

## Inside Information

### **CEZ and Akkok finalized takeover of Turkish distribution company Sedaş**

The agreement finalizing the block sale of 100% shares of the grid company SEDAŞ was signed between Prime Ministry Privatization Administration and Akkök-Akenerji-CEZ (AkCez) Consortium which won the tender with 600 million USD. The signing ceremony finalizing the sale and hand over of SEDAŞ was held on February 11, 2009, with the participation of top level management from Privatization Administration, Energy Market Regulatory Authority, SEDAŞ, Akkök Group, CEZ Group and Akenerji.

CEZ's Vice Chairman of the Board and Division International Chief Officer Tomas Pleskac said, 'Investment in Turkey in today's worldwide economical conditions is a sign of our confidence in the Turkish economy and our partner Akkök Group. It also confirms CEZ's reputation as a strategic investor into the energy sectors throughout the region of its international expansion. Turkish energy sector requires a lot of investment to cover the increasing needs of its rapidly growing economy. This brings a lot of prospects for us and our joint effort with Akkök Group in which we are aware of the fact that energy sector is one of the most important foundation – stones of each economy. '

Akenerji Chairman of the Board Ömer Dinçök stated that energy sector is one of the forerunning industries which will be crucial in Turkey and the world within the next decade and said, 'By uniting in a strategic partnership powers of Akenerji, Turkey's leading private energy company and CEZ Group, one of Europe's leading energy companies, we believe we are taking an unprecedented step for the Turkish energy industry and our country. In a region where the heart of Turkish industry beats, we will be distributing annually a total of 8 billion kilowatt/hour electricity to 1.3 million subscribers. Public and private sectors need to work together and make smart investments not to face an energy gap which will negatively affect the Turkish social and industrial life. As Akenerji, we're determined to fulfill this responsibility on our part. For this reason, our target is to reach 3000 MW power generation by 2013.'

Sedaş is the start of a series of investments of CEZ Group and Akkök Group in Turkish energy sector; both Groups plan under the company Akenerji (in which both parties will hold equal share interest) to reach 3000 MW of power generation capacity by 2013. The planned investment for such a growth is about 3 billion dollars. Sedaş distributes electricity to 1.3 million consumers in a region encompassing Sakarya, Bolu, Düzce and Kocaeli where the heart of Turkish industry beats.

AkCez Consortium formed by 5% Akkök Group, 45% Akenerji and 50% CEZ partnership paid 300 million USD in cash, while the remaining amount will be paid in two years in equal installments with an interest rate of Libor+2.5%.