

BALANCE SHEET

in accordance with IFRS as of September 30, 2014

in CZK Millions

	30. 9. 2014	31. 12. 2013
Assets		
Property, plant and equipment:		
Plant in service	319 997	319 081
Less accumulated provision for depreciation	<u>(190 652)</u>	<u>(182 282)</u>
Net plant in service	129 345	136 799
Nuclear fuel, at amortized cost	11 144	10 627
Construction work in progress	<u>93 179</u>	<u>86 512</u>
Total property, plant and equipment	233 668	233 938
Other non-current assets:		
Investments and other financial assets, net	187 545	192 512
Intangible assets, net	<u>484</u>	<u>572</u>
Total other non-current assets	<u>188 029</u>	<u>193 084</u>
Total non-current assets	421 697	427 022
Current assets:		
Cash and cash equivalents	5 519	14 166
Receivables, net	44 361	56 480
Income tax receivable	1 794	807
Materials and supplies, net	5 412	4 535
Fossil fuel stocks	473	593
Emission rights	4 917	7 300
Other financial assets, net	24 124	37 206
Other current assets	<u>1 106</u>	<u>1 148</u>
Total current assets	<u>87 706</u>	<u>122 235</u>
Total assets	<u><u>509 403</u></u>	<u><u>549 257</u></u>
Equity and liabilities		
Equity:		
Stated capital	53 799	53 799
Treasury shares	(4 382)	(4 382)
Retained earnings and other reserves	<u>158 378</u>	<u>155 826</u>
Total equity	207 795	205 243
Long-term liabilities:		
Long-term debt, net of current portion	138 189	162 746
Accumulated provision for nuclear decommissioning and fuel storage	43 572	43 641
Other long-term liabilities	<u>9 200</u>	<u>10 321</u>
Total long-term liabilities	190 961	216 708
Deferred tax liability	10 672	8 744
Current liabilities:		
Short-term loans	2 460	2 230
Current portion of long-term debt	19 638	24 713
Trade and other payables	69 420	78 844
Accrued liabilities	<u>8 457</u>	<u>12 775</u>
Total current liabilities	<u>99 975</u>	<u>118 562</u>
Total equity and liabilities	<u><u>509 403</u></u>	<u><u>549 257</u></u>

STATEMENT OF INCOME

in accordance with IFRS as of September 30, 2014

in CZK Millions

	7-9/2014	1-9/2014	7-9/2013	1-9/2013
Revenues:				
Sales of electricity	16 392	52 580	19 957	64 004
Gains and losses from electricity, coal and gas derivative trading, net	(467)	2 849	(1 190)	3 635
Sales of gas, heat and other revenues	1 879	6 946	2 046	7 447
Total revenues	17 804	62 375	20 813	75 086
Operating expenses:				
Fuel	(2 513)	(7 542)	(2 377)	(7 642)
Purchased power and related services	(5 635)	(19 720)	(7 893)	(26 810)
Repairs and maintenance	(713)	(1 813)	(950)	(2 204)
Depreciation and amortization	(3 345)	(10 010)	(3 336)	(9 991)
Impairment of property, plant and equipment and intangible assets	-		(3)	(3)
Salaries and wages	(1 450)	(4 460)	(1 474)	(4 316)
Materials and supplies	(322)	(1 016)	(383)	(1 083)
Emission rights, net	(748)	(376)	(1 123)	(1 006)
Other operating expenses	(1 596)	(4 967)	(1 462)	(4 621)
Total expenses	(16 322)	(49 904)	(19 001)	(57 676)
Income before other income (expenses) and income taxes	1 482	12 471	1 812	17 410
Other income (expenses):				
Interest on debt, net of capitalized interest	(761)	(2 842)	(1 262)	(3 691)
Interest on nuclear and other provisions	(393)	(1 180)	(380)	(1 142)
Interest income	339	1 124	455	1 494
Foreign exchange rate gains (losses), net and joint-ventures	(128)	(310)	168	299
	-		5 079	5 079
Other income (expenses), net	(3 114)	14 966	(4 373)	10 088
Total other income (expenses)	(4 057)	11 758	(313)	12 127
Income before income taxes	(2 575)	24 229	1 499	29 537
Income taxes	(122)	(1 640)	(125)	(2 474)
Net income	(2 697)	22 589	1 374	27 063

STATEMENT OF COMPREHENSIVE INCOME

in accordance with IFRS as of September 30, 2014

in CZK Millions

	<u>7-9/2014</u>	<u>1-9/2014</u>	<u>7-9/2013</u>	<u>1-9/2013</u>
Net income	(2 697)	22 589	1 374	27 063
Other comprehensive income - items that may be reclassified subsequently to income statement:				
Change in fair value of cash flow hedges recognized in equity	743	3 661	(293)	(925)
Cash flow hedges removed from equity	(1 780)	(2 571)	202	(2 343)
Change in fair value of available-for-sale financial assets recognized in equity	134	454	2	(309)
Deferred tax relating to other comprehensive income	<u>172</u>	<u>(293)</u>	<u>17</u>	<u>680</u>
Other comprehensive income, net of tax	<u>(731)</u>	<u>1 251</u>	<u>(72)</u>	<u>(2 897)</u>
Total comprehensive income	<u><u>(3 428)</u></u>	<u><u>23 840</u></u>	<u><u>1 302</u></u>	<u><u>24 166</u></u>

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STATEMENT OF CHANGES IN EQUITY

in accordance with IFRS as of September 30, 2014

in CZK Millions

	Stated Capital	Treasury Shares	Cash flow hedge reserve	Available-for- sale and other reserves	Retained Earnings	Total Equity
December 31, 2012	53 799	(4 382)	1 467	1 168	158 859	210 911
Net income					27 063	27 063
Other comprehensive income			(2 647)	(250)		(2 897)
Total comprehensive income	-	-	(2 647)	(250)	27 063	24 166
Dividends					(21 294)	(21 294)
Share options				27		27
Transfer of exercised and forfeited share options within equity				(69)	69	-
September 30, 2013	53 799	(4 382)	(1 180)	876	164 697	213 810
December 31, 2013	53 799	(4 382)	(8 692)	772	163 746	205 243
Net income					22 589	22 589
Other comprehensive income			884	367		1 251
Total comprehensive income	-	-	884	367	22 589	23 840
Effect of merger					(7)	(7)
Dividends					(21 300)	(21 300)
Share options				19		19
Transfer of exercised and forfeited share options within equity				(36)	36	-
September 30, 2014	53 799	(4 382)	(7 808)	1 122	165 064	207 795

STATEMENT OF CASH FLOWS

in accordance with IFRS as of September 30, 2014

in CZK Millions

	1-9/2014	1-9/2013
Operating activities:		
Income before income taxes	24 229	29 537
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Depreciation, amortization and asset write-offs	10 010	9 994
Amortization of nuclear fuel	2 502	2 114
Loss (gain) on fixed assets retirements, net	(44)	(5 134)
Foreign exchange rate losses (gains), net	310	(299)
Interest expense, interest income and dividends income, net	(18 979)	(12 100)
Provision for nuclear decommissioning and fuel storage	(323)	(280)
Valuation allowances, other provisions and other adjustments	1 222	2 403
Changes in assets and liabilities:		
Receivables	3 924	8 204
Materials and supplies	(877)	(264)
Fossil fuel stocks	120	498
Other current assets	15 901	1 374
Trade and other payables	(3 020)	(8 736)
Accrued liabilities	(1 538)	(5 733)
Cash generated from operations	33 437	21 578
Income taxes paid	(993)	(2 581)
Interest paid, net of capitalized interest	(2 987)	(3 364)
Interest received	1 026	1 346
Dividends received	18 707	13 072
Net cash provided by operating activities	<u>49 190</u>	<u>30 051</u>
Investing activities:		
Acquisition of subsidiaries, associates and joint-ventures	(685)	(821)
Proceeds (refunds) from disposal of subsidiaries, associates and joint-ventures	26	4 120
Additions to property, plant and equipment and other non-current assets, including capitalized interest	(14 491)	(19 765)
Proceeds from sales of fixed assets	12	528
Loans made	(553)	(5 595)
Repayments of loans	11 307	3 022
Change in restricted financial assets	(571)	(601)
Total cash used in investing activities	<u>(4 955)</u>	<u>(19 112)</u>
Financing activities:		
Proceeds from borrowings	41 692	41 285
Payments of borrowings	(73 921)	(31 241)
Proceeds from other long-term liabilities	-	1 300
Change in payables/receivables from group cashpooling	679	8 421
Dividends paid	(21 257)	(21 249)
Net cash provided by (used in) financing activities	<u>(52 807)</u>	<u>(1 484)</u>
Net effect of currency translation in cash	(75)	(97)
Net increase (decrease) in cash and cash equivalents	(8 647)	9 358
Cash and cash equivalents at beginning of period	14 166	8 815
Cash and cash equivalents at end of period	<u>5 519</u>	<u>18 173</u>
Supplementary cash flow information		
Total cash paid for interest	6 448	5 749