

**CEZ GROUP****Consolidated Balance Sheet**

in accordance with IFRS

(in CZK Millions)

	31.12.2009	31.3.2010
<b>Assets</b>		
<b>Property, plant and equipment:</b>		
Plant in service	509 618	510 722
Less accumulated provision for depreciation	(266 377)	(270 027)
Net plant in service	243 241	240 695
Nuclear fuel, at amortized cost	5 439	7 087
Construction work in progress	80 125	85 012
Total property, plant and equipment	328 805	332 794
<b>Other non-current assets:</b>		
Investment in associates and joint-ventures	17 250	17 109
Investments and other financial assets, net	49 423	48 117
Intangible assets, net	18 653	18 351
Deferred tax assets	824	597
Total other non-current assets	86 150	84 174
<b>Total non-current assets</b>	<b>414 955</b>	<b>416 968</b>
<b>Current assets:</b>		
Cash and cash equivalents	26 727	28 462
Receivables, net	46 350	35 107
Income tax receivable	997	3 181
Materials and supplies, net	4 959	5 307
Fossil fuel stocks	2 944	2 020
Emission rights	1 212	1 150
Other financial assets, net	29 706	35 167
Other current assets	2 409	2 715
<b>Total current assets</b>	<b>115 304</b>	<b>113 109</b>
<b>Total assets</b>	<b>530 259</b>	<b>530 077</b>
<b>Equity and liabilities</b>		
<b>Equity:</b>		
Equity attributable to equity holders of the parent:		
Stated capital	53 799	53 799
Treasury shares	(5 151)	(4 722)
Retained earnings and other reserves	151 713	171 669
Total equity attributable to equity holders of the parent	200 361	220 746
Non-controlling interests	6 314	6 134
<b>Total equity</b>	<b>206 675</b>	<b>226 880</b>
<b>Long-term liabilities:</b>		
Long-term debt, net of current portion	118 921	120 842
Accumulated provision for nuclear decommissioning and fuel storage	37 152	37 236
Other long-term liabilities	21 108	20 784
<b>Total long-term liabilities</b>	<b>177 181</b>	<b>178 862</b>
<b>Deferred tax liability</b>	<b>15 335</b>	<b>19 993</b>
<b>Current liabilities:</b>		
Short-term loans	31 257	14 693
Current portion of long-term debt	6 632	6 622
Trade and other payables	76 853	68 563
Income tax payable	1 359	136
Accrued liabilities	14 967	14 328
<b>Total current liabilities</b>	<b>131 068</b>	<b>104 342</b>
<b>Total equity and liabilities</b>	<b>530 259</b>	<b>530 077</b>

## CEZ GROUP

### Consolidated Statement of Income

in accordance with IFRS

(in CZK Millions)

	1-3/2009	1-3/2010
<b>Revenues:</b>		
Sales of electricity	49 377	44 964
Gains and losses from electricity, coal and gas derivative trading, net	554	4 287
Heat sales and other revenues	4 021	4 635
<b>Total revenues</b>	<b>53 952</b>	<b>53 886</b>
<b>Operating expenses:</b>		
Fuel	(4 895)	(4 599)
Purchased power and related services	(12 307)	(13 945)
Repairs and maintenance	(817)	(806)
Depreciation and amortization	(5 430)	(5 640)
Salaries and wages	(3 693)	(4 066)
Materials and supplies	(1 044)	(1 186)
Emission rights, net	950	921
Other operating expenses	(1 919)	(2 874)
<b>Total expenses</b>	<b>(29 155)</b>	<b>(32 195)</b>
<b>Income before other income (expenses) and income taxes</b>	<b>24 797</b>	<b>21 691</b>
<b>Other income (expenses):</b>		
Interest on debt, net of capitalized interest	(821)	(907)
Interest on nuclear and other provisions	(524)	(510)
Interest income	545	703
Foreign exchange rate gains (losses), net	(1 070)	(481)
Other income (expenses), net	1 089	916
Income from associates and joint-ventures	(36)	51
<b>Total other income (expenses)</b>	<b>(817)</b>	<b>(228)</b>
<b>Income before income taxes</b>	<b>23 980</b>	<b>21 463</b>
<b>Income taxes</b>	<b>(4 595)</b>	<b>(4 001)</b>
<b>Net income</b>	<b>19 385</b>	<b>17 462</b>
<b>Net income attributable to:</b>		
Equity holders of the parent	19 091	17 455
Non-controlling interests	294	7

**CEZ GROUP****Consolidated Statement of Comprehensive****Income** in accordance with IFRS

(in CZK Millions)

	1-3/2009	1-3/2010
<b>Net income</b>	<b>19 385</b>	<b>17 462</b>
<b>Other comprehensive income:</b>		
Change in fair value of cash flow hedges recognized in equity	(2 962)	5 354
Cash flow hedges removed from equity	(761)	(407)
Change in fair value of available-for-sale financial assets recognized in equity	(544)	147
Available-for-sale financial assets removed from equity	1	1
Translation differences	(1 848)	(1 458)
Share on equity movements of associates and joint-ventures	(14)	(4)
Deferred tax relating to other comprehensive income	732	(944)
Other movements	16	
<b>Other comprehensive income, net of tax</b>	<b>(5 380)</b>	<b>2 689</b>
<b>Total comprehensive income, net of tax</b>	<b>14 005</b>	<b>20 151</b>
Total comprehensive income attributable to:		
Equity holders of the parent	13 906	20 331
Non-controlling interests	99	(180)

**CEZ GROUP**
**Consolidated Statement of Changes  
in Equity** in accordance with IFRS

(in CZK Millions)

	Attributable to Equity Holders of the Parent						Total	Non-controlling Interests	Total equity
	Stated capital	Treasury shares	Translation difference	Cash flow hedge reserve	Available-for- sale and other reserves	Retained earnings			
December 31, 2008	59 221	(66 910)	(5 025)	(5 631)	503	191 094	173 252	12 158	185 410
Net income						19 091	19 091	294	19 385
Other comprehensive income			(1 644)	(3 086)	(448)	(7)	(5 185)	(195)	(5 380)
Total comprehensive income	-	-	(1 644)	(3 086)	(448)	19 084	13 906	99	14 005
Reduction of the stated capital	(5 422)	61 313				(55 891)	-		-
Share options					31		31		31
Change in non-controlling interests due to acquisitions							-	(11)	(11)
March 31, 2009	53 799	(5 597)	(6 669)	(8 717)	86	154 287	187 189	12 246	199 435
December 31, 2009, as previously reported	53 799	(5 151)	(6 649)	(2 168)	609	159 921	200 361	6 314	206 675
Effect of change in accounting policies						(244)	(244)		(244)
January 1, 2010, as restated	53 799	(5 151)	(6 649)	(2 168)	609	159 677	200 117	6 314	206 431
Net income						17 455	17 455	7	17 462
Other comprehensive income			(1 269)	4 004	126	15	2 876	(187)	2 689
Total comprehensive income	-	-	(1 269)	4 004	126	17 470	20 331	(180)	20 151
Sale of treasury shares		429				(159)	270		270
Share options					28		28		28
Transfer of exercised and forfeited share options within equity					(81)	81	-		-
March 31, 2010	53 799	(4 722)	(7 918)	1 836	682	177 069	220 746	6 134	226 880

**CEZ GROUP****Consolidated Statement of Cash Flows**  
in accordance with IFRS

(in CZK Millions)

	1-3/2009	1-3/2010
<b>Operating activities:</b>		
Income before income taxes	23 980	21 463
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Depreciation, amortization and asset write-offs	5 430	5 649
Amortization of nuclear fuel	662	983
(Gain) loss on fixed assets retirements, net	(10)	(21)
Foreign exchange rate losses (gains), net	1 070	481
Interest expense, interest income and dividends income, net	276	204
Provision for nuclear decommissioning and fuel storage	33	16
Valuation allowances, other provisions and other adjustments	(291)	(714)
Income from associates and joint-ventures	36	(51)
Changes in assets and liabilities:		
Receivables	(1 266)	4 660
Materials and supplies	(282)	(433)
Fossil fuel stocks	(169)	888
Other current assets	(22 842)	(5 315)
Trade and other payables	11 018	(4 677)
Accrued liabilities	4 722	(510)
Cash generated from operations	22 367	22 623
Income taxes paid	(2 919)	(3 454)
Interest paid, net of capitalized interest	(50)	(328)
Interest received	386	632
Net cash provided by operating activities	<b>19 784</b>	<b>19 473</b>
<b>Investing activities:</b>		
Acquisition of subsidiaries, associates and joint-ventures, net of cash acquired	(3 378)	(115)
Additions to property, plant and equipment and other non-current assets, including capitalized interest	(8 481)	(11 907)
Proceeds from sales of fixed assets	56	422
Loans made	(4)	(47)
Repayments of loans	131	4 830
Change in decommissioning and other restricted funds	826	(326)
Total cash used in investing activities	<b>(10 850)</b>	<b>(7 143)</b>
<b>Financing activities:</b>		
Proceeds from borrowings	77 507	71 603
Payments of borrowings	(80 698)	(81 769)
Proceeds from other long-term liabilities	39	3
Payments of other long-term liabilities	(73)	(61)
Dividends paid to Company's shareholders	(12)	(20)
(Acquisition) sale of treasury shares, net	-	271
Total cash provided by (used in) financing activities	<b>(3 237)</b>	<b>(9 973)</b>
Net effect of currency translation in cash	(453)	(622)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>5 244</b>	<b>1 735</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>17 303</b>	<b>26 727</b>
<b>Cash and cash equivalents at end of period</b>	<b>22 547</b>	<b>28 462</b>
<b>Supplementary cash flow information</b>		
Total cash paid for interest	437	626

## Structure of the consolidation unit CEZ Group as of March 31, 2010

Company	Reg. number	Country of incorporation
<b>Parent company:</b>		
ČEZ, a. s.	45274649	Czech Republic
<b>Subsidiaries:</b>		
Bohemian Development, a.s.	28073142	Czech Republic
CEZ Albania Sh.A.	-	Albania
CEZ Bosna i Hercegovina d.o.o.	-	Bosnia and Herzegovina
CEZ Bulgaria EAD	-	Bulgaria
CEZ Ciepło Polska sp. z o.o.	-	Poland
CEZ Deutschland GmbH	-	Germany
CEZ Distribuție S.A.	-	Romania
CEZ Elektro Bulgaria AD	-	Bulgaria
CEZ Elektroprodukcija Bulgaria AD	-	Bulgaria
CEZ FINANCE B.V.	-	Netherlands
CEZ Finance Ireland Ltd.	-	Ireland
CEZ Hungary Ltd.	-	Hungary
CEZ Chorzow B.V.	-	Netherlands
CEZ International Finance B.V.	-	Netherlands
CEZ Laboratories Bulgaria EOOD	-	Bulgaria
CEZ MH B.V.	-	Netherlands
CEZ Nowa Skawina S.A.	-	Poland
CEZ Poland Distribution B.V.	-	Netherlands
CEZ Polska sp. z o.o.	-	Poland
CEZ Produkty Energetyczne Polska sp. z o.o.	-	Poland
CEZ Razpredelenie Bulgaria AD	-	Bulgaria
CEZ Romania S.R.L.	-	Romania
CEZ RUS OOO	-	Russia
CEZ Servicii S.A.	-	Romania
CEZ Silesia B.V.	-	Netherlands
CEZ Slovensko, s.r.o.	-	Slovakia
CEZ Srbija d.o.o.	-	Serbia
CEZ Trade Albania Sh.P.K.	-	Albania
CEZ Trade Bulgaria EAD	-	Bulgaria
CEZ Trade Polska sp. z o.o.	-	Poland
CEZ Trade Romania S.R.L.	-	Romania
CEZ Ukraine CJSC	-	Ukraine
CEZ Vanzare S.A.	-	Romania
CZ INVEST - PLUS, a.s.	28075951	Czech Republic
CZECH HEAT a.s.	27587991	Czech Republic
ČEZ Bohunice a.s.	28861736	Czech Republic
ČEZ Distribuce, a. s.	27232425	Czech Republic
ČEZ Distribuční služby, s.r.o.	26871823	Czech Republic
ČEZ Distribuční zařízení, a.s.	28922727	Czech Republic
ČEZ Energetické produkty, s.r.o.	28255933	Czech Republic
ČEZ Energetické služby, s.r.o.	27804721	Czech Republic
ČEZ ICT Services, a. s.	26470411	Czech Republic
ČEZ Logistika, s.r.o.	26840065	Czech Republic
ČEZ Měření, s.r.o.	25938878	Czech Republic
ČEZ Obnovitelné zdroje, s.r.o.	25938924	Czech Republic
ČEZ Prodej, s.r.o.	27232433	Czech Republic
ČEZ Správa majetku, s.r.o.	26206803	Czech Republic
ČEZ Teplárenská, a.s.	27309941	Czech Republic
ČEZ Zákaznické služby, s.r.o.	26376547	Czech Republic
EDICOLLA a.s.	27756769	Czech Republic
Elektra Žabčice a.s.	28270975	Czech Republic

Company	Reg. number	Country of incorporation
Elektrárna Chvaletice a.s.	28786009	Czech Republic
Elektrociepłownia Chorzów ELCHO sp. z o.o.	-	Poland
Elektrownia Skawina S.A.	-	Poland
Energetické centrum s.r.o.	26051818	Czech Republic
GENTLEY a.s.	28209117	Czech Republic
M.W. Team Invest S.R.L.	-	Romania
MALLA, a.s.	28263341	Czech Republic
MARTIA a.s.	25006754	Czech Republic
NERS d.o.o.	-	Bosnia and Herzegovina
New Kosovo Energy L.L.C.	-	Kosovo
Operatori i Sistemit te Shperndarjes Sh.A.	-	Albania
Ovidiu Development S.R.L.	-	Romania
PPC Úžín, a.s.	27198367	Czech Republic
PRODECO, a.s.	25020790	Czech Republic
SD - 1.strojírenská, a.s.	25437127	Czech Republic
SD - Autodoprava, a.s.	25028197	Czech Republic
SD - Kolejová doprava, a.s.	25438107	Czech Republic
SD - KOMES, a.s.	28666674	Czech Republic
SD - Rekultivace, a.s.	27329011	Czech Republic
Severočeské doly a.s.	49901982	Czech Republic
STE - obchodní služby spol. s r.o. v likvidaci	49826182	Czech Republic
Š-BET, s.r.o.	25994522	Czech Republic
ŠKODA PRAHA a.s.	00128201	Czech Republic
ŠKODA PRAHA Invest s.r.o.	27257517	Czech Republic
TEC Varna EAD	-	Bulgaria
TEPLEX s.r.o.	28707800	Czech Republic
Tomis Team S.R.L.	-	Romania
Ústav jaderného výzkumu Řež a.s.	46356088	Czech Republic
<b>Associates and joint-ventures:</b>		
Akcez Enerji A.S.	-	Turkey
AK-EL Yalova Elektrik Üretim A.S.	-	Turkey
Aken B.V.	-	Netherlands
Akenerji Elektrik Enerjisi Ithalat Ihracat ve Toptan Ticaret A.S.	-	Turkey
Akenerji Elektrik Üretim A.S.	-	Turkey
Akka Elektrik Üretim A.S.	-	Turkey
Akkur Enerji Üretim A.S.	-	Turkey
CM European Power International B.V.	-	Netherlands
CM European Power International s.r.o.	-	Slovakia
CM European Power Slovakia s.r.o.	-	Slovakia
Egemer Elektrik Üretim A.S.	-	Turkey
Energonuclear S.A.	-	Romania
Jadrová energetická spoločnosť Slovenska, a. s.	-	Slovakia
JTSD - Braunkohlebergbau GmbH	-	Germany
LOMY MOŘINA spol. s r.o.	61465569	Czech Republic
Mem Enerji Elektrik Üretim Sanayi ve Ticaret A.S.	-	Turkey
Mitteldeutsche Braunkohlengesellschaft mbH	-	Germany
MOL - CEZ European Power Hungary Ltd.	-	Hungary
Sakarya Elektrik Dagitim A.S.	-	Turkey

## Methods of consolidation

Parent company and subsidiaries:

Full consolidation

Associates and joint-ventures:

Equity method