

BALANCE SHEET

in accordance with IFRS as of June 30, 2011

in CZK Millions

	30. 6. 2011	31. 12. 2010
Assets		
Property, plant and equipment:		
Plant in service	308,443	305,523
Less accumulated provision for depreciation	(178,283)	(172,285)
Net plant in service	130,160	133,238
Nuclear fuel, at amortized cost	9,007	7,005
Construction work in progress	59,154	54,929
Total property, plant and equipment	198,321	195,172
Other non-current assets:		
Investments and other financial assets, net	197,073	181,973
Intangible assets, net	626	706
Total other non-current assets	197,699	182,679
Total non-current assets	396,020	377,851
Current assets:		
Cash and cash equivalents	24,112	16,142
Receivables, net	47,553	48,205
Income tax receivable	5,580	1,457
Materials and supplies, net	3,686	3,217
Fossil fuel stocks	1,059	883
Emission rights	5,335	2,152
Other financial assets, net	25,593	15,472
Other current assets	992	1,043
Assets classified as held for sale	2,739	2,739
Total current assets	116,649	91,310
Total assets	512,669	469,161
Equity and liabilities		
Equity:		
Stated capital	53,799	53,799
Treasury shares	(4,382)	(4,619)
Retained earnings and other reserves	141,326	140,308
Total equity	190,743	189,488
Long-term liabilities:		
Long-term debt, net of current portion	150,038	135,097
Accumulated provision for nuclear decommissioning and fuel storage	36,878	36,619
Other long-term liabilities	5,064	4,292
Total long-term liabilities	191,980	176,008
Deferred tax liability	14,179	10,533
Current liabilities:		
Short-term loans	3,995	6,455
Current portion of long-term debt	2,669	12,298
Trade and other payables	99,236	65,722
Accrued liabilities	9,867	8,657
Total current liabilities	115,767	93,132
Total equity and liabilities	512,669	469,161

STATEMENT OF INCOME

in accordance with IFRS as of June 30, 2011

in CZK Millions

	4-6/2011	1-6/2011	4-6/2010	1-6/2010
Revenues:				
Sales of electricity	22,739	46,173	22,210	45,611
Gains and losses from electricity, coal and gas derivative trading, net	1,263	4,398	1,077	5,322
Heat sales and other revenues	1,833	4,132	1,171	2,786
Total revenues	25,835	54,703	24,458	53,719
Operating expenses:				
Fuel	(3,750)	(8,038)	(3,750)	(8,898)
Purchased power and related services	(6,828)	(13,465)	(4,092)	(7,405)
Repairs and maintenance	(944)	(1,299)	(860)	(1,394)
Depreciation and amortization	(3,073)	(6,211)	(3,105)	(6,203)
Salaries and wages	(1,479)	(2,942)	(1,543)	(2,996)
Materials and supplies	(448)	(826)	(430)	(833)
Emission rights, net	28	1,098	966	1,805
Other operating expenses	(1,753)	(3,344)	(1,519)	(3,100)
Total expenses	(18,247)	(35,027)	(14,333)	(29,024)
Income before other income (expenses) and income taxes	7,588	19,676	10,125	24,695
Other income (expenses):				
Interest on debt, net of capitalized interest	(1,218)	(2,363)	(1,083)	(2,015)
Interest on nuclear and other provisions	(429)	(857)	(435)	(870)
Interest income	717	1,397	593	1,192
Foreign exchange rate gains (losses), net	(269)	10	(575)	(1,256)
Other income (expenses), net	12,840	11,574	7,923	8,459
Total other income (expenses)	11,641	9,761	6,423	5,510
Income before income taxes	19,229	29,437	16,548	30,205
Income taxes	(1,173)	(3,343)	(1,516)	(4,114)
Net income	18,056	26,094	15,032	26,091

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STATEMENT OF COMPREHENSIVE INCOME

in accordance with IFRS as of June 30, 2011

in CZK Millions

	<u>4-6/2011</u>	<u>1-6/2011</u>	<u>4-6/2010</u>	<u>1-6/2010</u>
Net income	18,056	26,094	15,032	26,091
Other comprehensive income:				
Change in fair value of cash flow hedges recognized in equity	2,623	2,670	(1,148)	4,096
Cash flow hedges removed from equity	(857)	(628)	(805)	(1,198)
Change in fair value of available-for-sale financial assets recognized in equity	76	7	42	114
Deferred tax relating to other comprehensive income	(350)	(389)	363	(572)
Other comprehensive income, net of tax	<u>1,492</u>	<u>1,660</u>	<u>(1,548)</u>	<u>2,440</u>
Total comprehensive income	<u><u>19,548</u></u>	<u><u>27,754</u></u>	<u><u>13,484</u></u>	<u><u>28,531</u></u>

STATEMENT OF CHANGES IN EQUITY
in accordance with IFRS as of June 30, 2011
in CZK Millions

	Stated Capital	Treasury Shares	Cash flow hedge reserve	Available-for- sale and other reserves	Retained Earnings	Total Equity
December 31, 2009	53,799	(5,151)	(2,155)	520	130,447	177,460
Effect of change in accounting policies					(218)	(218)
January 1, 2010, as restated	53,799	(5,151)	(2,155)	520	130,229	177,242
Net income					26,091	26,091
Other comprehensive income			2,347	93		2,440
Total comprehensive income	-	-	2,347	93	26,091	28,531
Dividends					(28,297)	(28,297)
Sale of treasury shares		532			(195)	337
Share options				49		49
Transfer of exercised and forfeited share options within equity				(98)	98	-
June 30, 2010	53,799	(4,619)	192	564	127,926	177,862
December 31, 2010	53,799	(4,619)	3,008	656	136,644	189,488
Net income					26,094	26,094
Other comprehensive income			1,655	5		1,660
Total comprehensive income	-	-	1,655	5	26,094	27,754
Dividends					(26,706)	(26,706)
Sale of treasury shares		237			(68)	169
Share options				38		38
Transfer of exercised and forfeited share options within equity				(41)	41	-
June 30, 2011	53,799	(4,382)	4,663	658	136,005	190,743

STATEMENT OF CASH FLOWS

in accordance with IFRS as of June 30, 2011

in CZK Millions

	1-6/2011	1-6/2010
Operating activities:		
Income before income taxes	29,437	30,205
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Depreciation, amortization and asset write-offs	6,211	6,214
Amortization of nuclear fuel	1,817	1,801
(Gain) loss on fixed assets retirements, net	(20)	4
Foreign exchange rate losses (gains), net	(10)	1,256
Interest expense, interest income and dividends income, net	(12,987)	(6,192)
Provision for nuclear decommissioning and fuel storage	25	(7)
Valuation allowances, other provisions and other adjustments	(1,165)	(2,163)
Changes in assets and liabilities:		
Receivables	(487)	9,362
Materials and supplies	(469)	(118)
Fossil fuel stocks	(177)	646
Other current assets	(13,558)	(1,839)
Trade and other payables	6,580	(18,800)
Accrued liabilities	1,853	(110)
Cash generated from operations	17,050	20,259
Income taxes paid	(4,210)	(5,959)
Interest paid, net of capitalized interest	(2,060)	(1,077)
Interest received	1,165	1,051
Dividends received	791	118
Net cash provided by operating activities	12,736	14,392
Investing activities:		
Acquisition of subsidiaries, associates and joint-ventures	(1,253)	(5,348)
Additions to property, plant and equipment and other non-current assets, including capitalized interest	(13,331)	(16,521)
Proceeds from sales of fixed assets	172	183
Loans made	(3,001)	(20,227)
Repayments of loans	2,691	9,209
Change in decommissioning and other restricted funds	(487)	(619)
Total cash used in investing activities	(15,209)	(33,323)
Financing activities:		
Proceeds from borrowings	44,621	120,440
Payments of borrowings	(37,347)	(87,199)
Change in payables/receivables from group cashpooling	3,323	6,173
Dividends paid	(30)	(35)
(Acquisition) sale of treasury shares	170	337
Total cash provided by (used in) financing activities	10,737	39,716
Net effect of currency translation in cash	(294)	270
Net increase (decrease) in cash and cash equivalents	7,970	21,055
Cash and cash equivalents at beginning of period	16,142	14,567
Cash and cash equivalents at end of period	24,112	35,622
Supplementary cash flow information		
Total cash paid for interest	3,284	1,936