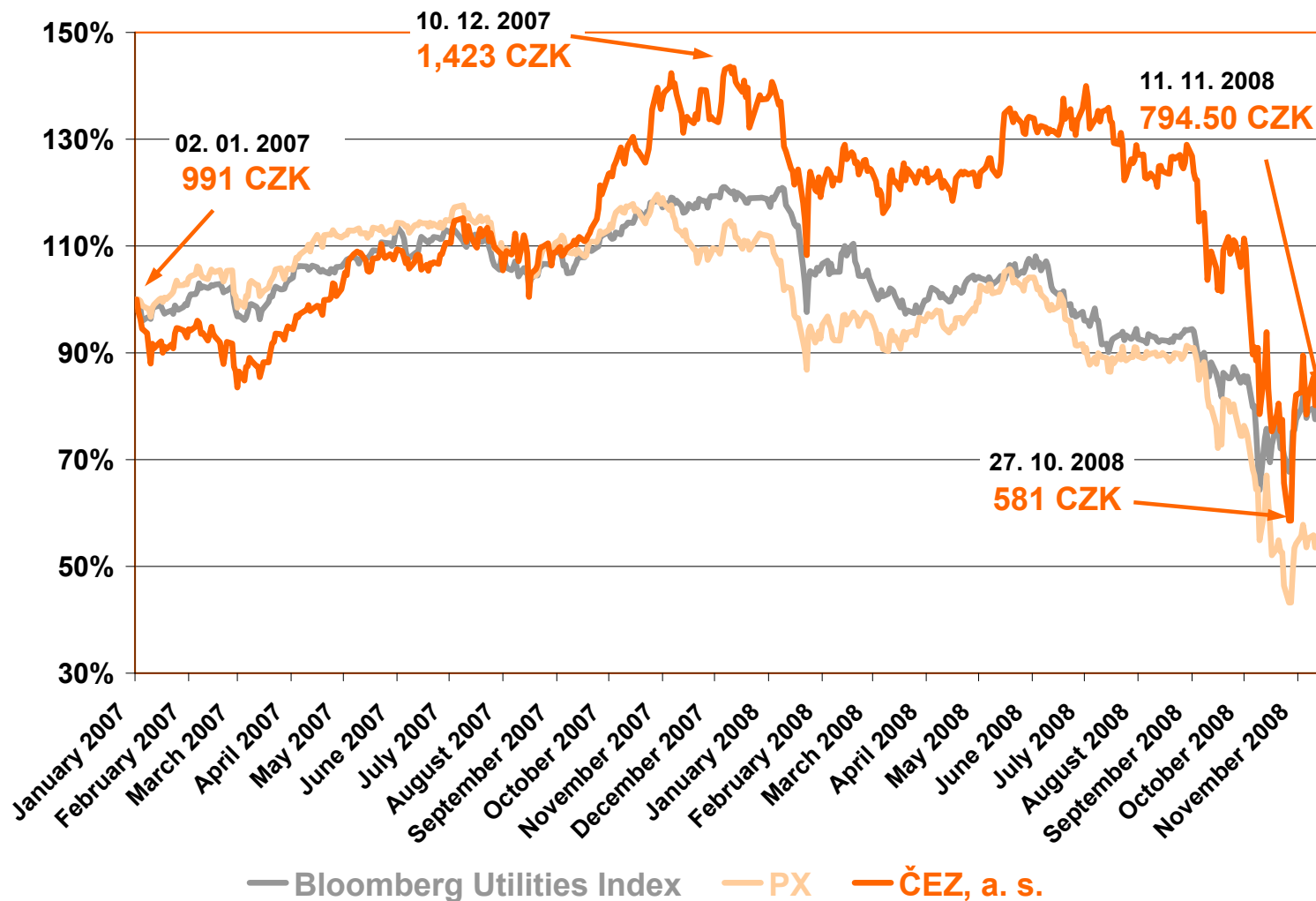
- Extended shutdown of Temelin's first unit in Q4 2008
- Negative impact of strengthening of CZK in 2008 was almost fully eliminated by successful hedging strategy
- Application of new IFRS rules (one-off depreciation of reclamations)
- Profit in 2007 was boosted by two extraordinary factors: 1. change of income tax rate used for calculation of deferred tax liability (influence of approximately CZK + 3 bn)
2. change in valuation and rectification of volume of non-invoiced electricity

E2008 expected financial results announced in February 2008

E+2008 increase of expected financial results in August 2008 based on H1 2008 results



SHARES OF ČEZ, A. S. CLOSED AT CZK 794.50 ON NOVEMBER 11th, 2008





FINANCIAL CRISIS – IMPACT ON CEZ GROUP AND WHOLE ENERGY SECTOR ARE MINIMAL

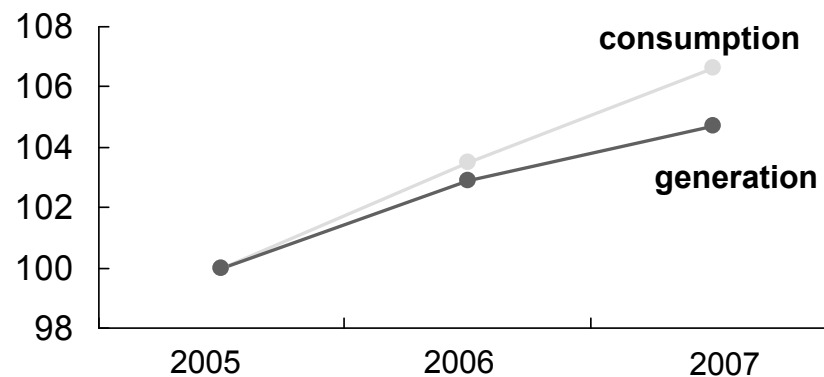
- According to our expectations financial crisis will impact CEZ Group results only marginally – **electricity demand will grow**, only rate of growth will drop. CEZ Group is rather facing shortage of generation capacity.
 - CEZ Group has a great advantage – its **indebtedness is very low** in comparison with other European companies and not only in energy sector. Need to refinance existing debt in years to come is negligible.
 - CEZ Group is generating strong cash flow, which allows to continue with **realization of development investments**. Current shortage of supply of new debt capital can limit CEZ Group only on large investments projects (for example nuclear power plants abroad, ...)
- Expected results are unchanged
 - Dividend policy is intact (50 - 60 % of consolidated net income of CEZ Group)



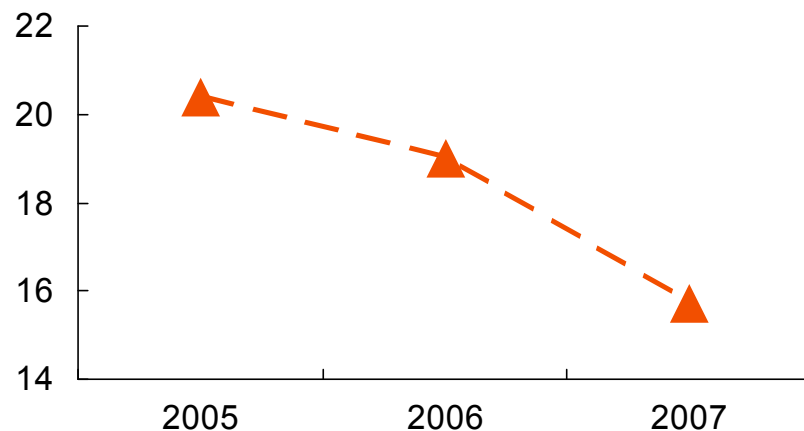
ELECTRICITY EXPORTS FROM CENTRAL EUROPE ARE DECLINING RAPIDLY, REGION WILL BECOME SHORT AROUND YEAR 2012

Development of electricity balance in Central Europe (Czech Republic, Hungary, Poland, Slovakia)

Generation, consumption, 2005 = 100%



Net export, TWh



- In past years electricity consumption in CE region rose by 3 % per annum while electricity generation only by 2 %
- Export declined by 23 % within 2 years
- Export of electricity will drop to zero already in 2012 despite slowdown of GDP growth due to financial crisis; region will become net electricity importer in following years



FOREIGN EXPANSION CONTINUES: CEZ GROUP AGREED ON STRATEGIC PARTNERSHIP WITH TURKISH GROUP AKKÖK

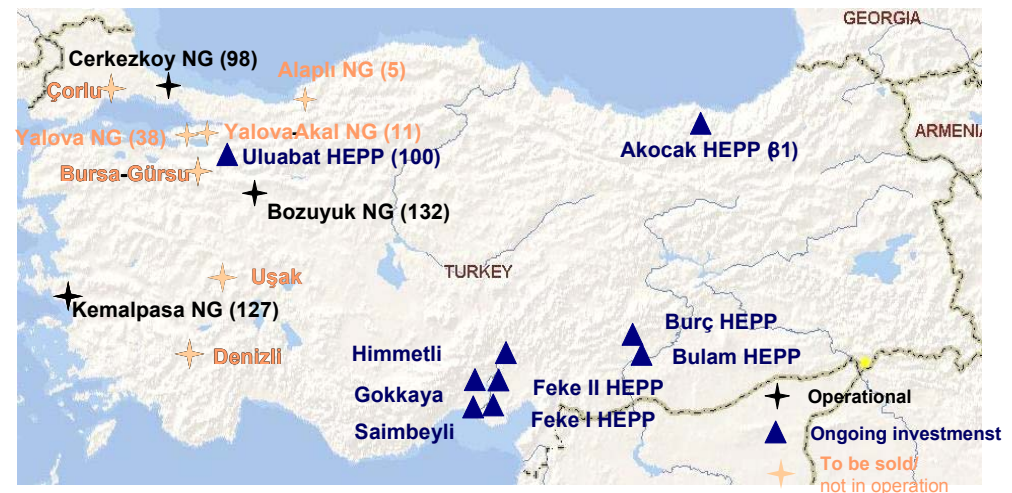
- Akkök Group and CEZ Group will together hold a majority stake of approximately 75% in Akenerji with equal shares
- CEZ will buy 37.4 % from parties connected with Akkök Group for USD 302.6 m
- Strategic partnership is signed for electricity generation and distribution in Turkey
- Entrance of CEZ Group into Akenerji was preceded by victory in a tender for joint operation of Turkish distribution company SEDAŞ



BASIC INFORMATION ABOUT AKENERJI

Generation portfolio

- Existing power plants with 496 MW capacity are located in main industry areas of Western Part of Turkey
- Akenerji plans to build 9 hydro power plants with 375 MW of capacity and 15 MW of wind power plants
- New investments will significantly reduce average production costs and thus increase competitive position





CEZ GROUP RECORDED AN IMPORTANT SUCCESS IN ROMANIA, IT IS CONTRUCTING THE LARGEST WIND FARM IN EUROPE

- Installed capacity of 600 MW (347.5 MW + 252.5 MW) represents triple the capacity of so far the largest wind farm in Europe (Guadalajara, Spain)
- Investments of CEZ Group into this project will reach EUR 1.1 bn
- Project is located with maximum consideration for environment, wind conditions in the locality are excellent
- Wind farm project will represent almost 9% share on Romanian renewables market (including large hydro power plants)
- It is the first important wind farm project in Romania, current installed capacity in Romania is only 7 MW



- Towns of Fântânele a Cogeaalac are located in Constanța county
- Project will be put into operation gradually, first phase in 2009, second phase year later.



FURTHER ACQUISITIONS

Romania

- **CEZ Group won a tender for strategic partner for project in Romanian Galați**
- Construction of up to 400 MW gas power plant is being preliminary considered
- Final details of the projects will be known after completion of feasibility study
- Feasibility study will also determine the size of CEZ Group investment into the project

- Negotiation on project of construction units 3 and 4 in nuclear power plant **Cernavodă** have resumed

Poland

- CEZ Group bought state's minority stake (25 % + 1 share) in Polish power plant **Skawina**, CEZ Group's share increased to 99.91 %.

Albania

- CEZ Group was selected as winner of the tender for **OSSH**, the only electricity distributor in Albania
- CEZ Group offered EUR 102 m for 76 % stake in the local distribution company
- Negotiations on privatization contract are ongoing



IMPORTANT DEVELOPMENT HAS BEEN MADE IN FORMATION OF ALLIANCE CEZ/MOL

- **CEZ/MOL project continues in accordance with the plan and assumptions from preparatory phase are continuously being fulfilled**
 - December 2007 – strategic alliance agreement
 - May 2008 – European Commission approval
 - June 2008 – positive attitude of other Antitrust Offices of Ukraine, Serbia and Bosnia and Herzegovina
 - **July 2008 – establishment of joint venture CM European Power International B.V.**

- **Initial projects of CCGT power plants**
 - Selection of optimal technical alternative
 - Collection of documents necessary for administrative procedures, e.g. EIA process
 - Selection of suppliers and signature of contracts – by 2010
 - Commissioning planned in 2013 - 2014

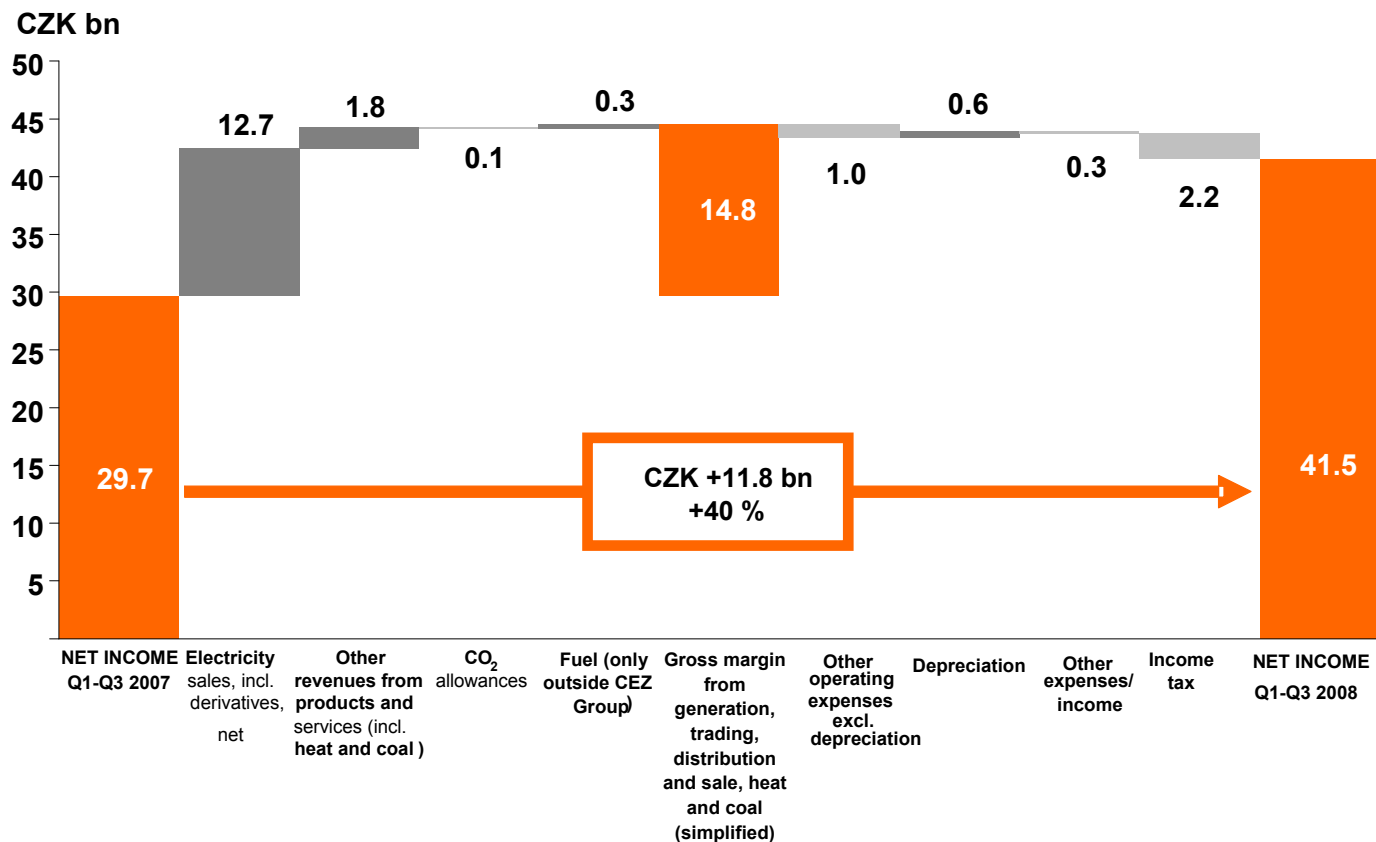


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NET INCOME INCREASED BY CZK 11.8 BN Y-O-Y, I.E. BY 40 %



Key drivers

- Higher volume of distributed electricity and of electricity sold to final customers in the Czech Republic
- Higher generation from nuclear power plants, generation from coal power plants reduced due to limits for NO_x, SO₂ and dust and by optimization with regards to high CO₂ allowances prices
- Increase in wholesale electricity prices
- Y-o-y comparison of other expenses/income is influenced by divestments in 2007



GROSS MARGIN FROM GENERATION, TRADING, SUPPLY AND ELECTRICITY DISTRIBUTION INCREASED BY 19 % TO CZK 93.3 BN

(in CZK millions)	1 - 9 / 2007	1 - 9 / 2008	Change 08-07	Index 08/07
Operating revenues	123,496	131,821	8,325	107%
Electricity sales and services	114,448	117,111	2,663	102%
Electricity derivative trading, netto	1,584	5,402	3,818	341%
Heat sales and other revenues	7,464	9,308	1,844	125%
				} 107%
Variable operating costs	-45,022	-38,523	6,499	86%
Fuel	-12,201	-11,879	322	97%
Purchased power and related services	-33,125	-26,869	6,256	81%
CO2 allowances	304	225	-79	74%
Gross margin (simplified)	78,474	93,298	14,823	119%
of which balance of electricity sales and purchases	82,907	95,644	12,737	115%

(Electricity sales and services, Electricity derivative trading, netto and Purchased power and related services)

Key changes

- Increase in wholesale electricity prices and successful trading strategy had a positive impact on gross margin from electricity generation and trading (significant CZK 3.8 bn y-o-y increase of trades classified as derivative trading, trades with physical delivery decreased by CZK 6.6 bn y-o-y on the cost side and by CZK 5.1 bn on the revenue side)
- Improvement of availability of nuclear power plants (generation up 1.9 TWh, i.e. by 10 %), decrease in generation in coal fired power plants (-5 TWh, -15%) caused by optimization of utilization with regards to price of CO2 allowances and owing to emission ceilings, this also influenced decline in fuel costs
- Increase of sales to final customers by 0.6 TWh (by 2 %)
- Increase of volume of electricity distributed to final customers by 1.2 TWh (+ 3 %), increase in distribution tariffs
- Other revenues include mainly higher revenues of subsidiary I & C Energo a.s. and are also influenced by inclusion of company ČEZ Teplárenská into consolidation in 2008, while in 2007 it was consolidated only for two quarters



CEZ GROUP MANAGES TO KEEP ITS OPERATING COSTS UNDER CONTROL

(in CZK millions)	1 - 9 / 2007	1 - 9 / 2008	Change 08-07	Index 08/07
SUM of selected operating costs	-23,337	-24,480	-1,143	105%
Salaries and wages	-10,942	-11,505	-563	105%
Other selected operating costs	-12,395	-12,975	-580	105%
Repairs and maintenance	-3,124	-3,040	84	97%
Material and supplies	-4,452	-3,336	1,116	75%
Others	-4,819	-6,599	-1,780	137%
				} 107%
EBITDA	55,137	68,818	13,681	125%
Depreciation and Amortization	-16,198	-15,618	580	96%

- Y-o-y increase in operating costs reached 5 % (excluding depreciation, CO2 allowances and purchases of fuel and electricity)
- Other selected operating costs increased by 5 %. Repairs and maintenance costs decrease were influenced by different time structure of repairs during the year, particularly in ČEZ, a. s. Decline in Material and supplies and increase in Others were caused by different order structure of ŠKODA PRAHA (purchase of services incl. material)
- Decline of depreciation and amortization was caused mainly due to the extension of service life of energy equipment of CEZ Distribuce since January 1st 2008 according to the valid ERU notice



OTHER EXPENSES AND INCOME INCREASED BY CZK 252 M

(in CZK millions)	1 - 9 / 2007	1 - 9 / 2008	Change 08-07	Index 08/07
Other expenses and income	-395	-647	-252	164%
Interest on debt	-1,773	-2,193	-420	124%
Interest on nuclear and other provisions	-1,442	-1,536	-94	107%
Interest income	1,045	1,264	219	121%
FX profit / loss and financial derivatives	-38	-421	-383	> 500%
CO2 allowances derivatives	729	1,115	386	153%
Gain(-)/Loss on sale of subsidiary/associate	129	333	204	258%
Income from associates	30	3	-27	10%
Others	924	788	-136	85%
Profit before taxes	38,544	52,553	14,009	136%
Income tax	-8,860	-11,086	-2,226	125%
Net Income	29,684	41,467	11,783	140%

- Increase in interest expense caused by higher average indebtedness, which is a result of higher financial investments and optimization of capital structure (mainly through share buyback).
- Y-o-y growth of incomes from CO2 allowances derivatives reflects successful trading strategy including effects from JI/CDM programs, which is an environmental program based on Kyoto protocol and whose aim is to reduce world emissions
- FX losses increased y-o-y by CZK 1,329 m, financial derivatives gains rose by CZK 945 m.
- Y-o-y growth of Gain on sale of subsidiary is caused by sale of I & C Energo a.s.
- Y-o-y decrease in Others is caused by sale of small companies with non-core activities in 2007.



DEVELOPMENTS IN Q3 2008

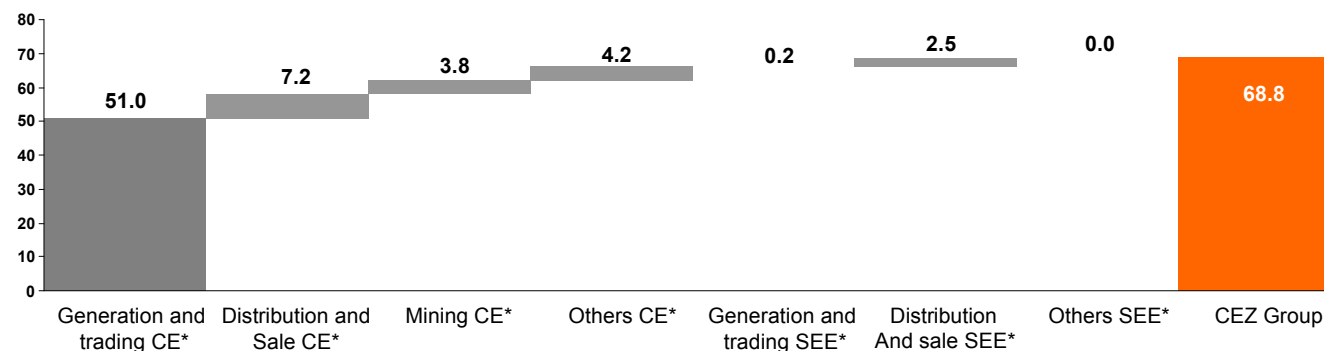
(in CZK millions)	7 - 9 / 2007	7 - 9 / 2008	Change 08-07	Index 08/07
Operating revenues	40,334	41,400	1,066	103%
Variable operating costs	-15,005	-12,630	2,375	84%
Gross margin (simplified)	25,329	28,770	3,441	114%
SUM of selected operating costs	-8,346	-8,504	-158	102%
Salaries and wages	-3,951	-3,798	153	96%
Other variable operating costs	-4,395	-4,706	-311	107%
Repairs and maintenance	-1,196	-1,349	-153	113%
Material and supplies	-1,567	-1,046	521	67%
Others	-1,632	-2,311	-679	142%
				} 107%
EBITDA	16,983	20,265	3,282	119%
Other expenses and income	-224	333	556	x
Profit before taxes	11,392	15,786	4,394	139%
Income tax	-2,719	-3,277	-558	121%
Net Income	8,673	12,509	3,836	144%

- Decrease in variable operating costs (by CZK 2.4 bn) in Q3 is caused by decline in volume of electricity generated from coal power plants due to the emission ceilings
- Salaries and wages dropped by 4 % y-o-y as a result of decrease in number of employees in the Group
- Positive development of Other expenses and income in Q3 2008 caused by temporary revaluation of CO2 allowances derivatives



SEGMENTAL CONTRIBUTIONS TO EBITDA

Contributions to EBITDA in Q1-Q3 2008
CZK bn



Index Q1-Q3 08/ Q1-Q3 07

131 % 131 % 96 % 111 % 68 % 87 % N/A 125 %

Index Q3 08/ Q3 07

123 % 180 % 92 % 90 % 59 % 79 % N/A 119 %

▪ **Generation and trading CE***: 31.5 % y-o-y improvement of EBITDA caused by increase in wholesale electricity prices in the Czech Republic and thanks to higher generation from nuclear power plants. Total electricity generation in CE decreased to 48.5 TWh (- 6 %).

▪ **Distribution and sale CE***: EBITDA grew by 31.3 % y-o-y in Q1-Q3 2008. It is positively influenced by 1.0 TWh (i.e. + 4.3 %) increase in volume of electricity distributed to final customers and by 0.6 TWh (i.e. + 3.5 %) growth of sales to end customers outside CEZ Group due to extremely warm winter in 2007. Increase is influenced also by change in valuation of invoiced electricity to retail and by lower costs of purchased electricity. These methodical influences are neutral in the whole year, but cause increase in Q2 and Q3 2008.

▪ **Mining CE***: EBITDA of Severočeské doly is down by 4.2 % y-o-y. Decline is caused by higher operating costs mainly for repairs and maintenance as a result of faster progress in works. In Q1-Q3 2008 volume of coal sales is lower by 980 thousand tones y-o-y, due to the lower generation in coal power plants

▪ **Generation and trading SEE****: Varna power plant generated 2.7 TWh (+ 5.0 % y-o-y). Y-o-y decline is driven by rising coal prices, which are not fully reflected in electricity prices due to non-transparent regulatory environment. Also, rules for allocation of CO2 allowances are not clear (NAP was not approved) and results are negatively influenced by restriction on exports abroad.

▪ **Distribution and sale SEE****: In Q1-Q3 2008 EBITDA declined by 13 % compared to the same period in 2007 due to appreciation of CZK against local currencies. In Romania, EBITDA in local currency increased by 2.0 %. Electricity distributed decreased by 4.3 %, electricity sales to final customers declined by 8.7 %. On the other hand positive factors include increase in gross margin in due to higher distribution tariffs and better purchase mix for sale of electricity to final customers. Negative impact had creation of provisions for receivables, mainly after Romanian railways. In Bulgaria, EBITDA increased by 5.4 % in local currency due to the higher distribution of electricity by 8.0 % and higher sales of electricity to final customers by 6.9 %.

* CE = segment Central Europe (Czech Republic, Slovakia, Poland, Hungary, Netherlands, Germany)

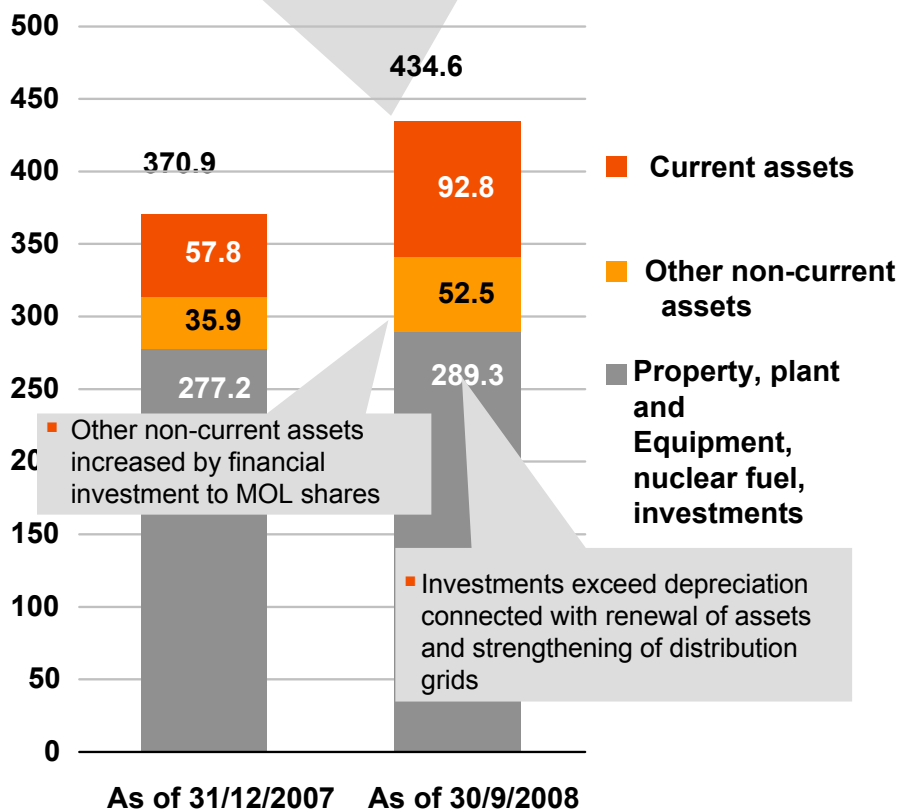
* SEE = segment South-eastern Europe (Bulgaria, Romania, Kosovo, Serbia, Russia, Bosnia & Herzegovina, Ukraine)



BALANCE SHEET OVERVIEW

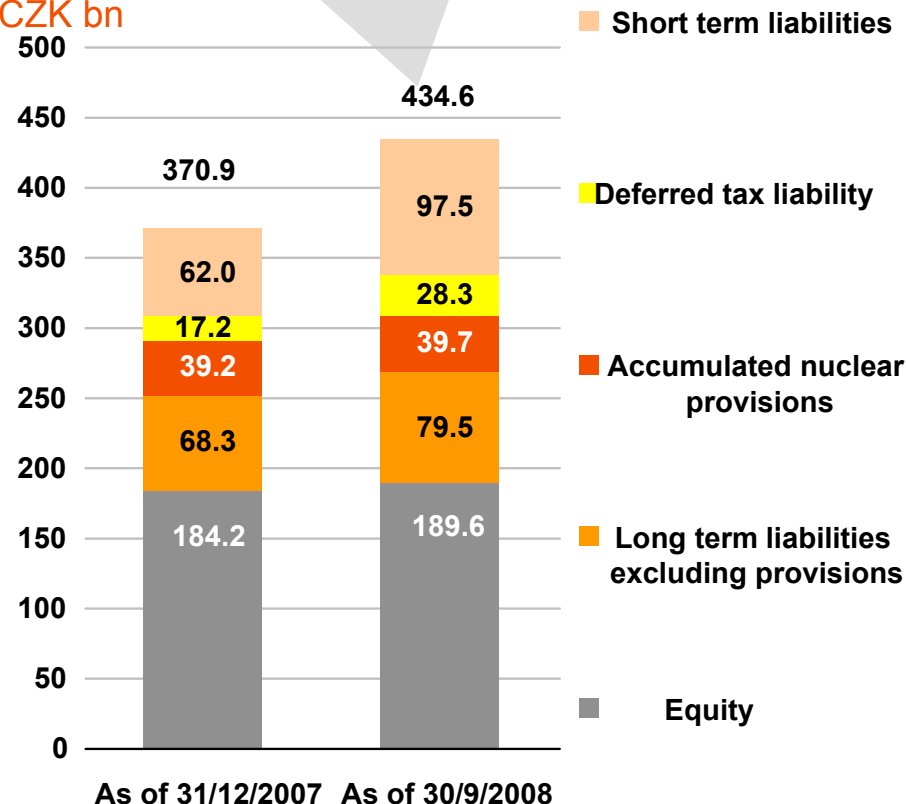
- Increase in current assets (by CZK 35 bn) is caused by:
- Increase in receivables from derivatives (by CZK 22.8 bn), which is partially offset by increase in liabilities from derivatives (by CZK 17.7 bn), which are part of short term liabilities
- Increase of variation margin stemming from outstanding trades in Prague Energy Exchange by CZK 6.4 bn., which is caused by y-o-y increase in electricity prices
- Increase in receivables from advances for income tax (by CZK 7.1 bn)

ASSETS CZK bn



- Increase in equity (by CZK 5.4 bn) is driven by y-o-y growth of retained earnings and reserve fund (CZK 18.1 bn), share buyback decreased the value of equity by CZK 10.9 bn, value of minorities decreased due to the exchange rate changes (by CZK 1.4 bn)
- Increase in long term liabilities (by CZK 11.2 bn) mainly due to the issued bonds (by CZK 9.8 bn)
- Higher deferred tax liability (by CZK 11.1 bn) corresponds with tax obligation for Q3 2008
- Increase in short term liabilities (by CZK 35.5 bn) is caused by an increase in liabilities from derivatives (CZK 17.7 bn) which partially offset increase in receivables from derivatives and is also caused by increase in short term loans (by CZK 15.8 bn), of which CZK 15.3 bn relates to financing of investment into MOL shares

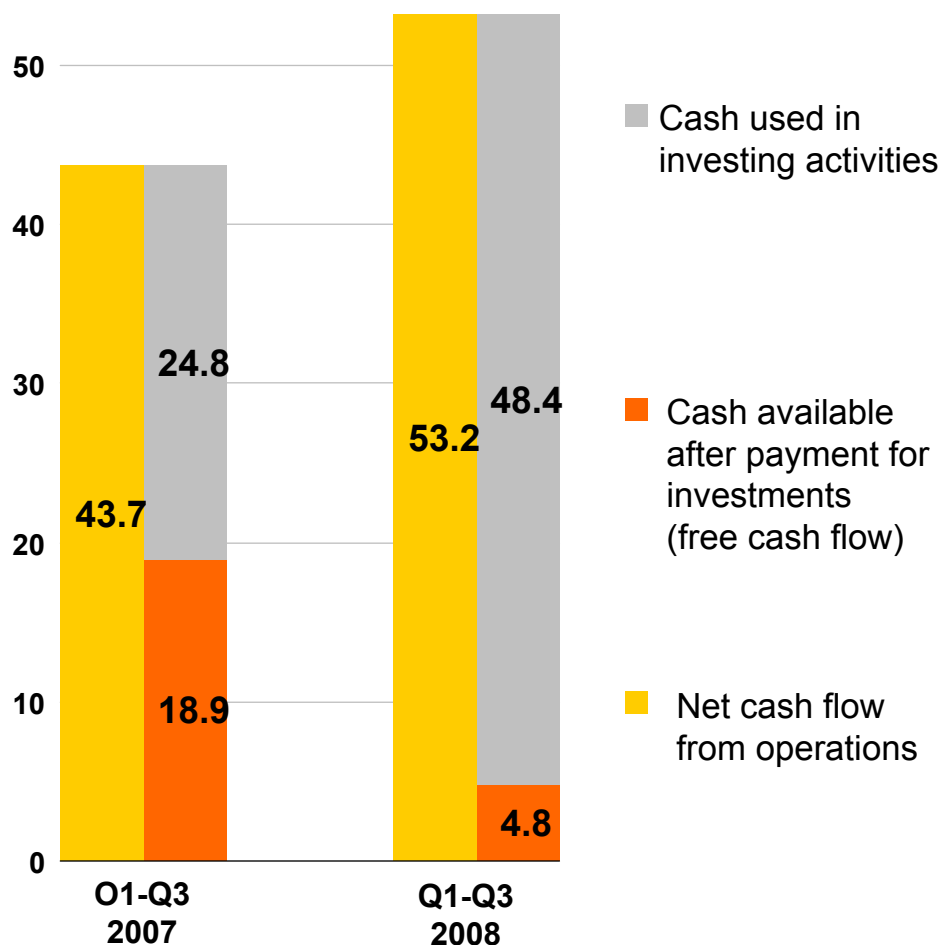
EQUITY AND LIABILITIES CZK bn





CASH FLOW – SELECTED ITEMS

CZK bn



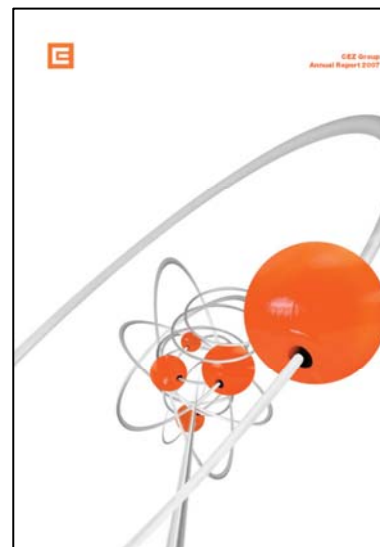
- In 2008 net operating cash flow increased by CZK 9.5 bn, which is caused mainly by growth in profit before tax (CZK +14.0 bn). Operating cash flow is decreased by growth of receivables connected to trades on Prague Energy Exchange (CZK -5.4 bn)
- Cash available is reduced by investments, which were higher by CZK 23.6 bn y-o-y mainly due to financial investment in MOL (CZK 15.3 bn) and higher investments to long term tangible assets (CZK 12.1 bn)



VICTORY FOR SET OF ANNUAL REPORTS OF CEZ GROUP

Each year CZECH TOP 100 association selects best annual reports in the Czech Republic. CEZ Group succeeded this year in the following categories :

- 1st place in overall assessment of annual report in the Czech Republic in 2007
- 1st place in category informative value
- 1st place in category graphical design
- 1st place in the energy sector



Declaration will be held on November 13th, 2008



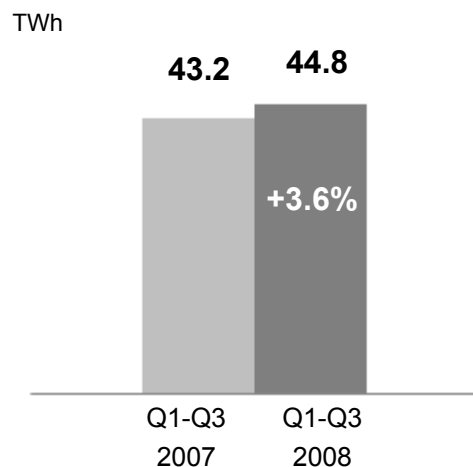
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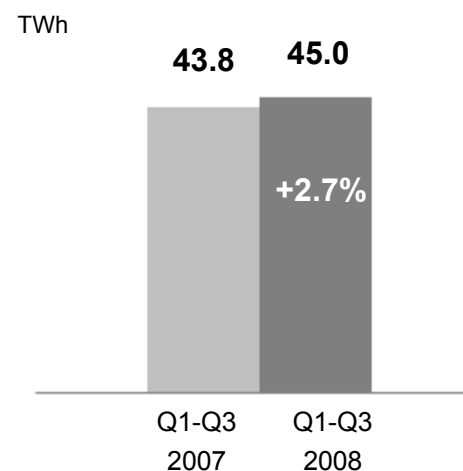


THE ECONOMIC CRISIS HAS NOT INFLUENCED DOMESTIC ELECTRICITY CONSUMPTION, WHICH HAS GROWN BY SLIGHTLY LESS THAN 3 %

Demand in the Czech Republic

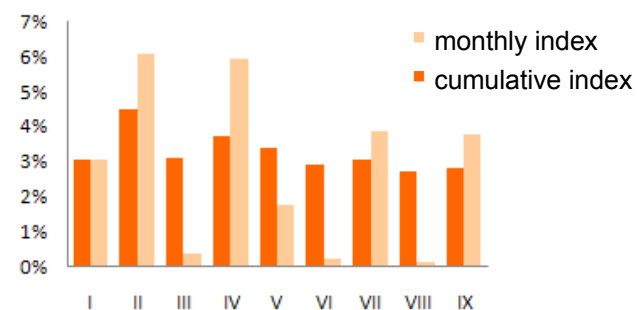


Demand in the Czech Republic (temperature adjusted)



- Average growth of temperature adjusted net domestic demand is relatively stable and reached 2.7 % in Q1 –Q3 2008
- Growth by segments:
 - +3.4 % industrial customers
 - +1.3 % households
 - +8.1 % small enterprises

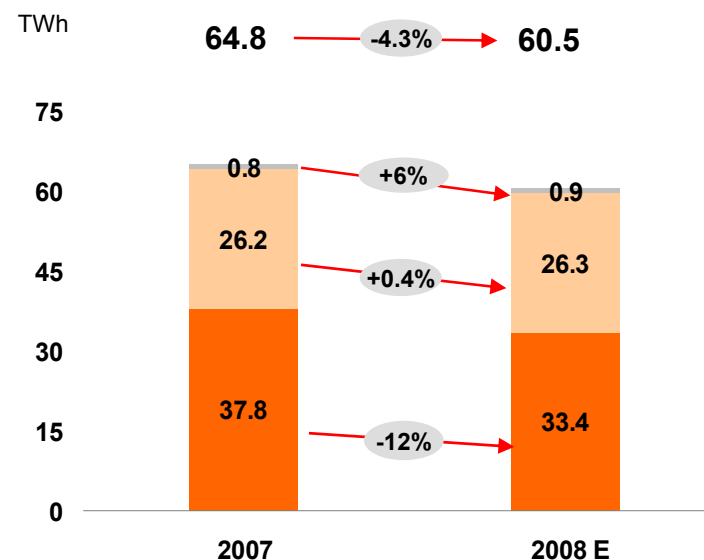
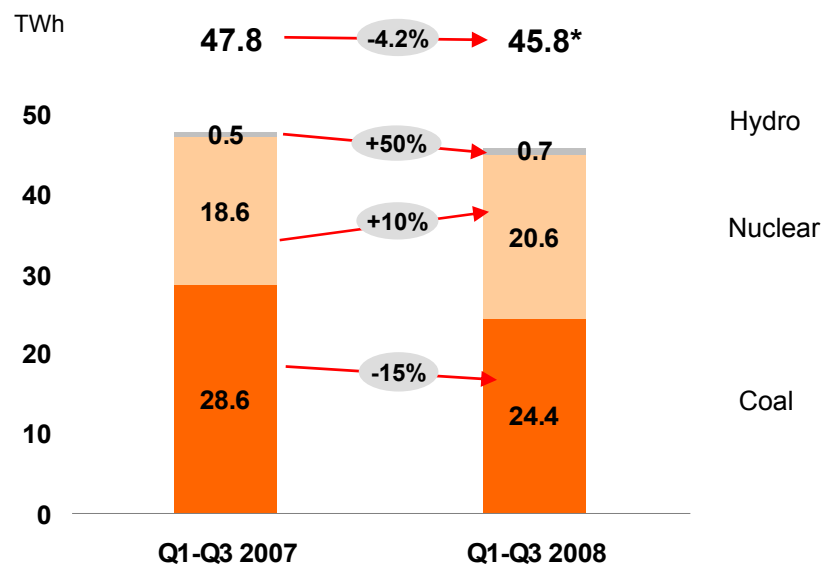
Y-o-y monthly and cumulative indexes of demand in the Czech Republic





ELECTRICITY GENERATION OF ČEZ, A. S., DECREASED Y-O-Y

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



- Generation in the Q1-Q3 decreased y-o-y by 2 TWh (-4.2 %)
- Higher availability of nuclear power plants and optimization of generation from coal power plants due to the emission ceilings lead to y-o-y change in generation structure - generation from nuclear power plants increased by 10 % and generation from coal power plants decreased by 15 %

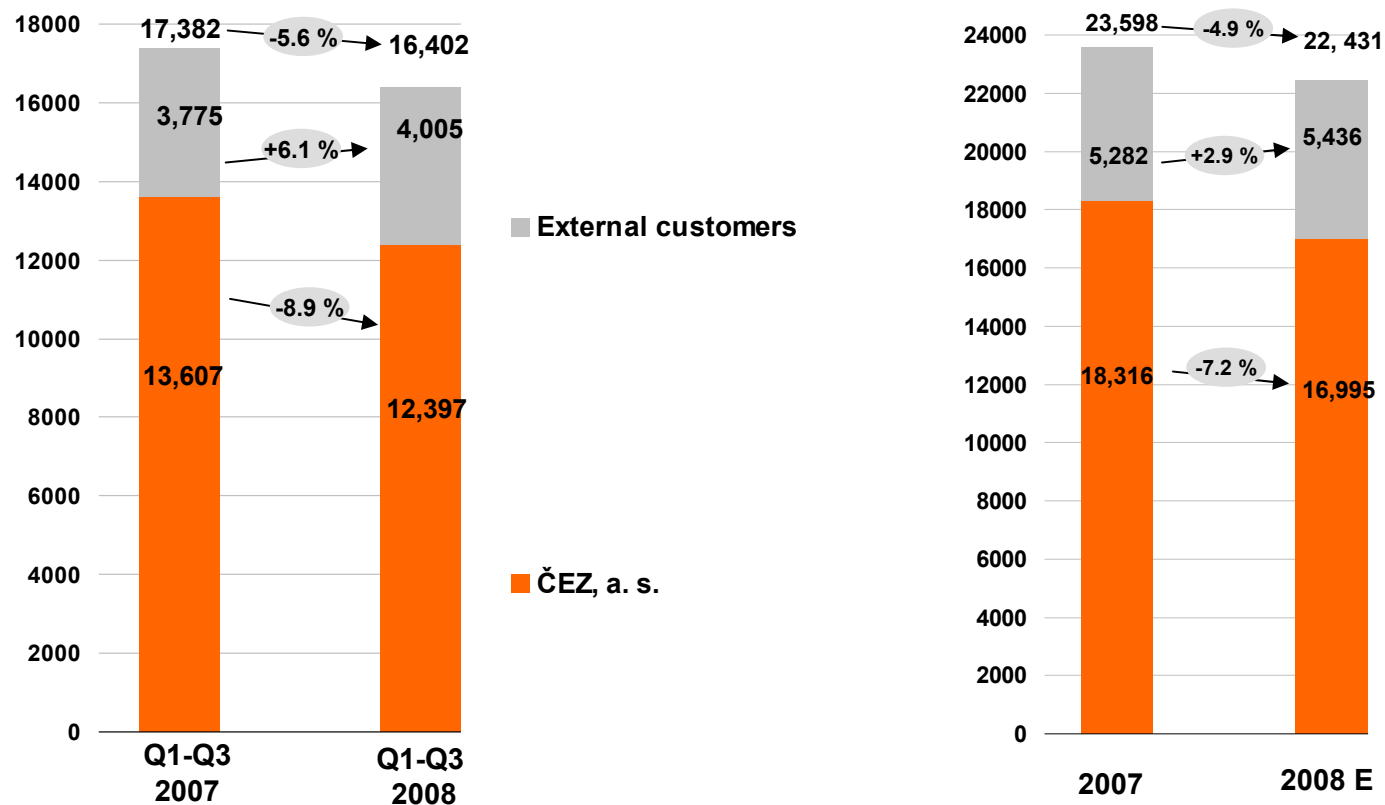
- Extended outage of AN unit of Temelin power station in Q4 causes decline of expected generation from nuclear
- Undelivered volume from nuclear is partly compensated by coal generation



SIMILARLY COAL MINING IN SEVEROČESKÉ DOLY DECREASED

Severočeské doly a.s. mined 980 thousand of tons less coal y-o-y due to the lower sales to ČEZ, a. s. (influenced by emissions ceilings) On the other hand, sales of industrial compounds and sorted coal for external customers increased

Mining in thousands tons

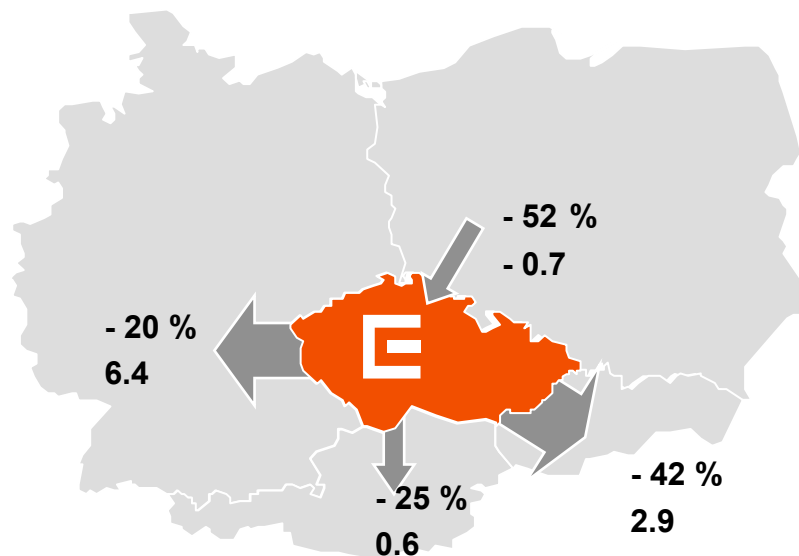




VOLUME OF BALANCE OF CROSS-BORDER TRADES FROM THE CZECH REPUBLIC HAS BEEN DECREASING GRADUALLY AND HAS BEEN MOVING TO THE EAST

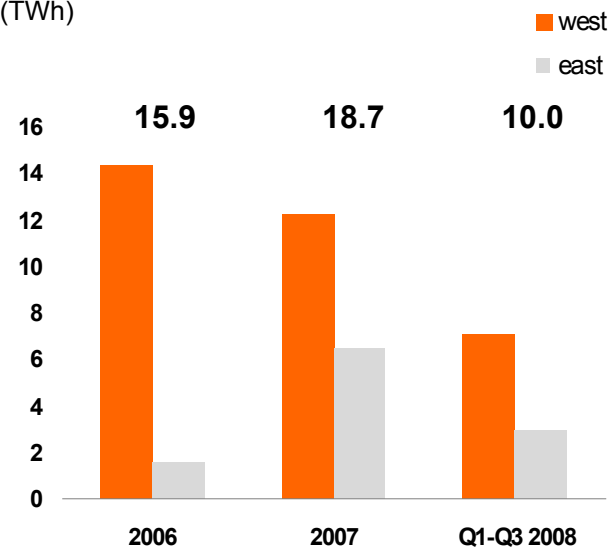
Balance of cross border trades of the Czech Republic for Q1-Q3 2008 and y-o-y changes

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



Development of balance of cross-border trades

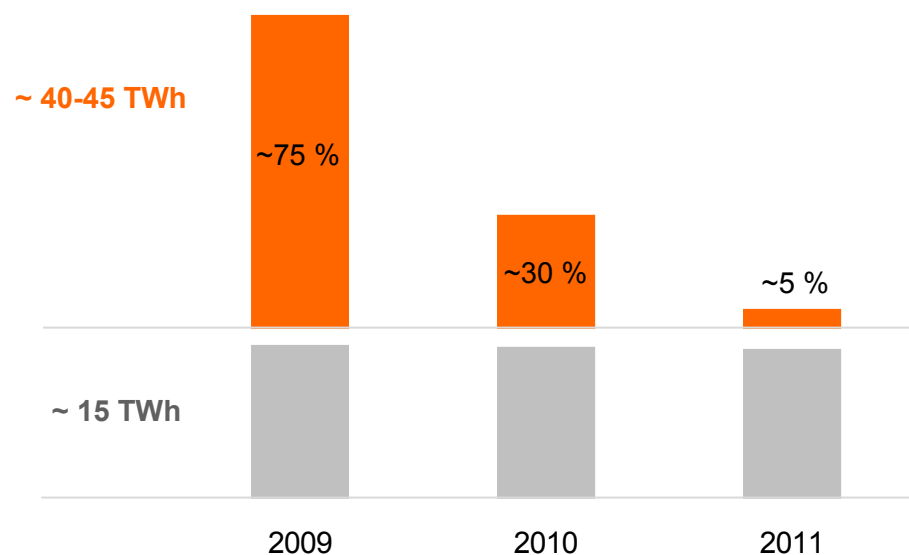
(TWh)





MORE THAN 50% OF EXPECTED NET GENERATION OF ČEZ, A. S. FOR NEXT THREE YEARS IS ALREADY HEDGED

Share of hedged generation from ČEZ, a. s. power plants



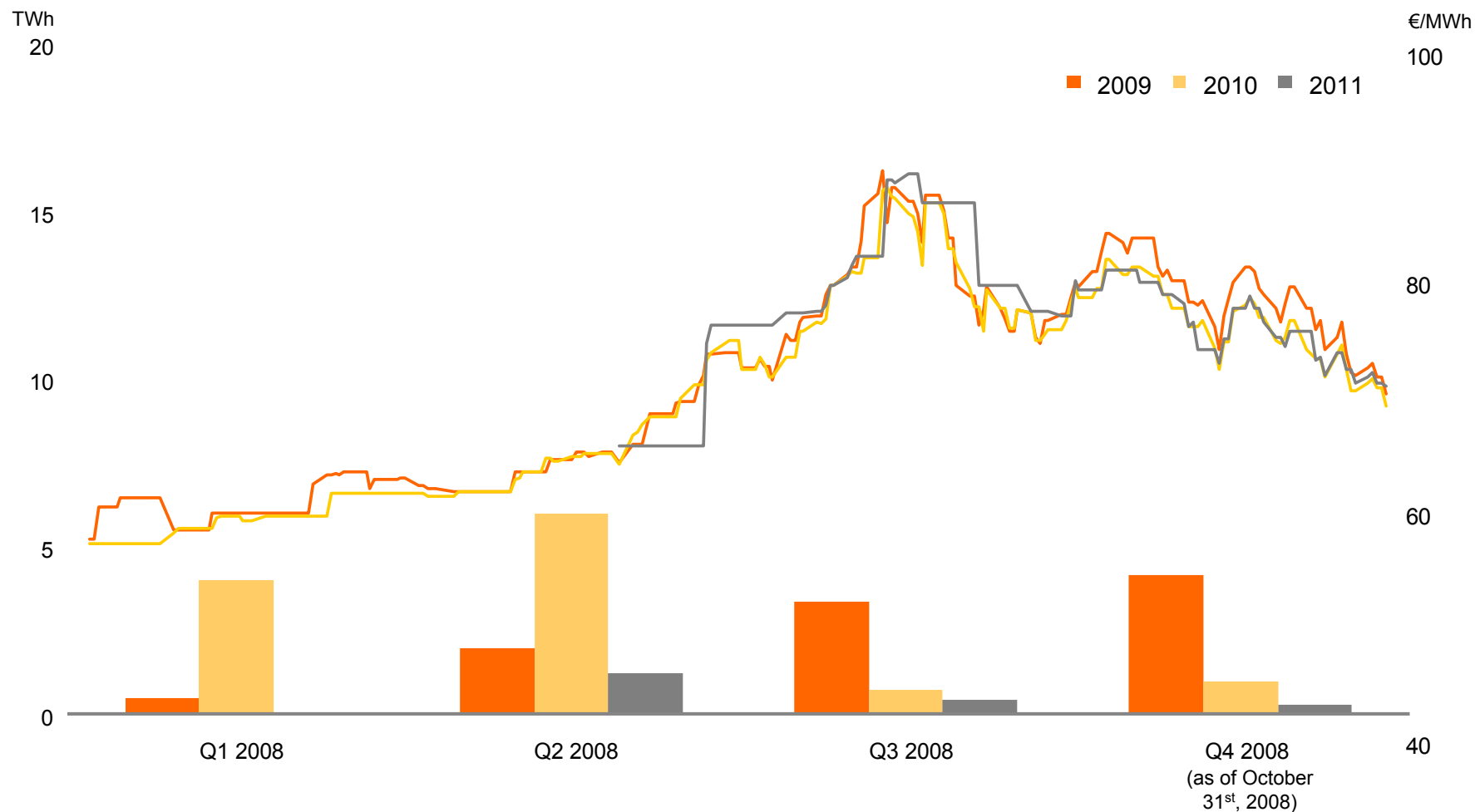
■ Volume supplied by ČEZ Prodej to end customers from category of households and small businesses

- ČEZ, a. s., applied standard concept of gradual hedging of its open position from generation portfolio against price risks
- Within this strategy ČEZ, a. s., sells electricity on forward basis for years Y+1 through to Y+3



HISTORY OF EXECUTION OF ELECTRICITY HEDGING FOR THREE YEARS AHEAD

Realized volumes and development of market prices



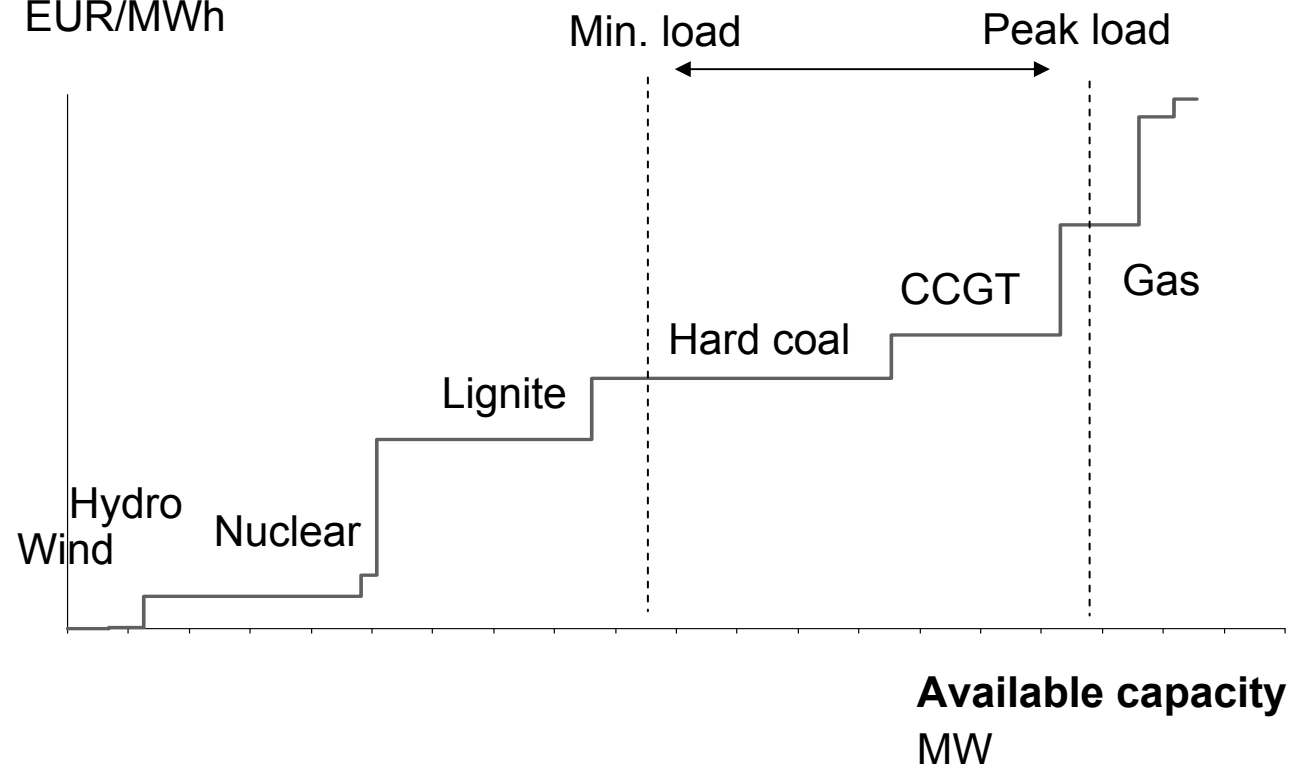


MAIN DRIVERS OF POWER PRICE IN GERMANY ARE PRICES OF COAL, GAS AND CO₂

ILLUSTRATIVE

Generation cost curve

EUR/MWh



- In free market, power price is set by variable cost of marginal plants
- In Germany, the marginal plants are fueled by hard coal (in off peak) or gas (in peak)
- As a result, the power price should be driven by coal, gas and CO₂ allowances price

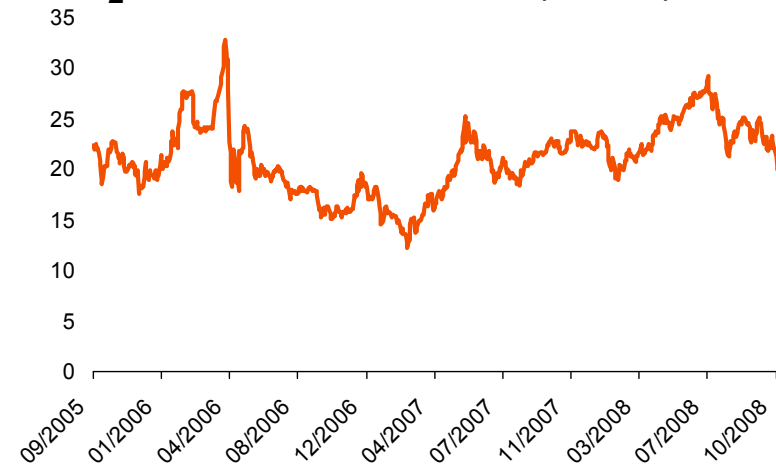


PRICES OF ALL COMMODITIES ARE CURRENTLY VERY VOLATILE

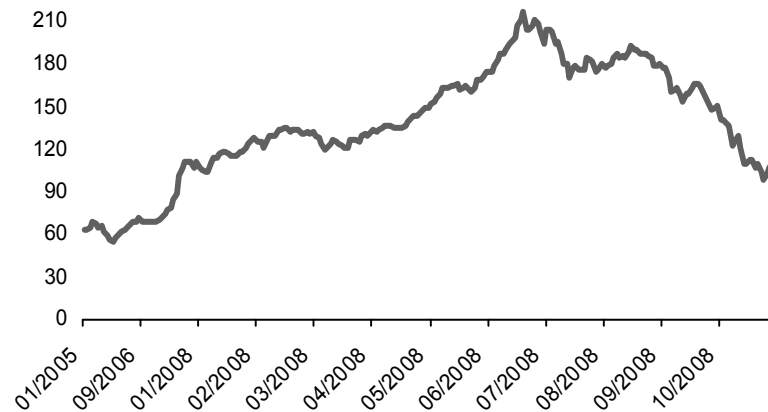
Oil Brent (USD/bl)



CO₂ allowances – NAPII (EUR/t)



Coal (USD/t)



Power price - EEX Y+1 (EUR/MWh)

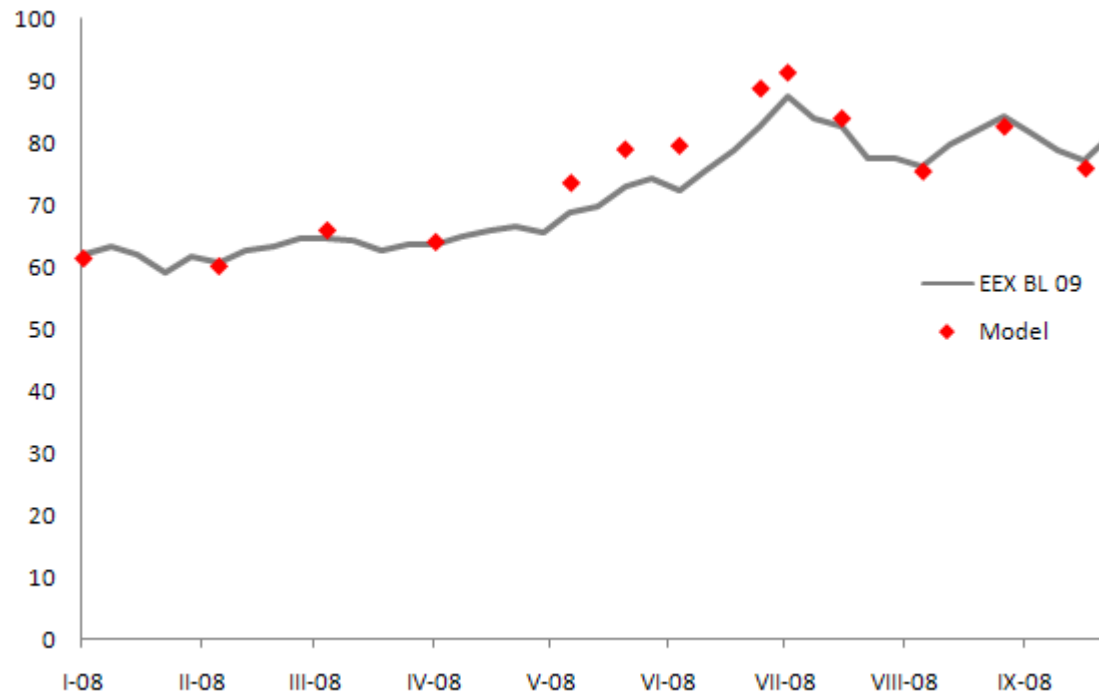




MODELLING RESULTS DEMONSTRATE THAT POWER PRICE IS DIRECTLY LINKED TO THE OTHER COMMODITIES PRICES

Modeled and actual forward prices for 2009

(EEX baseload, EUR/MWh)



- Fundamental models show a very good fit of model outputs based on commodity price forwards with the actual forward power prices
- The analysis shows that changes in commodity prices directly translate into power price variations



@FAKTURA-24 – ATTRACTIVE SERVICE FOR B2B SEGMENT OF CUSTOMERS

- Modern service offered by CEZ Group and Česká spořitelna (ČS) to large companies
- **Advantages for customers**
 - Faster delivery of issued invoices and their processing
 - Simplified and better arranged invoice processing
 - Savings of time and expenses connected to invoicing
 - Reduction of risk of mistakes during invoice processing
 - Reduction of workload of internal human resources
 - Higher quality of invoice processing
- **Customers using the service**
 - **Veolia Voda Česká republika** became the first customer
 - Currently cooperation signed with further 6 large clients of ČS
 - Tens of others are in the negotiation phase



EVOLUCE FAKTURACE!

a na jaké úrovni
je přijímání faktur
za elektřinu
ve vaší firmě?

INVOICING EVOLUTION!

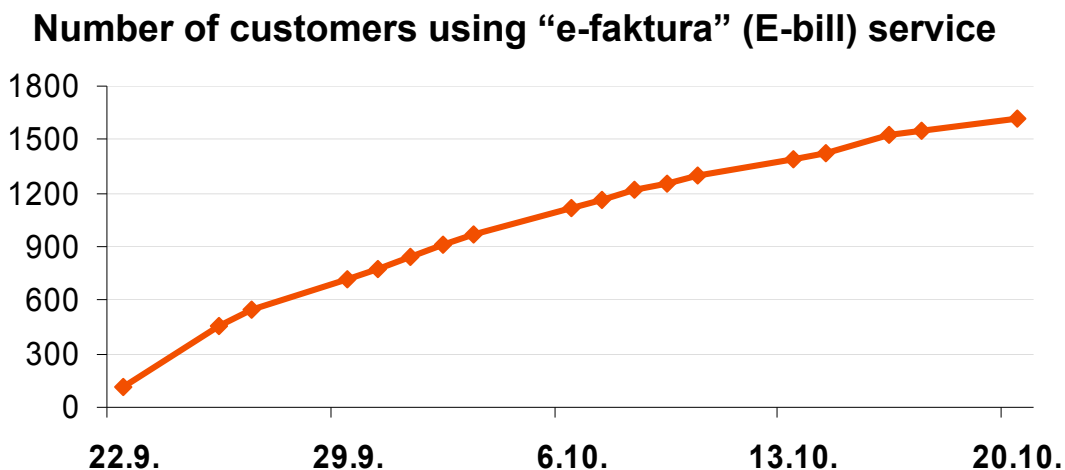
and at what level
is invoicing of
electricity in
your company?





“E-FAKTURA” (E-Bill) – INOVATIVE SERVICE IS QUICKLY GAINING CUSTOMERS

- Modern service offered by CEZ Group and Česká spořitelna to households and small enterprises
- **“E-faktura” (E-bill) is:**
 - **Practical** saves time and money
 - **Convenient** can be paid for by a single click on a computer
 - **Lucid** customer can access the bill anytime through his internet banking
 - **Progressive** most modern way of paying bills
 - **Friendly to environment**



E-faktura

- POKODLNÁ
- PROGRESIVNÍ
- PRAKTICKÁ
- PŘEHLEDNÁ
- PŘÍVĚTVNÁ K ŽIVOCĚ

**ZAPLACENO DŘÍV,
NEŽ ŘEKNETE KLIK**

aktivujte si e-fakturu a plaťte účty za elektřinu pohodlně prostřednictvím internetového bankovníctví SERVIS 24!

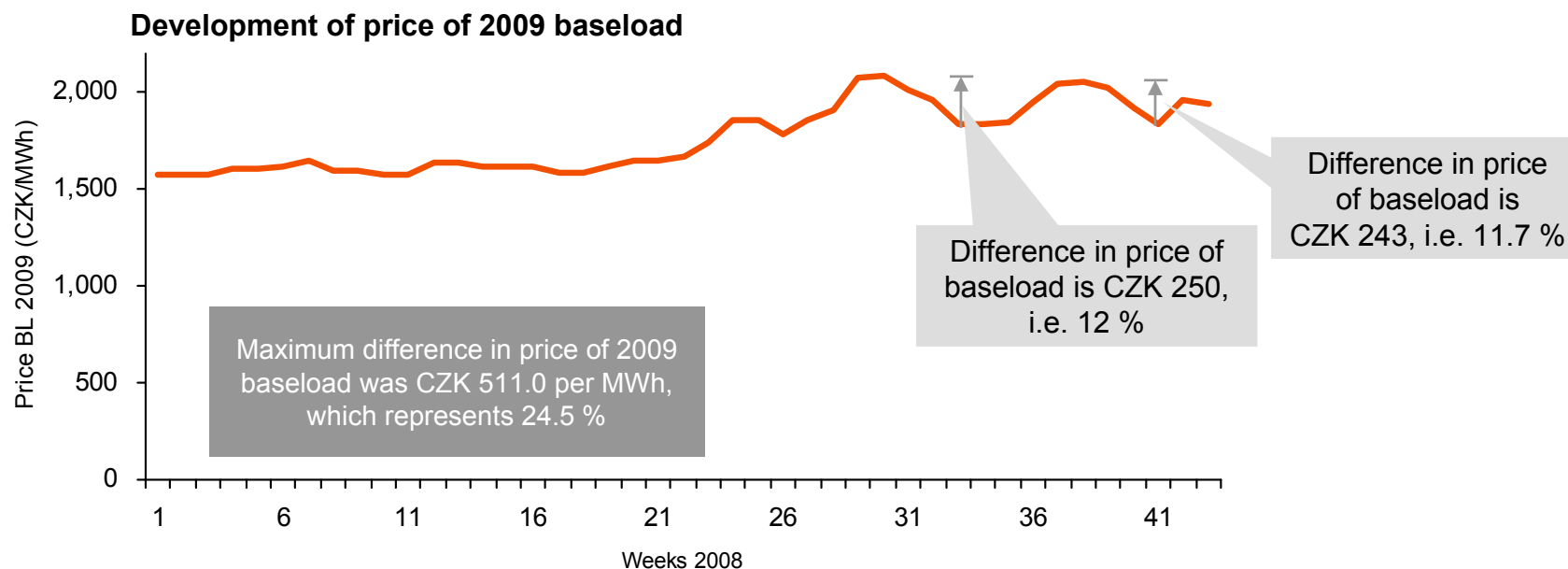
SKUPINA ČEZ Zákaznická linka 840 840 840 www.cez.cz

PAID BEFORE
YOU SAY KLIK



TIMING OF ELECTRICITY PURCHASES HAS GROWING IMPORTANCE TO CUSTOMERS DUE TO CONTINUAL TRADING AND RELATED PRICE VOLATILITY

- Developed electricity wholesale market increases responsibility of final customers for choice of timing of electricity purchase but also offers new possibilities how to optimize the final price
 - Purchase of electricity is possible anytime during the year for required periods
 - Electricity price can be hedged at favorable/required moment (price, planning,...)
 - Purchase of electricity can be realized for several years ahead at fixed price



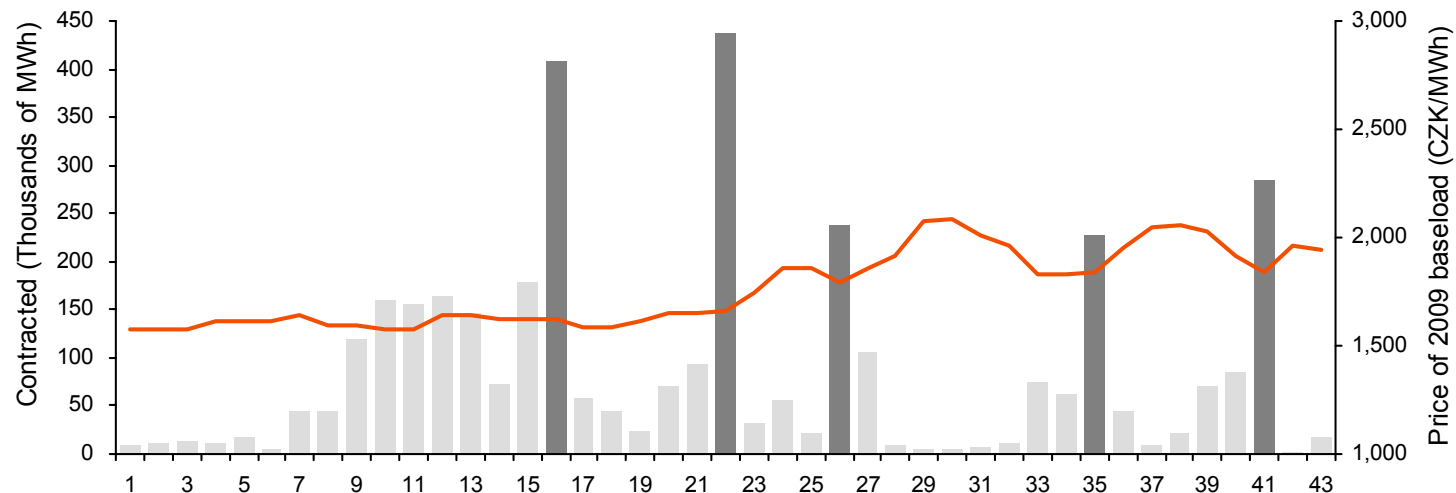


CUSTOMERS OF ČEZ PRODEJ CAN CHOOSE THE RIGHT TIME FOR THEIR PURCHASE AND THUS TAKE ADVANTAGE OF ELECTRICITY PRICE VOLATILITY

1. Product portfolio of ČEZ Prodej enables customers to sign contracts with different price structure
 - 1-year contract with fixed electricity price
 - Multi year contract with fixed electricity price
 - Multi year contract with annual price fixing
 - Product packages KVARTÁL (quarter) and MĚSÍC (month) where price is directly linked to development on PXE
2. ČEZ Prodej enables customers to sign contracts in CZK or in EUR

Customers of ČEZ Prodej understand volatility of prices as is evident from their purchase behavior

Development of 2009 baseload prices and development of contracted volumes





CEZ GROUP ISSUED CORPORATE SOCIAL RESPONSIBILITY REPORT 2007

CEZ Group

- Invests long term into own development
- Emphasizes safety and ethics in the business
- Supports development of renewable energy and of environmental projects
- Cares about its customers and communicates openly with general public
- Employees get above average care and company develops firm culture
- Supports publicly beneficial projects and regional development
- Develops sponsorship and educational programs for public
- Creates conditions for corporate volunteering



www.cez.cz/cs/o-spolecnosti/cez/profil-spolecnosti/soucasnost.html