

## Inside Information

### **CEZ bought up a part of minority shares in its Romanian companies**

**CEZ energy company has concluded negotiations with Romanian Fondul Proprietatea on the purchase of 30 % stakes in Romanian companies CEZ Distributie S.A. and CEZ Vanzare S.A. for EUR 229.6 mil.**

Negotiations have been led since late June 09 when CEZ applied for a call option, both to Fondul Proprietatea S.A. and Electrica S.A., based on provisions from 2005 privatization deal, when CEZ successfully acquired 51% stake in Electrica Oltenia. In March 2007, according to the EU legislation, Electrica Oltenia was the first company in the Romanian electricity market to implement unbundling, i.e. the separation of electricity sales from its distribution, successors being CEZ Distributie and CEZ Vanzare.

After successful transaction with Fondul Proprietatea, CEZ owns approx. 81% stake in both companies. Negotiations on purchase of the other minority shares with its owner, company Electrica S.A., are ongoing. The conclusion of these negotiations is expected in the beginning of October, a successful outcome will ensure CEZ a 100 % ownership of both companies.

CEZ operates in Romania since 2005 when it won a privatization tender for a 51% stake in the largest Romanian electricity distribution company Electrica Oltenia.

CEZ boosted its operations on Romanian market especially last year by winning the tender for strategic partner for modernization of existing plant in Galati and a construction of a new CCGT unit at the same place. CEZ also became a partner with a 9.15 % stake in the JV company for construction of the 3<sup>rd</sup> and 4<sup>th</sup> unit in the nuclear power plant Cernavoda.

In Romania, CEZ Group also builds a largest European wind power plant project – wind farms Fantanele and Cogeaalac with installed capacity will reach 600 MW. CEZ Group plans to invest EUR 1.1 billion into this project.