

BALANCE SHEET

in accordance with IFRS as of March 31, 2015

in CZK Millions

| | 31. 03. 2015 | 31. 12. 2014 |
|--|----------------|----------------|
| Assets | | |
| Property, plant and equipment: | | |
| Plant in service | 345,012 | 344,246 |
| Less accumulated provision for depreciation | (199,841) | (196,333) |
| Net plant in service | 145,171 | 147,913 |
| Nuclear fuel, at amortized cost | 9,986 | 10,898 |
| Construction work in progress | 84,763 | 81,913 |
| Total property, plant and equipment | 239,920 | 240,724 |
| Other non-current assets: | | |
| Investments and other financial assets, net | 192,657 | 188,388 |
| Intangible assets, net | 621 | 668 |
| Total other non-current assets | 193,278 | 189,056 |
| Total non-current assets | 433,198 | 429,780 |
| Current assets: | | |
| Cash and cash equivalents | 12,660 | 9,511 |
| Receivables, net | 43,420 | 46,757 |
| Income tax receivable | 1,701 | 1,404 |
| Materials and supplies, net | 4,569 | 5,519 |
| Fossil fuel stocks | 436 | 561 |
| Emission rights | 4,258 | 4,175 |
| Other financial assets, net | 35,722 | 38,359 |
| Other current assets | 1,112 | 1,117 |
| Total current assets | 103,878 | 107,403 |
| Total assets | 537,076 | 537,183 |
| Equity and liabilities | | |
| Equity: | | |
| Stated capital | 53,799 | 53,799 |
| Treasury shares | (4,382) | (4,382) |
| Retained earnings and other reserves | 160,406 | 156,715 |
| Total equity | 209,823 | 206,132 |
| Long-term liabilities: | | |
| Long-term debt, net of current portion | 145,822 | 143,316 |
| Accumulated provision for nuclear decommissioning and fuel storage | 47,012 | 47,087 |
| Other long-term liabilities | 11,730 | 10,009 |
| Total long-term liabilities | 204,564 | 200,412 |
| Deferred tax liability | 10,537 | 9,624 |
| Current liabilities: | | |
| Short-term loans | 722 | 7,433 |
| Current portion of long-term debt | 13,983 | 15,092 |
| Trade and other payables | 85,366 | 84,479 |
| Accrued liabilities | 12,081 | 14,011 |
| Total current liabilities | 112,152 | 121,015 |
| Total equity and liabilities | 537,076 | 537,183 |

STATEMENT OF INCOME

in accordance with IFRS as of March 31, 2015

in CZK Millions

| | 1-3/2015 | 1-3/2014 |
|---|----------|----------|
| Revenues: | | |
| Sales of electricity | 19,392 | 18,700 |
| Gains and losses from electricity, coal and gas derivative trading, net | (898) | 2,099 |
| Sales of gas, heat and other revenues | 3,282 | 2,933 |
| Total revenues | 21,776 | 23,732 |
| Operating expenses: | | |
| Fuel | (2,951) | (2,748) |
| Purchased power and related services | (7,520) | (7,855) |
| Repairs and maintenance | (378) | (479) |
| Depreciation and amortization | (3,622) | (3,301) |
| Salaries and wages | (1,308) | (1,444) |
| Materials and supplies | (319) | (324) |
| Emission rights, net | 380 | 379 |
| Other operating expenses | (1,540) | (1,618) |
| Total expenses | (17,258) | (17,390) |
| Income before other income (expenses) and income taxes | 4,518 | 6,342 |
| Other income (expenses): | | |
| Interest on debt, net of capitalized interest | (820) | (1,085) |
| Interest on nuclear and other provisions | (364) | (394) |
| Interest income | 310 | 401 |
| Foreign exchange rate gains (losses), net | (805) | (65) |
| Other income (expenses), net | 125 | (146) |
| Total other income (expenses) | (1,554) | (1,289) |
| Income before income taxes | 2,964 | 5,053 |
| Income taxes | (603) | (967) |
| Net income | 2,361 | 4,086 |

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STATEMENT OF COMPREHENSIVE INCOME

in accordance with IFRS as of March 31, 2015

in CZK Millions

| | <u>1-3/2015</u> | <u>1-3/2014</u> |
|--|---------------------|---------------------|
| Net income | 2,361 | 4,086 |
| Other comprehensive income - items that may be reclassified subsequently to income statement: | | |
| Change in fair value of cash flow hedges recognized in equity | 4,616 | 2,660 |
| Cash flow hedges reclassified from equity | (3,140) | (405) |
| Change in fair value of available-for-sale financial assets recognized in equity | 156 | 73 |
| Deferred tax relating to other comprehensive income | <u>(310)</u> | <u>(442)</u> |
| Other comprehensive income, net of tax | <u>1,322</u> | <u>1,886</u> |
| Total comprehensive income | <u><u>3,683</u></u> | <u><u>5,972</u></u> |

STATEMENT OF CHANGES IN EQUITY

in accordance with IFRS as of March 31, 2015

in CZK Millions

| | Stated Capital | Treasury Shares | Cash flow hedge reserve | Available-for- sale and other reserves | Retained Earnings | Total Equity |
|--|-------------------|--------------------|----------------------------|--|----------------------|-----------------|
| December 31, 2013 | 53,799 | (4,382) | (8,692) | 772 | 163,746 | 205,243 |
| Net income | | | | | 4,086 | 4,086 |
| Other comprehensive income | | | 1,827 | 59 | | 1,886 |
| Total comprehensive income | - | - | 1,827 | 59 | 4,086 | 5,972 |
| Share options | | | | 6 | | 6 |
| Transfer of forfeited share options within equity | | | | (6) | 6 | - |
| March 31, 2014 | 53,799 | (4,382) | (6,865) | 831 | 167,838 | 211,221 |
| December 31, 2014 | 53,799 | (4,382) | (8,008) | 1,304 | 163,419 | 206,132 |
| Net income | | | | | 2,361 | 2,361 |
| Other comprehensive income | | | 1,196 | 126 | | 1,322 |
| Total comprehensive income | - | - | 1,196 | 126 | 2,361 | 3,683 |
| Share options | | | | 8 | | 8 |
| Transfer of forfeited share options within equity | | | | (10) | 10 | - |
| March 31, 2015 | 53,799 | (4,382) | (6,812) | 1,428 | 165,790 | 209,823 |

STATEMENT OF CASH FLOWS

in accordance with IFRS as of March 31, 2015

in CZK Millions

| | 1-3/2015 | 1-3/2014 |
|---|---------------|---------------|
| Operating activities: | | |
| Income before income taxes | 2,964 | 5,053 |
| Adjustments to reconcile income before income taxes to net cash provided by operating activities: | | |
| Depreciation, amortization and asset write-offs | 3,622 | 3,301 |
| Amortization of nuclear fuel | 982 | 867 |
| Loss (gain) on fixed assets retirements, net | (43) | (10) |
| Foreign exchange rate losses (gains), net | 805 | 65 |
| Interest expense, interest income and dividends income, net | 510 | 685 |
| Provision for nuclear decommissioning and fuel storage | (144) | (33) |
| Valuation allowances, other provisions and other adjustments | 173 | (384) |
| Changes in assets and liabilities: | | |
| Receivables | 3,210 | 5,198 |
| Materials and supplies | 950 | 135 |
| Fossil fuel stocks | 125 | 153 |
| Other current assets | (1,532) | (11,840) |
| Trade and other payables | 2,838 | 4,756 |
| Accrued liabilities | (3,592) | (1,880) |
| Cash generated from operations | 10,868 | 6,066 |
| Income taxes paid | (297) | (694) |
| Interest paid, net of capitalized interest | (102) | (225) |
| Interest received | 209 | 343 |
| Net cash provided by operating activities | 10,678 | 5,490 |
| Investing activities: | | |
| Acquisition of subsidiaries, associates and joint-ventures | (10) | (80) |
| Additions to property, plant and equipment and other non-current assets, including capitalized interest | (4,322) | (4,795) |
| Proceeds from sales of fixed assets | 18 | 275 |
| Loans made | (3,518) | (52) |
| Repayments of loans | 4,522 | 9,178 |
| Change in restricted financial assets | (60) | (82) |
| Total cash used in investing activities | (3,370) | 4,444 |
| Financing activities: | | |
| Proceeds from borrowings | 15,286 | 385 |
| Payments of borrowings | (23,209) | (9,336) |
| Proceeds from other long-term liabilities | 58 | |
| Change in payables/receivables from group cashpooling | 3,838 | 7,001 |
| Dividends paid | (23) | (28) |
| Net cash provided by (used in) financing activities | (4,050) | (1,978) |
| Net effect of currency translation in cash | (109) | (33) |
| Net increase (decrease) in cash and cash equivalents | 3,149 | 7,923 |
| Cash and cash equivalents at beginning of period | 9,511 | 14,166 |
| Cash and cash equivalents at end of period | 12,660 | 22,089 |
| Supplementary cash flow information | | |
| Total cash paid for interest | 218 | 443 |