

Inside Information

CEZ entered into an agreement with Dalkia

Power Company CEZ and Dalkia Czech Republic have concluded a contract for purchase of 85% share in Dalkia Usti nad Labem for an amount which 100 % equivalent would reach 6.3 billion CZK consisted of a variable and fixed sum. Dalkia Usti nad Labem includes especially the Trmice Heating Plant and approximately 20 per cent share in Tepelné hospodářství Usti nad Labem (the Heat Economy of Usti nad Labem). CEZ will concurrently acquire 15 % of Dalkia ČR itself for 3.6 billion CZK consisted also of a variable and fixed sum.

CEZ will acquire the share in Dalkia Usti nad Labem gradually, first of all 85 % will be transferred. A part of the agreement is also an option for the remaining 15 per cent share in Dalkia Usti nad Labem and Dalkia as well can obtain 85 per cent share back on certain conditions. Both options are related to the interest of both parties in a trouble-free continuity of performance in Usti nad Labem and future development of further negotiations regarding the potential assets transactions.

Completion of the agreed transactions is expected in the following months after they have been approved by the appropriate authorities.

With this acquisition CEZ meets its long-term interest in the area of heating industry. In the location of Usti nad Labem in particular, CEZ already owns the companies Martia and PPC Uzin. CEZ will now be able to optimise its intentions in this municipality in cooperation with representatives of the municipality considering assurance of long-term heat supplies in relation to ecology and price of heat.

CEZ will definitely reduce its total emissions in the the region of Usti nad Labem. The CEZ Group does maximum to improve environment in the region of Usti nad Labem – it modernises power plants and builds new sources with high efficiency so that the result emissions will be deeply below the limits set by the European Union. It will reach these limits before 2015 after which new emissions limits will be valid.