



CONFERENCE CALL ON CEZ GROUP FINANCIAL RESULTS IN Q1-Q3 2015

Non-audited consolidated results
prepared in accordance with the International Financial Reporting Standards
(IFRS)
(quarterly report pursuant to Section 119a(4) of the Capital Market Undertakings Act)

Prague, November 10, 2015

AGENDA



CEZ Group Financial Highlights and Key Events in Q1–Q3 2015

Daniel Beneš, Chief Executive Officer

Tomáš Pleskač, Division International Chief Officer

Financial Results

Martin Novák, Chief Financial Officer

CEZ Group's Market Position

Pavel Cyrani, Chief Commercial and Strategy Officer

FINANCIAL HIGHLIGHTS



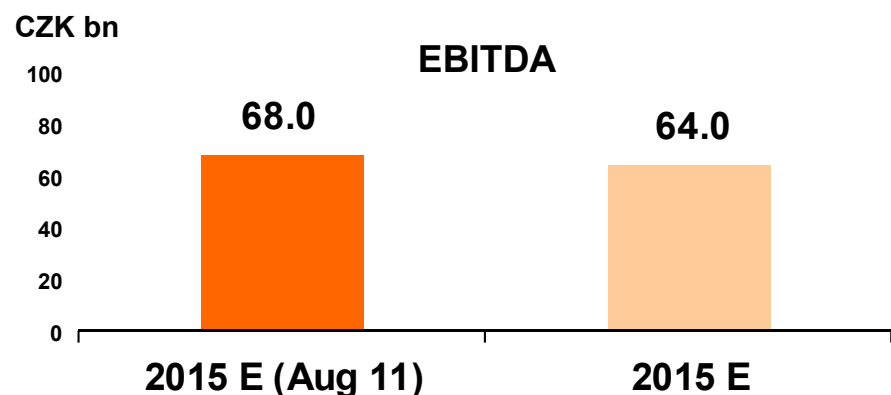
Q3 2015

- **EBITDA CZK 12.9bn**
- **EBIT CZK 3.3bn**
- **Adjusted net income* CZK 3.2bn**

Q1–Q3 2015

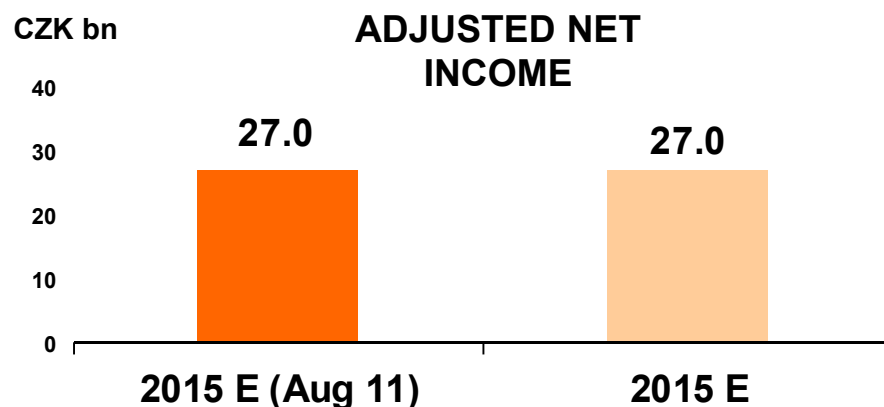
- **EBITDA CZK 48.4bn**
- **EBIT CZK 24.6bn**
- **Adjusted net income* CZK 18.6bn**

WE EXPECT ANNUAL 2015 EBITDA OF CZK 64BN, ADJUSTED NET INCOME AT THE LEVEL OF CZK 27BN



Selected negative effects not anticipated in Aug 11 Guidance:

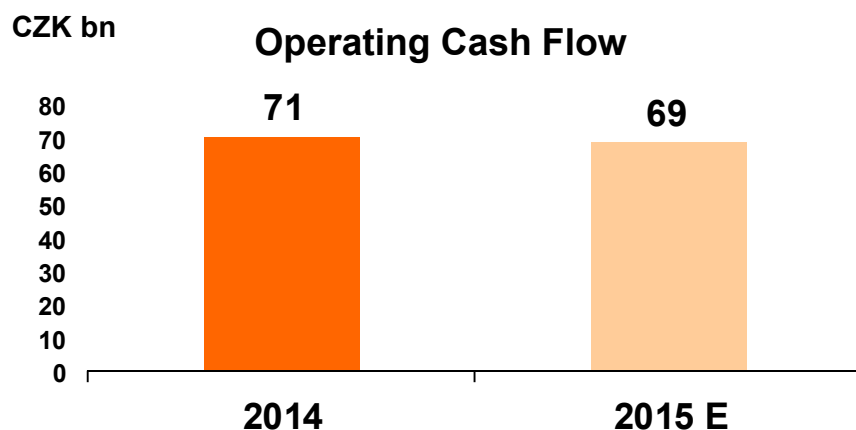
- Unplanned outages at Dukovany NPP (2.8 TWh) relating to comprehensive inspection of welds
- Extended planned outages and unplanned outages at Temelín NPP (0.9 TWh)
- Postponed completion of upgrades to coal-fired plants in the Czech Rep. and operation of existing coal-fired plants



Selected positive effects not anticipated in Aug 11 Guidance:

- Extraordinary income from the refund of a portion of gift tax on emission allowances for 2011 and 2012 (income not included in EBITDA)
- Higher cuts in fixed operating costs

WE ARE EXPECTING ANNUAL OPERATING CASH FLOW JUST CZK 2BN LOWER THAN IN 2014

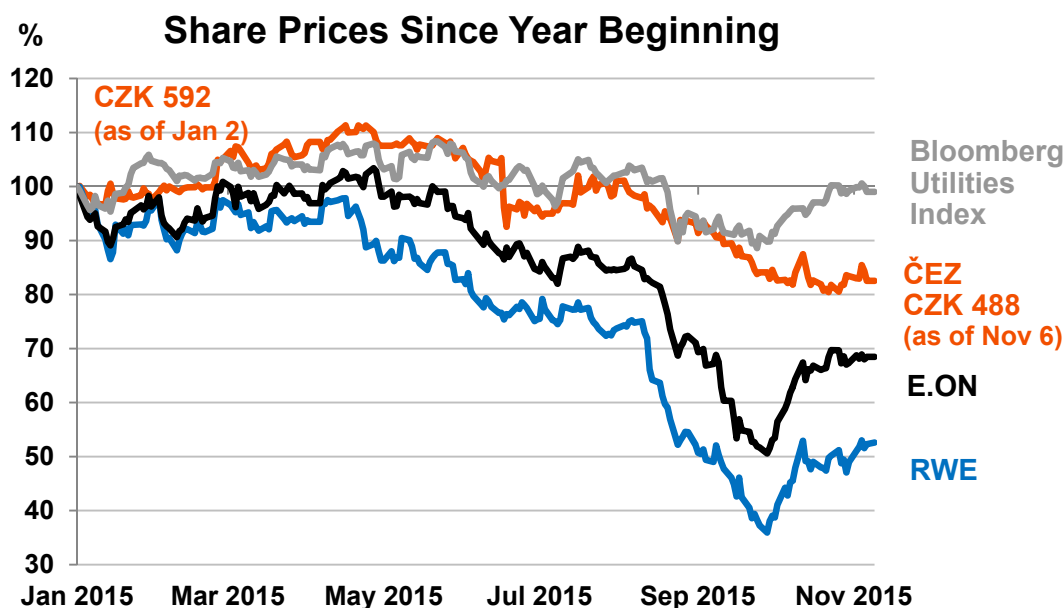


Selected year-on-year positive effects:

- Refund of a portion of gift tax on emission allowances for 2011 and 2012
- Cuts in fixed operating costs
- Extraordinary income from SŽDC
- Lower income tax, lower interest expense

Selected year-on-year negative effects:

- Decreasing electricity prices
- Change in working capital
- Non-recurring income from CA-CIB in 2014



Market capitalization from Jan 2, 2015 to Nov 6, 2015:

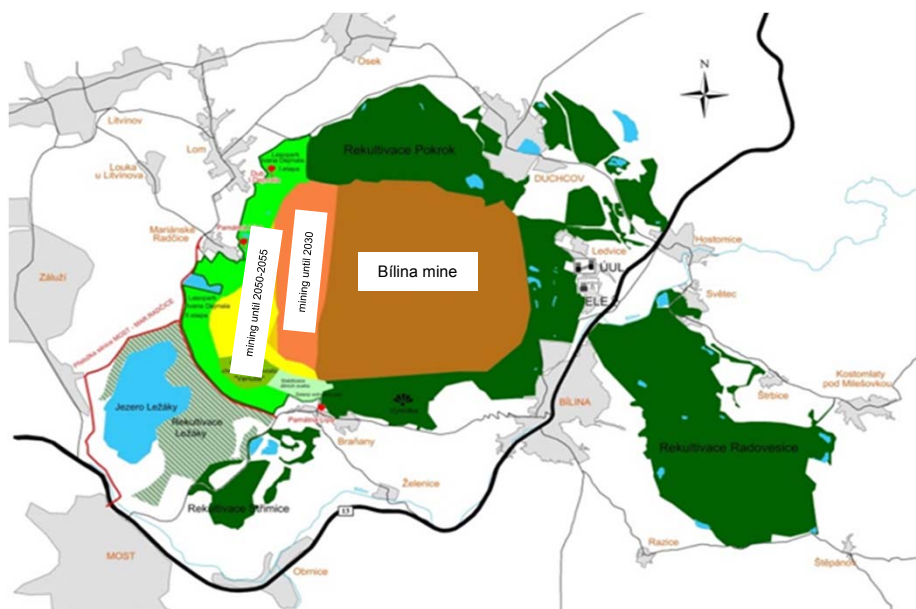
- ČEZ: down by CZK 56bn (-18%) to CZK 262bn
- E.ON: down by CZK 248bn (-32%) to CZK 525bn
- RWE: down by CZK 209bn (-49%) to CZK 220bn

CZECH GOVERNMENT APPROVED ADJUSTMENT OF BROWN COAL MINING LIMITS AT THE BÍLINA MINE (SEVEROČESKÉ DOLY)



Lifting the limits means that Severočeské doly will be able to extract another 100–150 million tons of coal

- The Czech government's resolution sets mining limits to 500m away from municipal built-up areas. This condition will reduce the theoretical volume of coal workable by open-pit mining by no more than 20 million tons.
- Coal from the Bílina mine will be used preferably in heat generation (already over 70% of the coal is used in heating and CHP plants today), with the remaining part of coal supplied to the new 660MW Ledvice Power Plant due to its quality (low calorific value).



What will follow now:

- by 2016: Preparing a mining study, opinions, and other technical documents in order to assess mining feasibility under the condition of 500m distance from villages and verify the amount of recoverable reserves
- by 2018: EIA process—notice of intent to prepare documentation, assessment, and MoE opinion on Phase 1
- by 2019: application for a Mining License for Phase 1

CZECH REPUBLIC

SELECTED EVENTS IN THE PAST QUARTER



ČEZ retrieved CZK 3.8bn of gift tax on emission allowances

- Based on the decision of the Appellate Financial Directorate of the Czech Republic, ČEZ received on November 5 the refund of a portion of specific gift tax imposed on emission allowance allocations for 2011 and 2012.

We are delivering on our ambitious cost-cutting plan for 2015

- Proactive measures throughout CEZ Group managed to cut fixed operating costs by CZK 1.6bn year-on-year during Q1–Q3.

ČEZ cofounded a nonprofit corporation named National Center for Energy Savings (NCES)

- ČEZ, together with the Czech Chamber of Commerce and the Union of Towns and Municipalities of the Czech Republic, will provide comprehensive consultancy relating to energy savings to municipalities, regions, businesses, and households in accordance with the Czech Republic's savings targets. Most importantly, the company will provide know-how for securing funding from EU operational programs and other national sources worth up to CZK 80bn in total.

Czech Energy Alliance formed under the leadership of Škoda Praha, a member of CEZ Group

- Thirteen major engineering firms formed an alliance to enhance their competency in tendering abroad for nuclear power plant deliveries and engineering services. The initiative is based on the Czech Republic's National Action Plan for the Development of Nuclear Energy approved by the Government in June 2015.

ENESA, a member of CEZ Group, will provide savings to the Prague Congress Center

- An energy-saving project worth CZK 126m will help the Congress Center to save up to 30% of its costs. It thus guarantees savings of CZK 213m over a course of ten years. After the Rudolfinum, the National Theatre and Estates Theatre, the Prague Congress Center is another building where ENESA provides energy management.

ÚJV Řež, a member of CEZ Group, won a nuclear fuel removal contract

- During 2017–2020, ÚJV Řež will be removing fuel from small nuclear reactors of about 30 kW located in Ghana, Nigeria, Syria, Pakistan, and Iran. Up to now, ÚJV Řež has carried out 23 transports of spent highly enriched nuclear fuel from research reactors in 13 countries.

WE ARE NOT CHANGING LAST YEAR'S STRATEGY AND WE HAVE DEFINED SPECIFIC STEPS TO IMPLEMENT IT

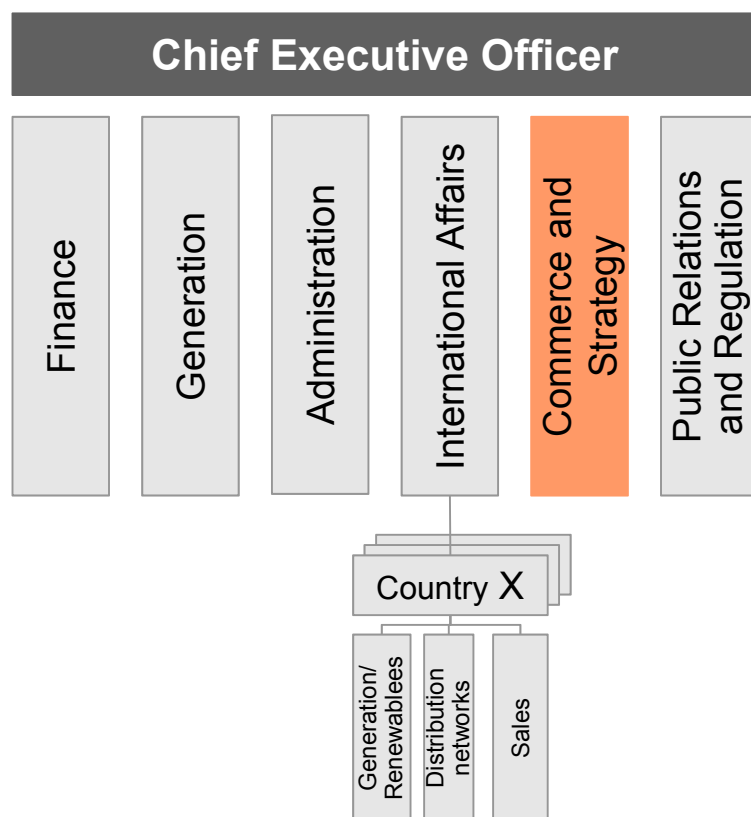


I Be among the best in the operation of conventional power facilities and proactively respond to the challenges of the 21st century	II Offer customers a wide range of products and services addressing their energy needs	III Strengthen and consolidate our position in Central Europe
<ul style="list-style-type: none">▪ Focus on operational efficiency as a prerequisite for further existence in both conventional and new energy▪ Ensure long-term operation of the Dukovany Power Plant▪ Complete the renovation of brown coal-fired power plants and phase out older condensing units▪ Develop new unit projects at Temelín and Dukovany▪ Continually improve distribution grid efficiency to allow a real decrease in distribution tariffs as well as ensure stable cash flows	<ul style="list-style-type: none">▪ Achieve the top level in electricity and gas sales and in customer care▪ Develop additional products and make use of synergies with energy commodities▪ Launch new business models—from equipment deliveries to electricity generation and supply at the customer's point of consumption▪ Invest in opportunities and technologies at an early stage to allow ČEZ to establish promising positions in future energetics▪ Prepare distribution grids for operation under the conditions of increasingly decentralized generation	<ul style="list-style-type: none">▪ Strive to acquire assets/companies in countries with stable national regulatory environments that are close to ČEZ and the Czech Rep. both:<ul style="list-style-type: none">- RESs- Distribution companies- Sales companies supplying energy and related products to end customers- Developing new products and services that are auspicious from the point of view of future energetics- Conventional energy▪ Reduce risk profile—optimize capital and ownership structure, including divestment of selected assets

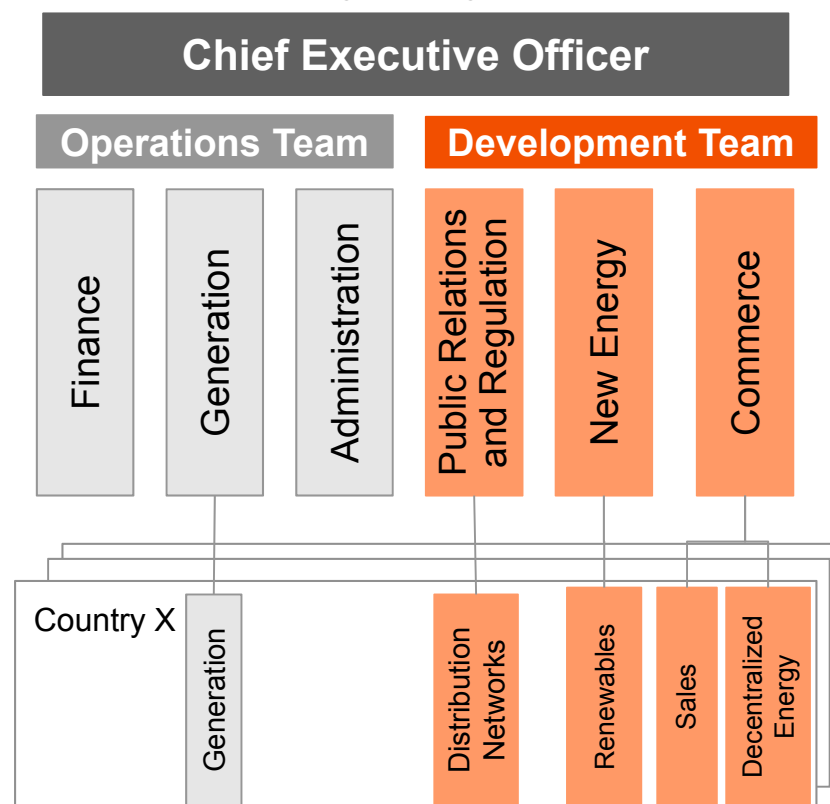
WE ARE REARRANGING CAPACITIES, WE ESTABLISHED TWO TEAMS - OPERATIONS AND DEVELOPMENT, WE ARE STRENGTHENING SEGMENTAL MANAGEMENT



Today: development concentrated, regional management



After the change: strengthened development and segmental management (knowledge sharing among countries)



 Focus on new opportunities and growth

ALL OPERATING AND DEVELOPMENT ACTIVITIES ARE NEWLY LED BY THE RELEVANT TEAMS



ABROAD

SELECTED EVENTS IN THE PAST QUARTER



ROMANIA: Allocation of green certificates for Fântânele Vest and Cogealac resumed

- On September 2, the Romanian regulatory authority made a decision according to an approved amendment to the RESs support act on temporary Fântânele Vest and Cogealac accreditation ensuring support at the level of two green certificates, with the tradability of the second certificate postponed until 2018. The decision is valid for 12 months and may be renewed. Based on the decision, certificate allocation was resumed and September certificates were recorded in the register on October 13.

BULGARIA: New price decision issued

- The regulator issued a new price decision with effect from November 1, 2015. The tariff decision represents a price reduction of 2.43% for commercial customers. The decision also results in a slight increase of 0.21% in the distribution margin and a decrease of 0.95% in the sales company's margin.

POLAND: Continued preparations for the construction of Eco-Wind Construction's wind projects

- The preparation of projects for qualification in auctions for RESs generation support continues, together with the preparation of a bidding strategy for the first auction expected in Q2 2016.
- Final EIA decisions have been received for the Krasin (35 MW) and Suwałki I (20 MW) projects. The EIA for the Biskupiec st. 1 (53 MW) project was appealed against by a third party on August 17. Other advanced projects (150 MW) are expected to receive their EIA during 2016.
- A building permit for the Krasin project power evacuation was issued on October 2 and an application for a building permit for the entire farm was filed on October 8.

TURKEY: A contract signed to sell the Akocak hydro power plant

- A contract for the sale of the Akocak hydro power plant with an installed capacity of 81 MW was signed on September 18, 2015. The Akocak power plant is part of Akenerji, a company at which CEZ Group holds a 37% interest.

WE ARE INTERESTED IN TENDERING FOR VATTENFALL'S GERMAN ASSETS



On October 13, ČEZ sent a Statement of Interest to buy all offered German assets of the Swedish company Vattenfall, on the basis of which it will receive an information memorandum as a basis for decision to submit a tentative offer.

The offered assets and the Vattenfall team's know-how represent an interesting opportunity to expand CEZ Group's business with a number of synergy effects.

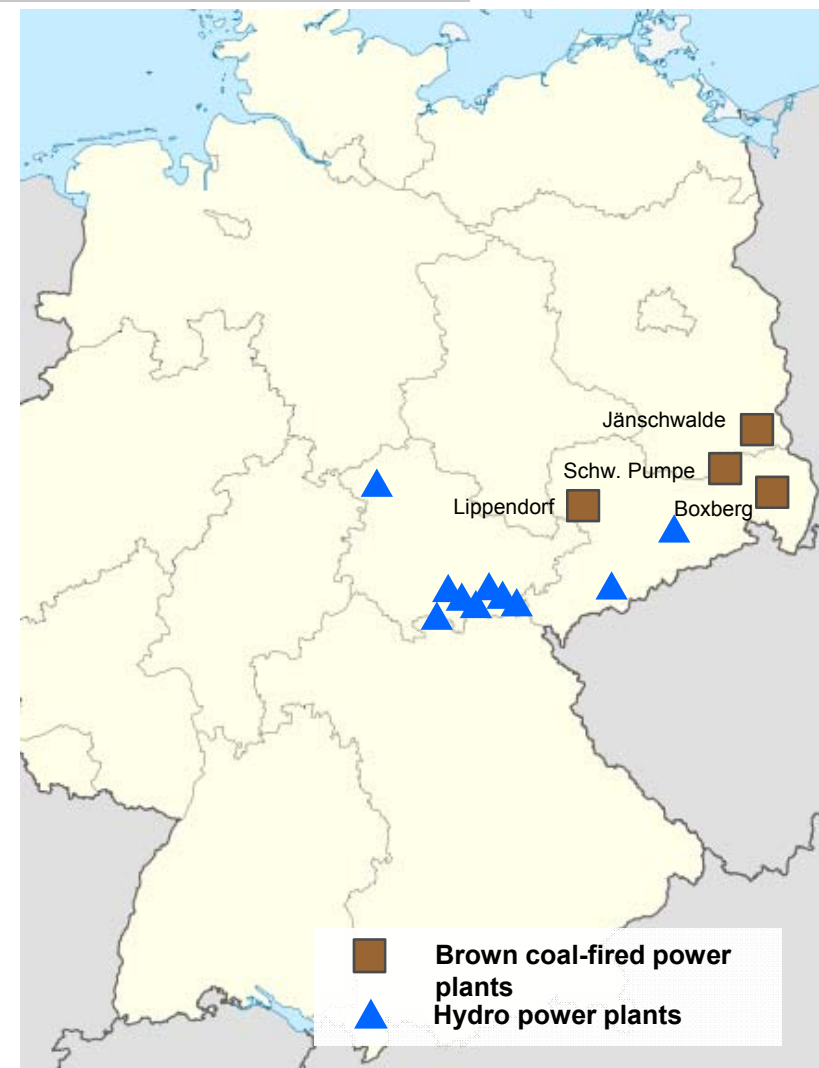
The sale includes:

Coal-fired power plants: Boxberg, Jänschwalde, Schwarze Pumpe, and Lippendorf Unit R

Pumped-storage hydro power plants: Bleiloch, Goldisthal, Hohenwarte I and II, Markersbach, Niederwartha, and Wendefurth

Hydro power plants: Burgkhammer, Eichicht, and Wisenta

Mines: Jänschwalde, Nochten, Reichwalde, Welzow-Süd, and Cottbus Nord



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CEZ GROUP FINANCIAL RESULTS



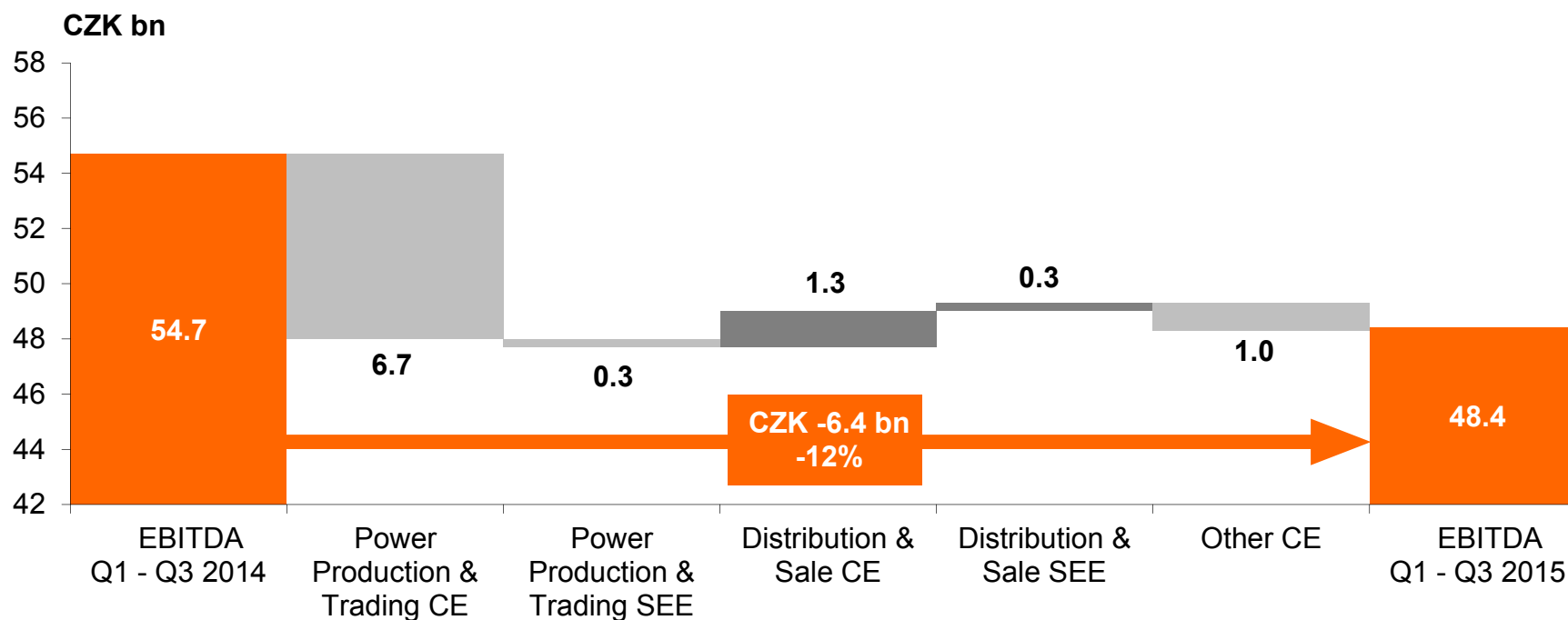
(CZK bn)		Q1 - Q3 2014	Q1 - Q3 2015	Change	%
Revenues		147.0	150.6	+3.6	+2%
EBITDA		54.7	48.4	-6.4	-12%
EBIT		28.8	24.6	-4.2	-15%
Net income		19.6	16.6	-3.0	-15%
Net income - adjusted *		24.2	18.6	-5.6	-23%
Operating CF		59.1	49.8	-9.3	-16%
CAPEX		21.7	20.2	-1.5	-7%
Net debt **		155.2	140.3	-14.9	-10%

		Q1 - Q3 2014	Q1 - Q3 2015	Change	%
Installed capacity **	GW	15.2	15.9	+0.7	+5%
Generation of electricity	TWh	46.0	45.6	-0.3	-1%
Electricity distribution to end customers	TWh	35.2	36.1	+0.9	+3%
Electricity sales to end customers	TWh	25.7	28.0	+2.3	+9%
Sales of natural gas to end customers	TWh	3.6	4.6	+1.0	+29%
Sales of heat	000'TJ	13.8	14.8	+1.0	+8%
Number of employees **	000's	26.2	25.7	-0.5	-2%

* Net income - adjusted = Net income adjusted for extraordinary effects that are generally unrelated to ordinary financial performance in a given year (such as fixed asset impairments and goodwill write-offs or profit/loss from sale of assets or subsidiaries).

** As at the last date of the period

YEAR-ON-YEAR CHANGE OF EBITDA BY SEGMENT



EBITDA BY SEGMENT: POWER PRODUCTION AND TRADING CENTRAL EUROPE



CZK bn	Q1 - Q3 2014	Q1 - Q3 2015	Change	%
Czech Republic	29.4	22.7	-6.7	-23%
Poland	1.1	1.1	0.0	+4%
Segment EBITDA	30.5	23.8	-6.7	-22%

Czech Republic (CZK -6.7bn)

- Lower realization prices of generated electricity, including the effects of hedges (CZK -5.3bn)
- Effect of the termination of a long-term deal with CA-CIB in 2014 (CZK -1.6bn)
- Effect of change in production volume and structure (CZK -0.9bn)
- Lower revenue from ancillary services (CZK -0.5bn)
- Additions to provisions for emission allowances and their settlement (CZK +0.4bn)
- Lower fixed operating costs due to cost-saving measures in personnel costs and services (CZK +1.4bn)

EBITDA BY SEGMENT:

POWER PRODUCTION AND TRADING SOUTHEAST EUROPE



CZK bn	Q1 - Q3 2014	Q1 - Q3 2015	Change	%
Bulgaria	-0.3	-0.1	+0.2	+77%
Romania	1.0	0.5	-0.5	-48%
Segment EBITDA	0.7	0.4	-0.3	-36%

Bulgaria (CZK +0.2bn)

- Lower operating costs in connection with the suspension of operation of the Varna Power Plant since Jan 1, 2015
- Effect of negative generation margin in 2014

Romania (CZK -0.5bn)

- Negative effect of the suspension of green certificate allocation to the Cogeaalac wind farm (since Oct 1, 2014)
- Lower average price of electric power
- Lower average price of green certificates

EBITDA BY SEGMENT:

DISTRIBUTION AND SALE CENTRAL EUROPE



CZK bn	Q1 - Q3 2014	Q1 - Q3 2015	Change	%
Distribution	11.5	11.0	-0.5	-4%
Sale	2.4	4.2	+1.8	+75%
Segment EBITDA	13.9	15.2	+1.3	+9%

Distribution Czech Rep. (CZK -0.5bn)

- Lower gross margin (CZK -0.9bn)—the effect of using up remaining correction factors from RESs in 2014 (CZK -1.5bn) was partially compensated for by a higher distributed amount of electricity in 2015 (CZK +0.5bn) and higher gross margin on non-energy activities (CZK +0.1bn)
- Lower fixed operating costs (CZK +0.6bn)

Sales (CZK +1.8bn)

- Payment of SŽDC liability from 2010 to ČEZ Prodej based on a court decision (CZK +1.1bn)
- Higher gross margin on electricity sales (CZK +0.3bn) primarily due to lower average purchasing price
- Negative balance of support for mandatory electricity purchases in the Czech Rep. in 2014 (CZK +0.1bn)
- Higher gross margin on gas sales (CZK +0.1bn) primarily in connection with higher delivery due to weather
- Cuts in operating costs (CZK +0.1bn)

EBITDA BY SEGMENT:

DISTRIBUTION AND SALE SOUTHEAST EUROPE



CZK bn	Q1 - Q3 2014	Q1 - Q3 2015	Change	%
Bulgaria	0.7	0.9	+0.2	+26%
Romania	2.0	2.1	+0.1	+5%
Segment EBITDA	2.7	2.9	+0.3	+10%

Bulgaria (CZK +0.2bn)

- Higher margin on distributed electricity due to a positive price decision from Oct 1, 2014 (CZK +0.1bn)
- Higher margin on electricity sales due to growing average selling price (CZK +0.1bn)

Romania (CZK +0.1bn)

- Extraordinary income in 2014 associated with the fulfillment of an installment agreement by the state postal service (CZK -0.3bn)
- Higher margin on electricity (CZK +0.2bn) primarily due to higher price and amount of distributed electricity
- Lower fixed costs (CZK +0.2bn)

EBITDA BY SEGMENT: MINING CENTRAL EUROPE, OTHER CENTRAL EUROPE AND OTHER SOUTHEAST EUROPE



EBITDA (CZK bn)	Q1 - Q3 2014	Q1 - Q3 2015	Change	%
Mining CE	3.2	3.1	0.0	-1%
Other CE	3.8	2.7	-1.0	-27%
Other SEE	0.1	0.1	0.0	+8%

Mining Central Europe (CZK 0.0bn)

- Lower revenue (CZK -0.4bn) in connection with lower demand for coal by external customers (influenced by customers' advance purchasing last year and a warm winter)
- Lower costs due to lower mine production, favorable climatic conditions, and cost-saving measures (CZK +0.3bn)

Other Central Europe (CZK -1.0bn)

- Lower revenue and margin from intra-group services primarily due to cost-saving measures adopted by customers; ČEZ Distribuční služby and ČEZ ICT Services were especially affected

OTHER INCOME (EXPENSES)



(CZK bn)	Q1 - Q3 2014	Q1 - Q3 2015	Change	%
EBITDA	54.7	48.4	-6.4	-12%
Depreciation, amortization and impairments*	-25.9	-23.8	+2.2	+8%
Financial and other income (expenses)	-4.4	-3.7	+0.7	+16%
Interest income (expenses)	-2.3	-1.9	+0.3	+15%
Interest on nuclear and other provisions	-1.4	-1.3	+0.1	+8%
Income (expenses) from investments	0.2	-0.9	-1.1	-
Other income (expenses)	-1.0	0.3	+1.3	-
Income taxes	-4.8	-4.3	+0.5	+11%
Net income	19.6	16.6	-3.0	-15%
Net income - adjusted	24.2	18.6	-5.6	-23%

Depreciation, Amortization, and Impairments* (CZK +2.2bn)

- Lower additions to fixed asset impairments (CZK +2.9bn)
- Increase in depreciation and amortization at ČEZ, a. s. (CZK -0.9bn)

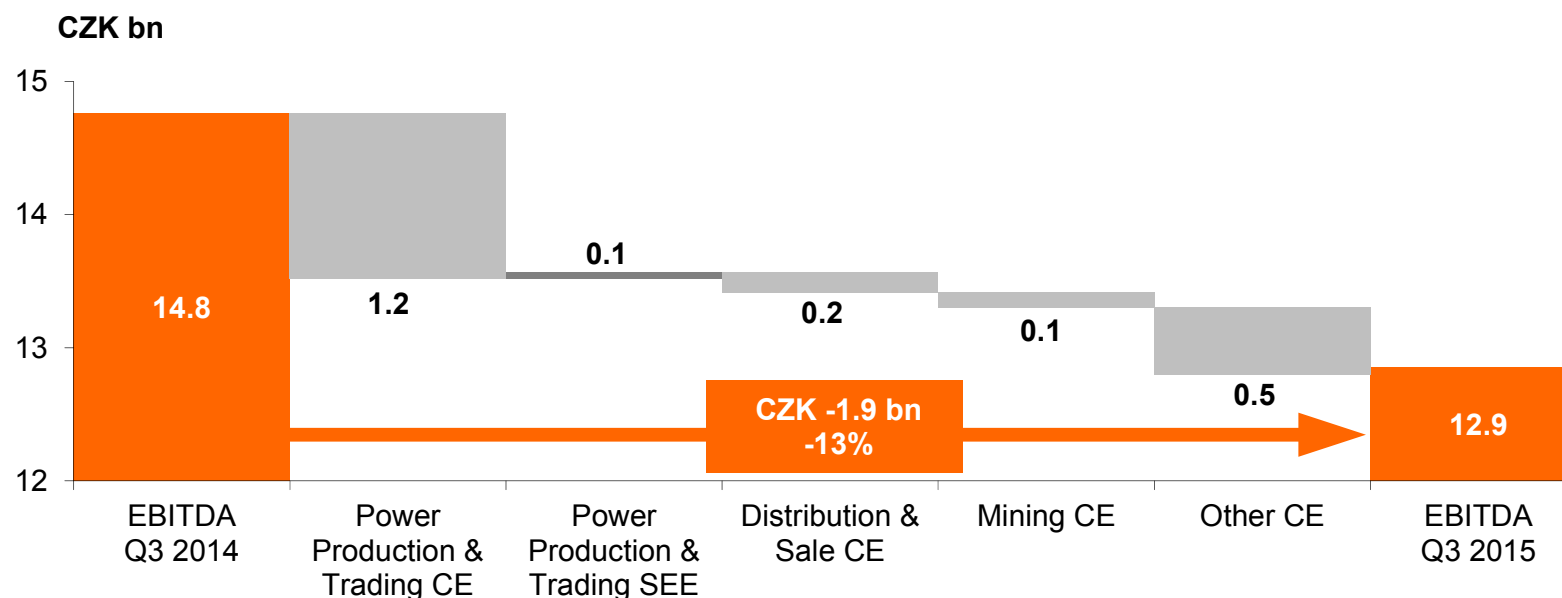
Financial and Other Income/Expenses (CZK +0.7bn)

- Positive effect of revaluation of financial derivatives partially eliminated by effect of foreign exchange gain and losses (CZK +0.7bn)
- Positive effect of decreased volume of debt on interest expenses (CZK +0.5bn)
- Cost of buyback of issued bonds in 2014 (CZK +0.5bn)
- Appreciation of funds deposited in restricted accounts and in short-term securities (CZK +0.5bn)
- Negative effect of changes in the USD/TRY exchange rate on the financial results of companies in Turkey (CZK -1.4bn)

Net Income Adjustment

- Q1 – Q3 2014 net income adjusted for the negative effect of fixed asset impairments (CZK +4.7bn) and other effects** (CZK -0.1bn)
- Q1 – Q3 2015 net income adjusted for the negative effect of fixed asset impairments (CZK +2.0bn)

DEVELOPMENT IN Q3



CEZ Group EBITDA (CZK -1.9bn):

- **Power Production & Trading CE (CZK -1.2bn):** Lower realization prices of generated electricity, including impacts of hedges (CZK -1.4bn); lower volume and changed structure of production (CZK -0.7bn); lower additions to emission allowance provisions (CZK +0.4bn); and cuts in fixed operating costs as a result of efficiency measures (CZK +0.3bn)
- **Power Production & Trading SEE (CZK +0.1bn):** Lower operating costs in connection with the suspension of operation of the Varna Power Plant
- **Distribution & Sale CE (CZK -0.2bn):** Lower gross margin on electricity distribution in the Czech Rep. (CZK -0.4bn) due to using up remaining correction factors from RESs in 2014, partially compensated for by higher distributed amount in 2015; lower fixed operating costs resulting from savings (CZK +0.2bn)
- **Mining CE (CZK -0.1bn):** Lower revenue from coal sales, primarily due to lower demand for coal by external customers
- **Other CE (CZK -0.5bn):** Lower revenue and margins from intra-group services primarily due to efficiency measures taken by customers

DEVELOPMENT IN Q3—CONTINUED



(CZK bn)	Q3 2014	Q3 2015	Change	%
EBITDA	14.8	12.9	-1.9	-13%
Depreciation, amortization and impairments*	-10.1	-9.5	+0.5	+5%
Financial and other income (expenses)	-1.8	-1.6	+0.2	+12%
Income taxes	-0.5	-0.5	0.0	+4%
Net income	2.4	1.2	-1.2	-49%
Net income - adjusted	4.9	3.2	-1.7	-35%

Depreciation, amortization, and impairments* (CZK +0.5bn):

- Lower additions to fixed asset impairments (CZK +0.8bn)
- Increase in depreciation and amortization at ČEZ, a. s. (CZK -0.3bn)

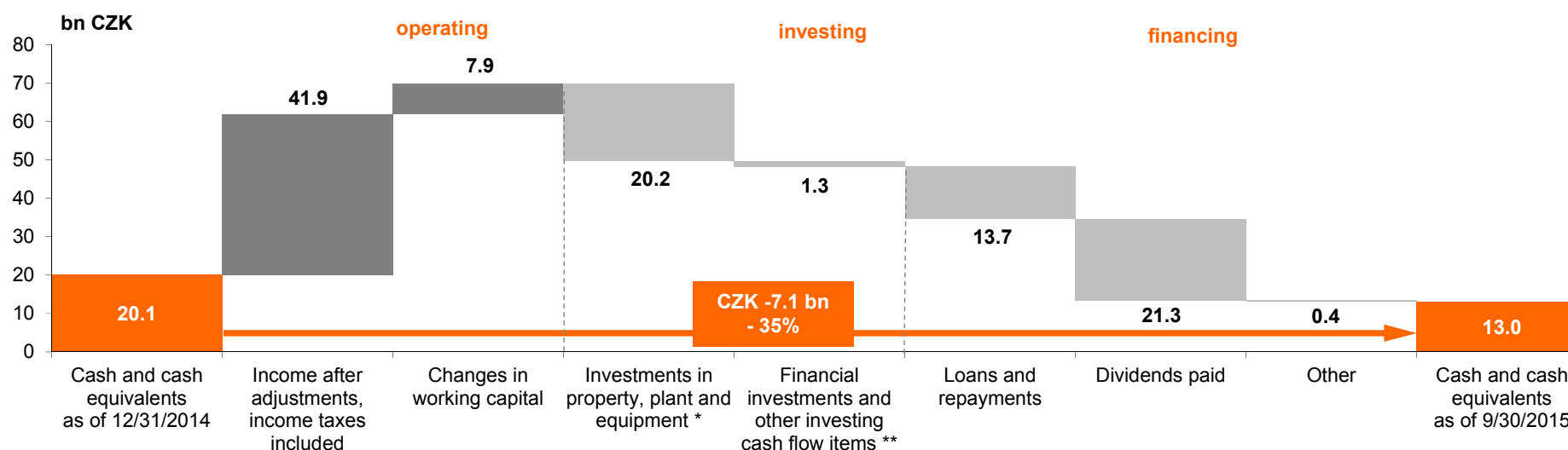
Financial and other income/expenses (CZK +0.2bn):

- Effect of foreign exchange gains and losses and revaluation of derivatives (CZK +0.5bn)
- Positive effect of decreased volume of debt on interest expenses (CZK +0.1bn)
- Appreciation of funds deposited in restricted accounts of ČEZ, a. s. and Severočeské doly (CZK +0.1bn)
- Negative effect of changes in the USD/TRY exchange rate on the financial results of companies in Turkey (CZK -0.6bn)

Net Income Adjustment

- Q3 2014 net income adjusted for the negative effect of fixed asset impairments** (CZK +2.6bn)
- Q3 2015 net income adjusted for the negative effect of fixed asset impairments (CZK +2.0bn)

CASH FLOWS



Cash Flows from Operating Activities (CZK +49.8bn)

- Income after adjustments (CZK +41.9bn): earnings before tax (CZK +20.9bn); depreciation and amortization of nuclear fuel (CZK +24.0bn); loss from associates and joint ventures (CZK +2.2bn); income tax paid (CZK -3.5bn); impairments and other provisions (CZK -1.8bn)
- Changes in working capital (CZK +7.9bn): decrease in inventories of emission allowances, fossil fuels, and materials (CZK +3.4bn); decrease in short-term securities and term deposits (CZK +1.3bn); change in the balance of payables and receivables from derivatives (CZK +1.2bn); other (CZK +2.0bn)

Cash Flows Used in Investing Activities (CZK -21.5bn)

- Investments in fixed assets—CAPEX (CZK -20.2bn); see details in Annex
- Change in liabilities attributable to capital expenditure (CZK -0.8bn)
- Change in financial assets with limited availability (CZK -0.6bn)

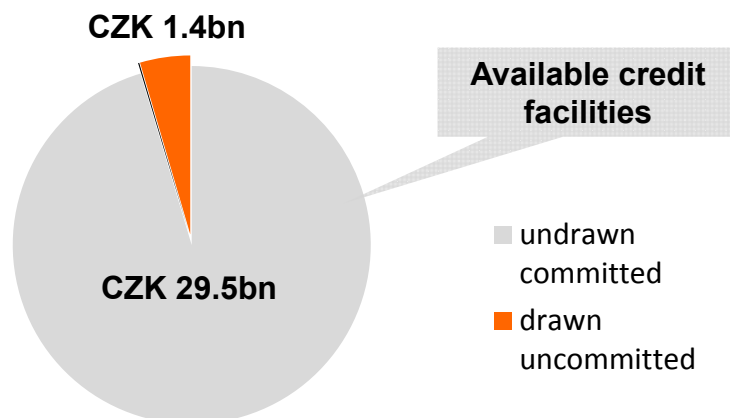
Cash Flows from Financing Activities (CZK -35.3bn)

- Dividends paid (CZK -21.3bn), balance of loans and repayments (CZK -13.7bn), net effect of currency translation in cash (CZK -0.4bn)

CEZ GROUP MAINTAINS A STRONG POSITION OF LIQUIDITY

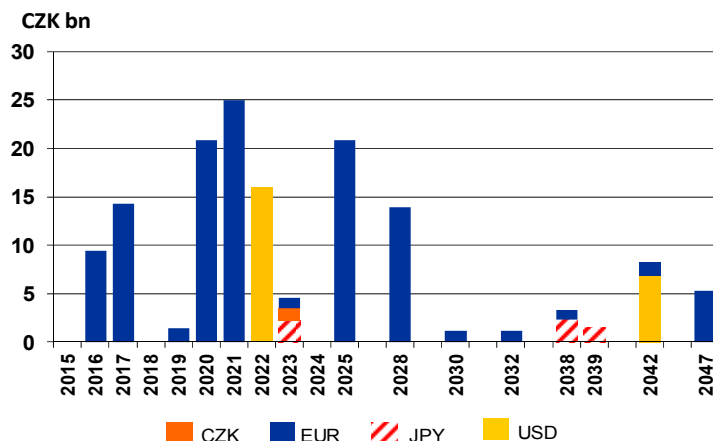


Utilization of Short-Term Lines (as of Sep 30, 2015)



- CEZ Group has access to CZK 29.5bn in committed credit facilities, using just CZK 34m as of Sep 30.
- Committed facilities are kept as a reserve for covering unexpected needs.
- The payment of dividends for 2014 (CZK 21.4bn) began on Aug 3. 99% of the amount was paid as of Sep 30.
- On Oct 20, a loan agreement was signed by EBRD and CEZ Distributie, allowing drawing a loan of up to RON 675m (approx. CZK 4.2bn) from EBRD and commercial banks.

Bond Maturity Profile (as of Sep 30, 2015)



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WHOLESALE MARKET AND CONSUMPTION DEVELOPMENT IN THE CZECH REPUBLIC



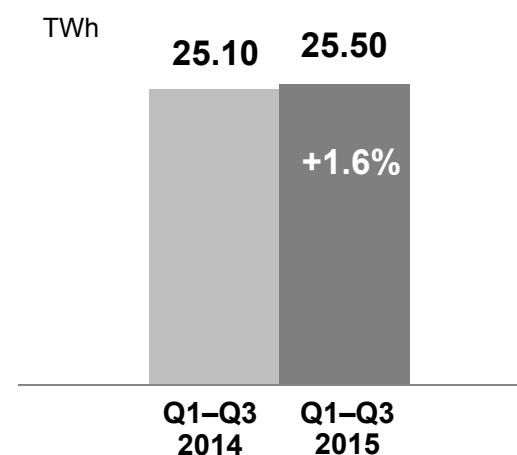
WHOLESALE MARKET

- The wholesale price of electricity on the German market (CAL 16—2016 year band—EEX) is around 29.5 EUR/MWh, the price on the Czech market (PXE) is at the same level
- The price of emission allowances is around 8.5 EUR/t EUA

GROWING ELECTRICITY CONSUMPTION IN THE CZECH REPUBLIC*

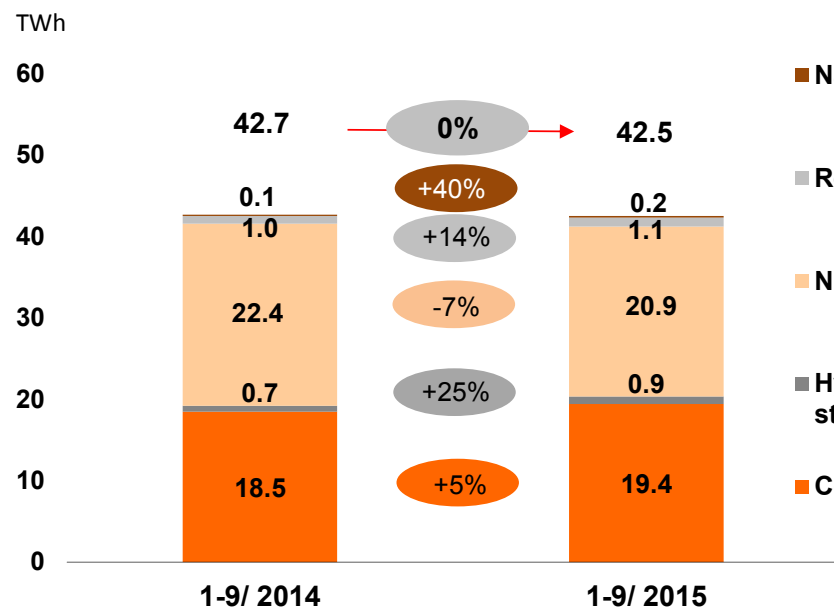
- Electricity consumption in the Czech Rep. is growing by 2.1%
- After temperature and calendar adjustment consumption is growing by 1.6%

Consumption in the Distribution Area
of ČEZ Distribuce* (Temperature- and
Calendar-Adjusted)



GENERATION IN THE CZECH REPUBLIC

ANNUAL OUTLOOK REDUCED BY 5.7 TWH, INCLUDING 3.7 TWH AT NUCLEAR PLANTS



Nuclear Power Plants (-7%)

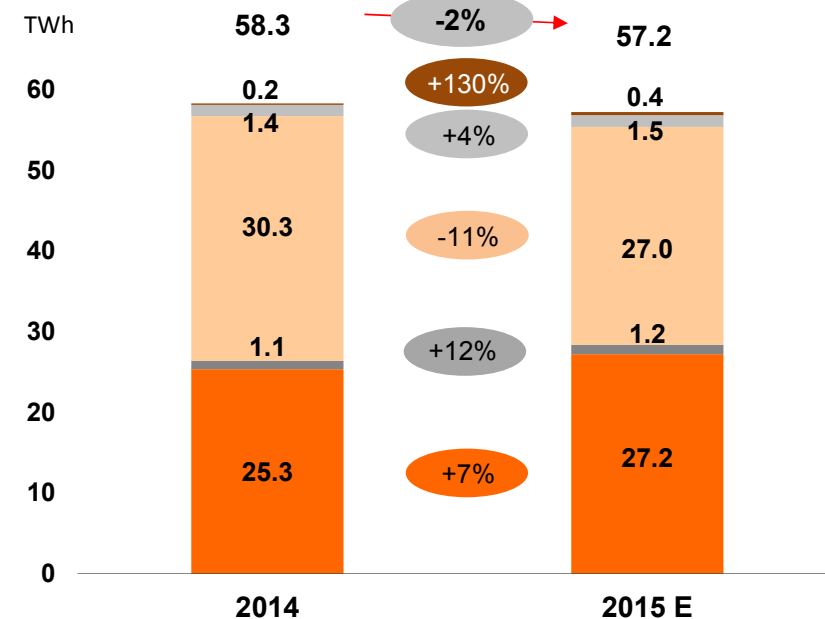
- Extended planned outage and unplanned outages of Temelín NPP
- Extended outages at Dukovany NPP

Coal-Fired Power Plants (+5%)

- + Shorter planned outages at Tušimice 2 Power Plant
- + Start of pilot operation of Ledvice 4 Power Plant (new facility)
- + Start of pilot operation of Prunéřov 2 Power Plant after comprehensive renovation

Renewables (+14%)

- + Higher flow rates at hydro plants due to hydrometeorological conditions



Nuclear Power Plants (-11%)

- Unplanned outages of Dukovany NPP
- Extended planned outages and unplanned outages of Temelín NPP

Coal-Fired Power Plants (+7%)

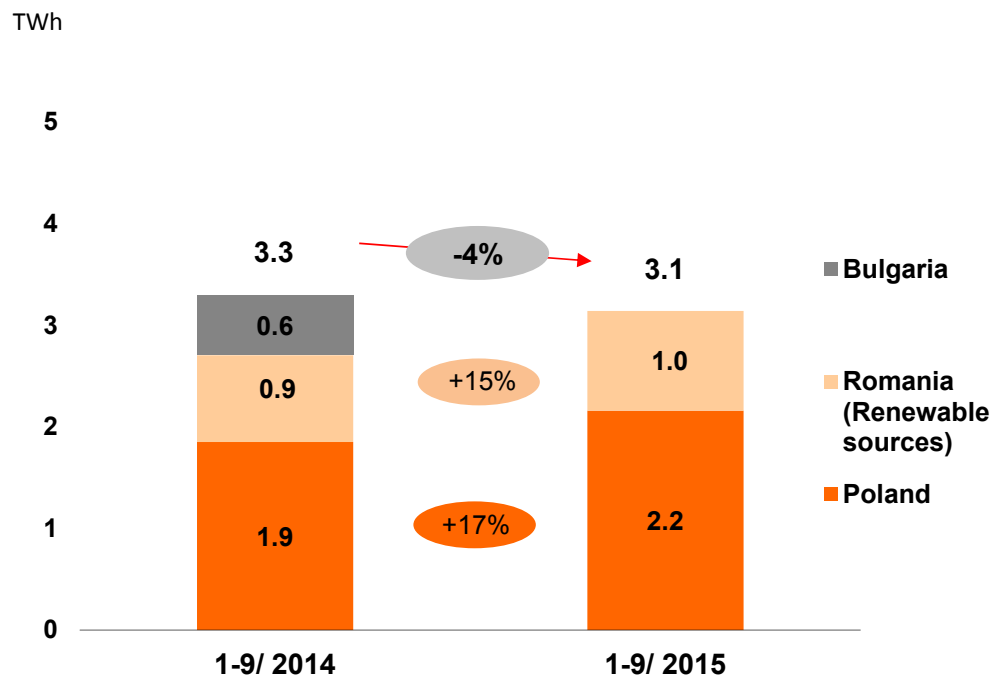
- + Pilot operation of Ledvice 4 Power Plant (new facility)
- + Comprehensive renovation of units at Prunéřov 2 Power Plant
- Transfer of the last unit of Ledvice 2 Power Plant into reserve

Renewables (+4%)

- + Average climatic conditions expected, as opposed to 2014

The 2015 generation prediction is facing the risk of delayed completion of renovation and construction of coal-fire plants and the risk of extended outages of Dukovany NPP units.

GENERATION ABROAD



Bulgaria

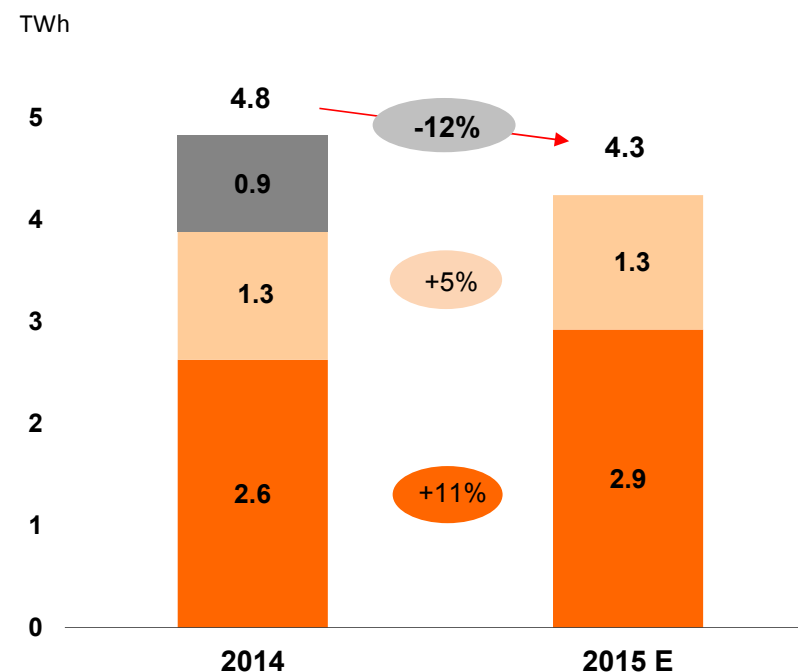
- Operation of Varna coal-fired power plant suspended since Jan 1, 2015

Romania (+15%)

- + Better weather conditions
- Lower production at Reșița hydro plants primarily due to a dry summer

Poland (+17%)

- + Higher amount of coal burned at both power plants plus improved efficiency at the Skawina Power Plant due to turbine upgrade



Romania (+5%)

- + Higher wind farm production in connection with worse-than-average weather conditions in 2014
- Production at Reșița hydro plants decreased primarily due to a dry summer

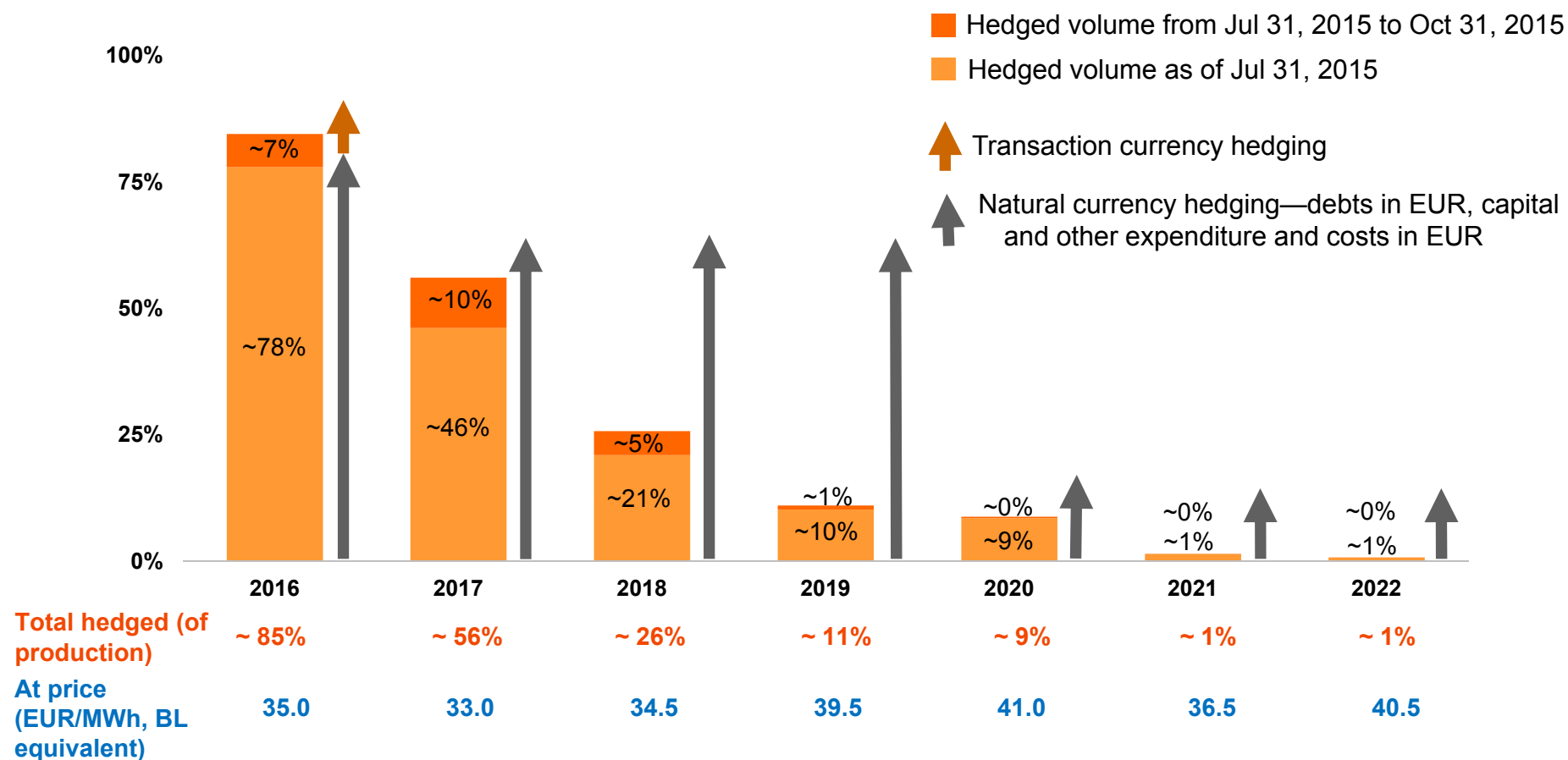
Poland (+11%)

- + Higher amount of coal burned at both power plants plus improved efficiency at the Skawina Power Plant due to turbine upgrade in 2015

ČEZ CONTINUES HEDGING ITS REVENUES FROM SALES OF ELECTRICITY IN THE MEDIUM TERM IN LINE WITH STANDARD POLICY



Share of Hedged Production of ČEZ* Facilities
as of Oct 31, 2015
(100% corresponds to 56–58 TWh)

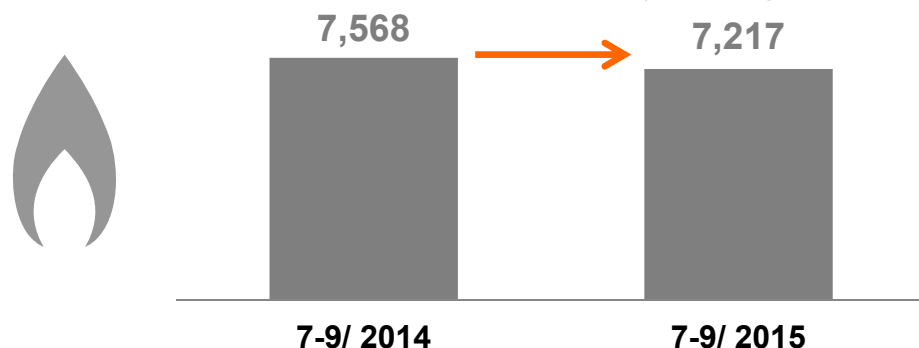


MAINTAINING YEAR-ON-YEAR GROWTH IN GAS CUSTOMERS, REDUCING MOTIVATION TO LEAVE FOR ELECTRICITY CUSTOMERS



Gas—Growth of Connection Points in the Residential Segment

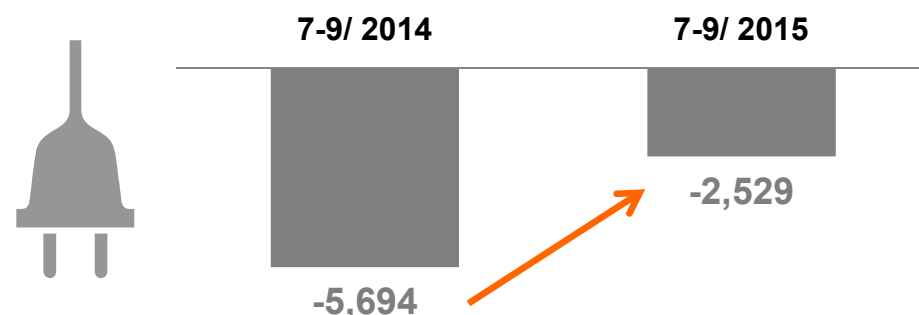
(Comparison of Quarterly Changes)



- ČEZ Prodej remains the **largest alternative gas supplier** in the Czech Rep. in terms of connection points and successfully continues to grow.
- At the end of September, ČEZ Prodej delivered gas to more than **378,000 customers**.

Electricity—Reduction of Connection Points in the Residential Segment

(Comparison of Quarterly Changes)



- Since the beginning of the year, we have managed to cut the number of leaving customers by almost two-thirds year-on-year.
- The main reason for **decreasing motivation to switch to a competitor** is our offer of high-quality products and services.

WE NEWLY OFFER ROOFTOP PHOTOVOLTAICS BY ČEZ TO RESIDENTIAL CUSTOMERS



- **Rooftop photovoltaics by ČEZ** was launched by ČEZ Prodej on Oct 23, 2015.
- The solution is **consistent with the conditions of the New Green for Savings subsidy program**—supporting single-family homes.
- Photovoltaics by ČEZ is **especially suitable for family homes with high consumption**—heating, water heating, air conditioning.

We build our offer on:

- Full administrative and engineering services, i.e. **turnkey delivery**
- **High and guaranteed quality** of components and solutions
- **Many years of experience** with the implementation of energy projects
- **Our company's stability** (as an important characteristic of a supplier of equipment with 25-year service life)
- **Know-how for routing excess generated electricity** to the distribution grid

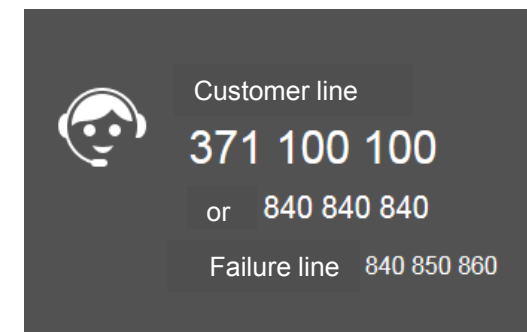


WE ARE IMPROVING OUR SERVICES: CUSTOMER SERVICE ON SOCIAL MEDIA AND A NEW CUSTOMER LINE NUMBER



Customer Line Now Also Available at 371 100 100 since October

- Cheaper to call than the 840 840 840 white line
- For owners of “unlimited” call plans, calls to the new number are included in free minutes
- The original white line remains in operation for customer comfort



Customer Service on Social Media

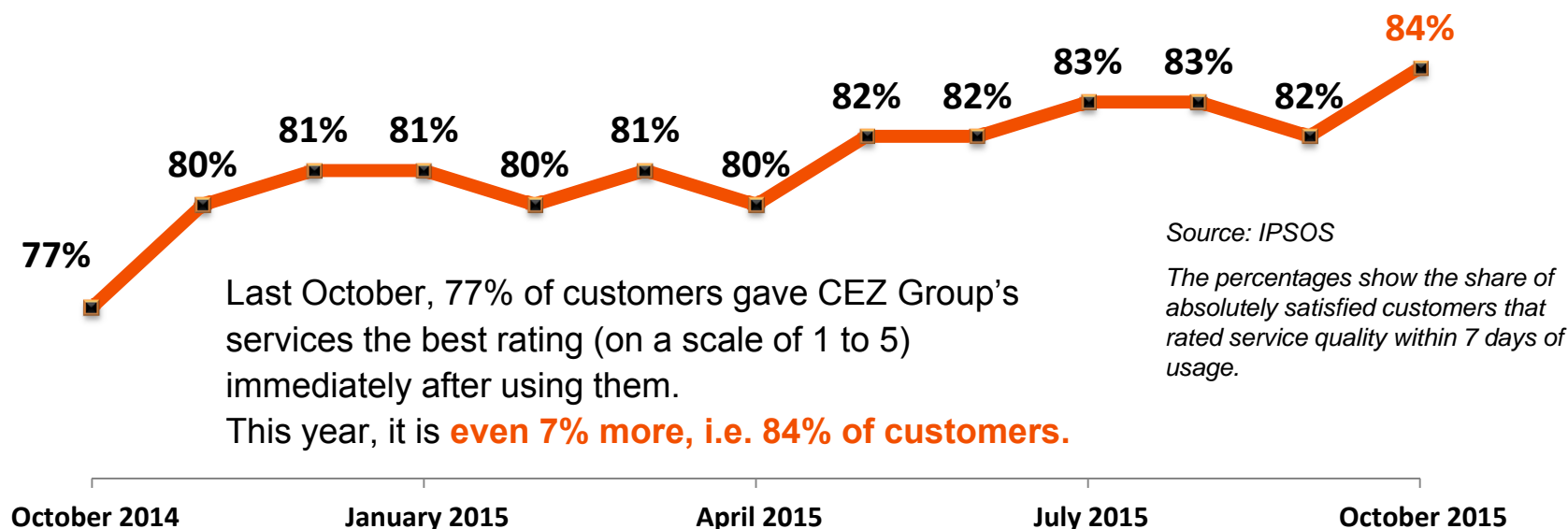
- Provided by a newly established, dedicated team since the beginning of November
- We respond to customer inquiries mostly through Facebook and Twitter



THE RATING OF OUR SERVICES IMMEDIATELY AFTER USAGE KEEPS IMPROVING IN THE LONG TERM



Development of indicators for assessing customer satisfaction



Processes with the highest share of absolutely satisfied customers:

Switching to CEZ Group

89% of satisfied customers

+4% over last year

Changing advance payments

89% of satisfied customers

+4% over last year

Billing

86% of satisfied customers

+3% over last year

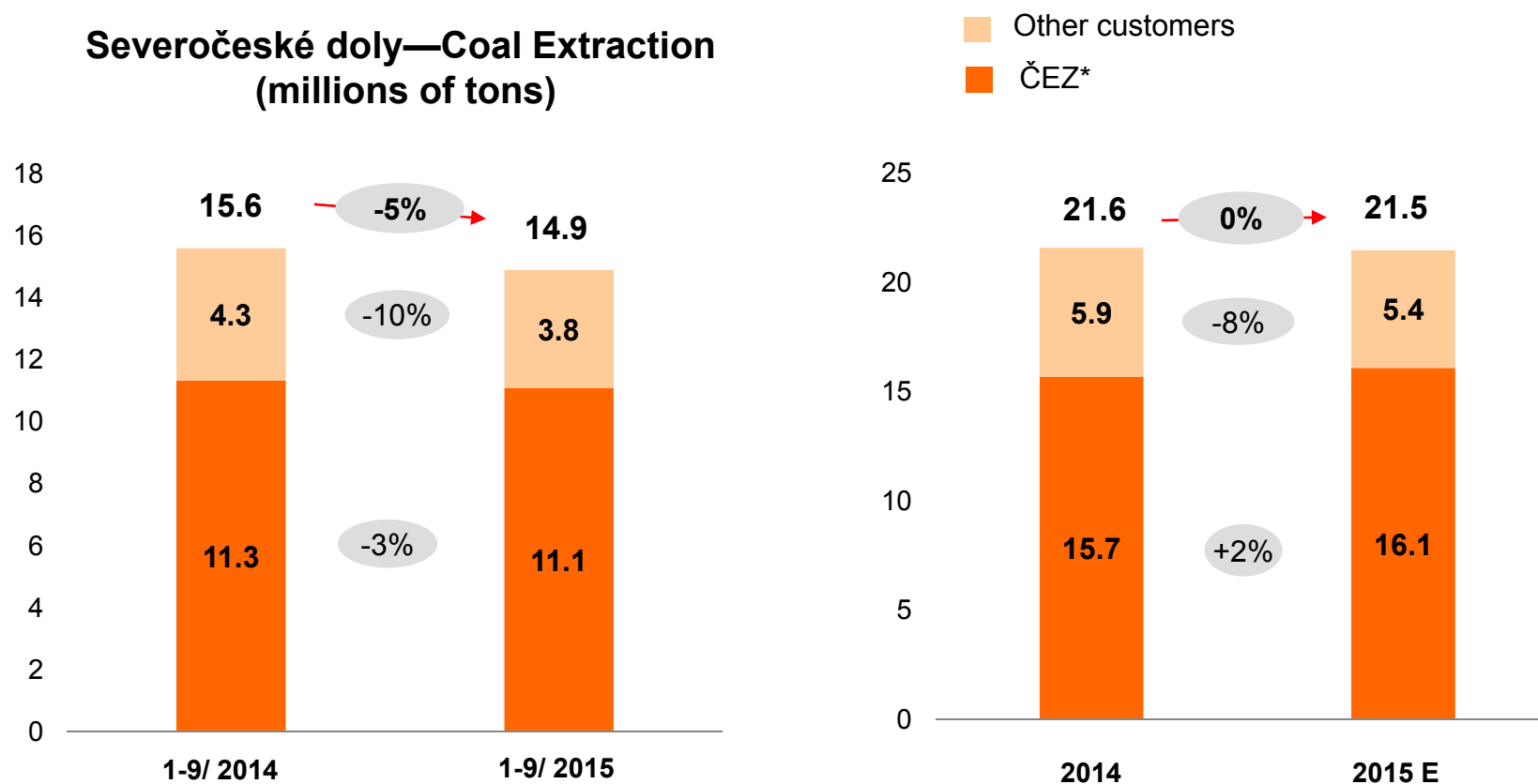
ANNEXES



- Mining
- Electricity Consumption
- Market Developments
- Investments in Fixed Assets (CAPEX)
- Balance Sheet Overview
- Electricity Balance



Severočeské doly—Coal Extraction (millions of tons)

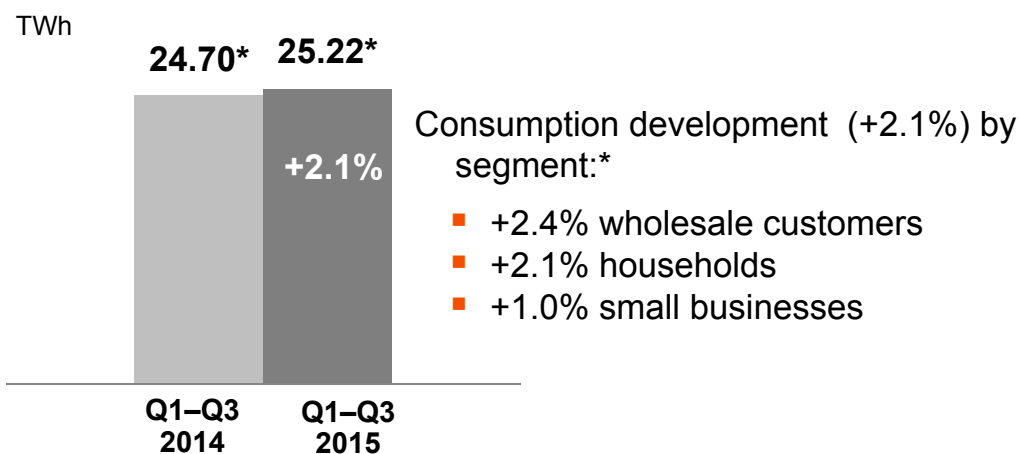


■ Demand for coal by other customers affected by warm winter

ELECTRICITY CONSUMPTION IN THE DISTRIBUTION AREA OF ČEZ DISTRIBUCE GREW YEAR-ON-YEAR

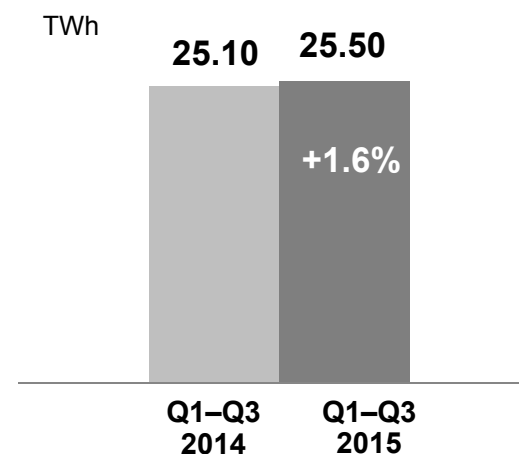


Consumption in the Distribution Area of ČEZ Distribuce



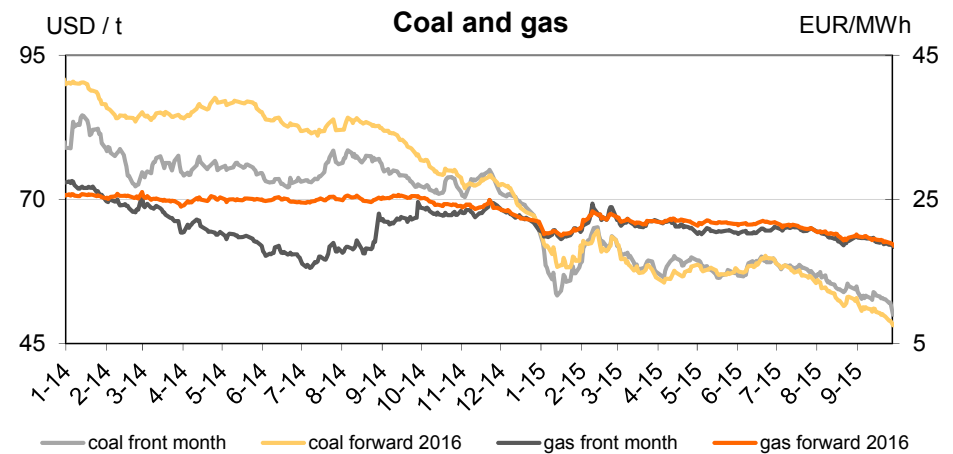
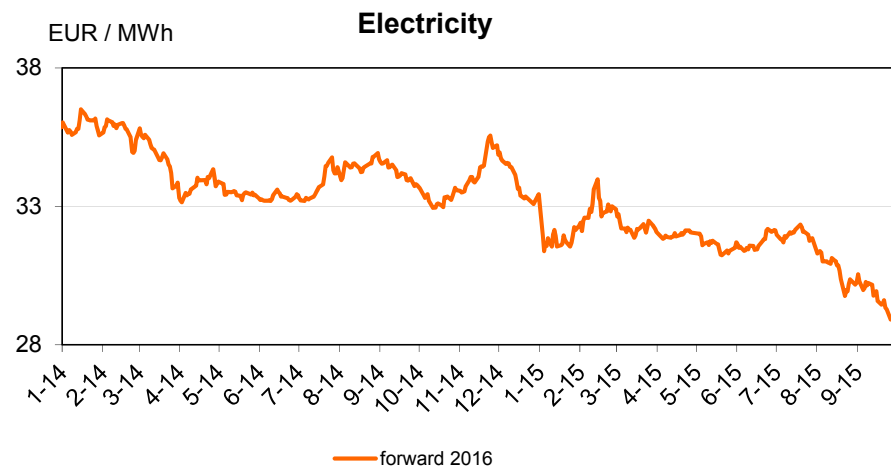
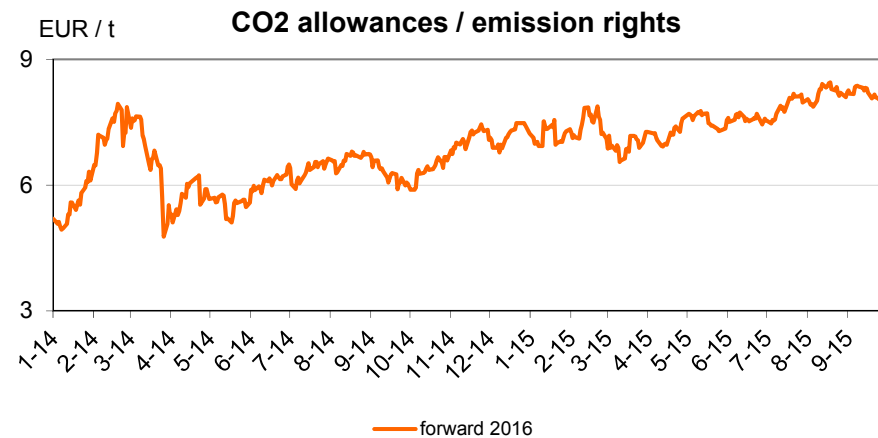
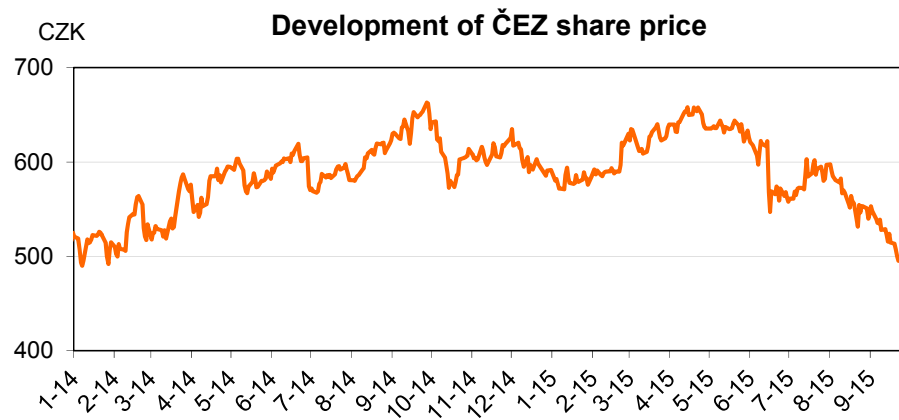
Consumption in the Distribution Area of ČEZ Distribuce

(temperature- and calendar-adjusted)**



- Analysis based on CEZ Group's internal data.
- The distribution area of CEZ Group covers around 5/8 of the Czech Republic's territory so the data is a good indicator of nationwide consumption trends.

MARKET DEVELOPMENTS



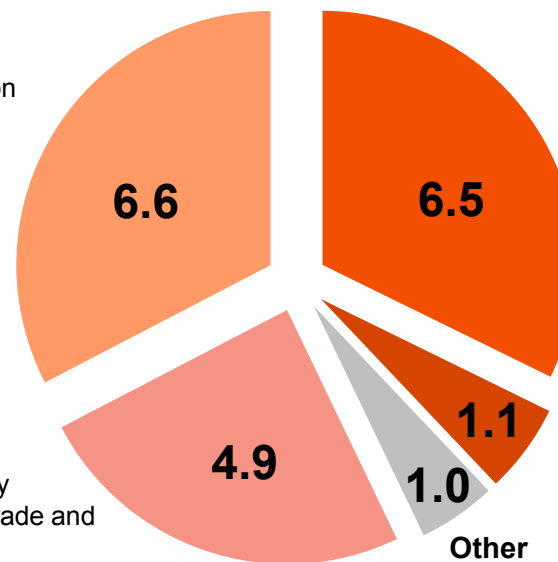
INVESTMENTS IN FIXED ASSETS (CAPEX)



**CZK 20.2bn in total
(Q1–Q3 2015)**

Electricity distribution:

- Czech Republic: CZK 5.4bn
- Abroad: CZK 1.2bn



Conventional and other power plants:

- Construction of a new supercritical facility in Ledvice
- Comprehensive renovation of Prunéřov Power Plant
- Other investments

Nuclear facilities:

- Temelín NPP—Undertaking projects to meet the requirements of the National Action Plan for Safety Enhancement, projects relating to equipment upgrade and renovation
- Dukovany NPP—Projects related to the planned extension of operation beyond 2015 and projects to meet the requirements of the National Action Plan for Safety Enhancement
- Temelín NNPP—Continued necessary preparation activities, implementation of conditions defined in the issued EIA statement and siting permit, preparations for project spin-off into an SPV
- Dukovany NNPP—Preparation of supporting documents for the initiation of the EIA process, preparations for project spin-off into an SPV

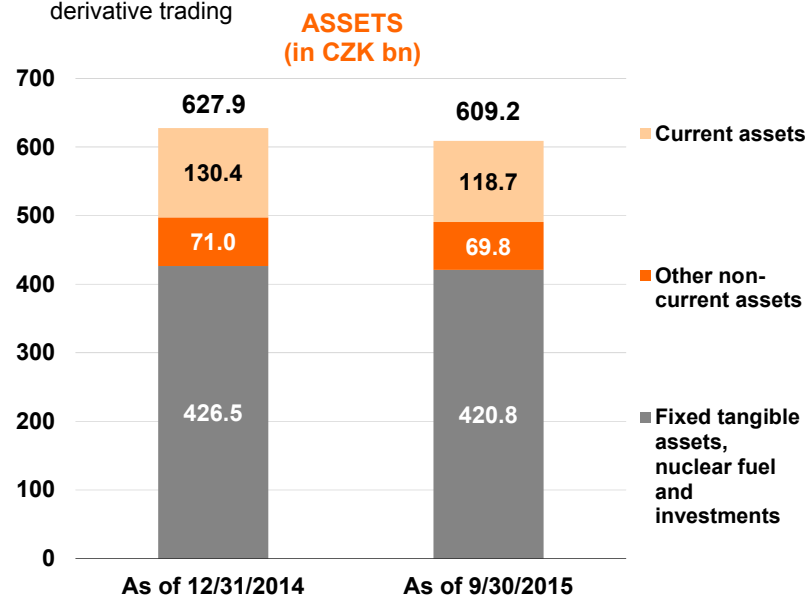
Mining—Projects reacting to the progress of extraction in the two mines (deliveries, renovation, and upgrades of mining equipment and dressing and crushing plants, construction of stabilization measures and water management structures)

BALANCE SHEET OVERVIEW



Fixed Assets

- Decrease in tangible fixed assets of CZK -5.8bn due to depreciation and impairments, partially compensated for by investments in the renewal and construction of generating facilities and distribution grids, and increase in nuclear fuel inventory
- Decrease in other fixed assets of CZK -1.2bn: primarily due to a decrease in the value of investment in associates and joint ventures of CZK -3.9bn and a decrease in long-term intangible assets of CZK -0.7bn, partially compensated for by an increase in long-term financial assets of CZK +3.7bn primarily due to long-term receivables from derivative trading

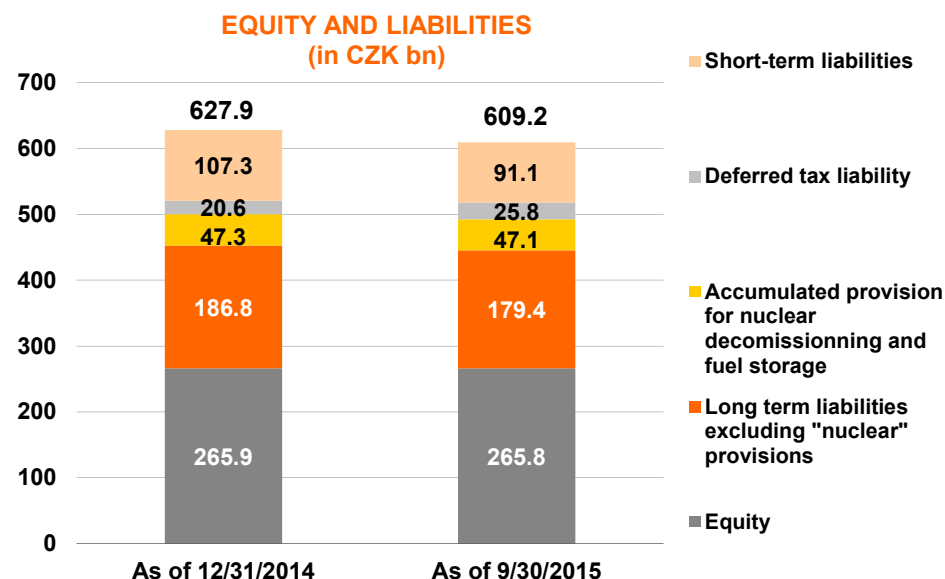


Current Assets

- Decrease in cash and cash equivalents of CZK -7.1bn
- Decrease in net receivables of CZK -5.1bn
- Decrease in inventories of emission allowances, fossil fuels, and materials of CZK -3.4bn and decrease in liquid securities and short-term deposits of CZK -1.3bn
- Increase in receivables from derivatives incl. options of CZK +2.8bn and increase in income tax receivables of CZK +2.5bn

Equity and Long-Term Liabilities

- Equity: dividends CZK -21.3bn, increase in net income CZK +16.6bn, other comprehensive income CZK +4.6bn, sale of treasury shares CZK +0.1bn
- Decrease in long-term liabilities excl. nuclear provisions of CZK -7.4bn: primarily due to change in issued bonds of CZK -9.5bn and long-term derivative liabilities of CZK -2.6bn, partially compensated for by increase in long-term bank loans of CZK +5.3bn



Short-Term Liabilities

- Decrease in current portion of long-term debt incl. short-term bank loans of CZK -10.4bn and unbilled goods and services of CZK -4.1bn, decrease in emission allowance provisions of CZK -3.8bn
- Decrease in trade payables incl. received advances of CZK -2.0bn, decrease in income tax payables of CZK -0.7bn
- Increase of short-term payables from derivative trading incl. options of CZK +2.6bn and other payables of CZK +2.3bn

Electricity balance (GWh)

	Q1 - Q3 2014	Q1 - Q3 2015	Index 2015/2014
Electricity procured	41,338	40,740	-1%
Generated in-house (gross)	45,961	45,648	-1%
In-house and other consumption, including pumping in pumped-storage plants	-4,623	-4,908	+6%
Sold to end customers	-25,687	-27,967	+9%
Sold in the wholesale market (net)	-12,170	-9,272	-24%
Sold in the wholesale market	-131,477	-152,014	+16%
Purchased in the wholesale market	119,307	142,741	+20%
Grid losses	-3,481	-3,500	+1%

Electricity generation by source (GWh)

	Q1 - Q3 2014	Q1 - Q3 2015	Index 2015/2014
Nuclear	22,362	20,875	-7%
Coal and lignite	20,645	21,252	+3%
Water	1,453	1,690	+16%
Biomass	446	554	+24%
Photovoltaic	119	124	+5%
Wind	789	945	+20%
Natural gas	146	205	+40%
Bio gas	1	2	+72%
Total	45,961	45,648	-1%

Sales of electricity to end customers (GWh)

	Q1 - Q3 2014	Q1 - Q3 2015	Index 2015/2014
Households	-9,276	-9,468	+2%
Commercial (low voltage)	-4,323	-4,105	-5%
Commercial and industrial (medium and high voltage)	-12,087	-14,395	+19%
Sold to end customers	-25,687	-27,967	+9%
 Distribution of electricity to end customers	 -35,200	 -36,133	 +3%

Electricity balance (GWh)

Q1 - Q3 2015	Power Production & Trading CE		Distribution & Sale CE		Power Production & Trading SEE		Distribution & Sale SEE		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Electricity procured	39,767	-0%	0	-	973	-30%	0	-	0	-	40,740	-1%
Generated in-house (gross)	44,664	+0%	0	-	984	-32%	0	-	0	-	45,648	-1%
In-house and other consumption, including pumping in pumped-storage plants	-4,897	+7%	0	-	-11	-80%	0	-	0	-	-4,908	+6%
Sold to end customers	-175	>200%	-18,228	+10%	0	-	-9,565	+5%	0	-	-27,967	+9%
Sold in the wholesale market (net)	-39,592	-1%	20,110	+9%	-973	-30%	11,183	+4%	0	-	-9,272	-24%
Sold in the wholesale market	-171,559	+15%	-1,996	-28%	-1,575	+14%	-490	-35%	23,606	+3%	-152,014	+16%
Purchased in the wholesale market	131,967	+20%	22,106	+4%	602	>200%	11,673	+2%	-23,606	+3%	142,741	+20%
Grid losses	0	-	-1,882	+2%	0	-	-1,618	-1%	0	-	-3,500	+1%

Electricity generation by source (GWh)

Q1 - Q3 2015	Power Production & Trading CE		Distribution & Sale CE		Power Production & Trading SEE		Distribution & Sale SEE		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Nuclear	20,875	-7%	0	-	0	-	0	-	0	-	20,875	-7%
Coal and lignite	21,252	+6%	0	-	0	-	0	-	0	-	21,252	+3%
Water	1,649	+19%	0	-	40	-41%	0	-	0	-	1,690	+16%
Biomass	554	+24%	0	-	0	-	0	-	0	-	554	+24%
Photovoltaic	119	+4%	0	-	5	+12%	0	-	0	-	124	+5%
Wind	7	+13%	0	-	939	+20%	0	-	0	-	945	+20%
Natural gas	205	+40%	0	-	0	-	0	-	0	-	205	+40%
Bio gas	2	+72%	0	-	0	-	0	-	0	-	2	+72%
Total	44,664	+0%	0	-	984	-32%	0	-	0	-	45,648	-1%

Sales of electricity to end customers (GWh)

Q1 - Q3 2015	Power Production & Trading CE		Distribution & Sale CE		Power Production & Trading SEE		Distribution & Sale SEE		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Households	0	-	-5,181	+1%	0	-	-4,287	+3%	0	-	-9,468	+2%
Commercial (low voltage)	-1	+22%	-1,823	-3%	0	-	-2,280	-6%	0	-	-4,105	-5%
Commercial and industrial (medium and high voltage)	-173	>200%	-11,223	+18%	0	-	-2,998	+20%	0	-	-14,395	+19%
Sold to end customers	-175	>200%	-18,228	+10%	0	-	-9,565	+5%	0	-	-27,967	+9%
 Distribution of electricity to end customers	 0	 -	 -24,592	 +2%	 0	 -	 -11,541	 +3%	 0	 -	 -36,133	 +3%

Electricity balance (GWh)

Q1 - Q3 2015	Czech Republic		Poland		Other Central Europe		Bulgaria		Romania		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Electricity procured	37,843	-1%	1,924	+18%	0	-	5	-99%	968	+15%	0	-	40,740	-1%
Generated in-house (gross)	42,503	-0%	2,161	+17%	0	-	5	-99%	979	+15%	0	-	45,648	-1%
In-house and other consumption, including pumping in pumped-storage plants	-4,660	+7%	-237	+9%	0	-	0	-	-11	+3%	0	-	-4,908	+6%
Sold to end customers	-14,665	+3%	-1,263	>200%	-2,474	+23%	-7,024	+4%	-2,541	+9%	0	-	-27,967	+9%
Sold in the wholesale market (net)	-21,296	-4%	-661	-50%	2,474	+23%	7,914	+12%	2,296	+0%	0	-	-9,272	-24%
Sold in the wholesale market	-154,062	+17%	-2,203	+28%	-26	-76%	-327	-37%	-1,439	+34%	6,044	+65%	-152,014	+16%
Purchased in the wholesale market	132,767	+21%	1,542	>200%	2,500	+18%	8,241	+9%	3,735	+11%	-6,044	+65%	142,741	+20%
Grid losses	-1,882	+2%	0	-	0	-	-895	+8%	-723	-10%	0	-	-3,500	+1%

Electricity generation by source (GWh)

Q1 - Q3 2015	Czech Republic		Poland		Other Central Europe		Bulgaria		Romania		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Nuclear	20,875	-7%	0	-	0	-	0	-	0	-	0	-	20,875	-7%
Coal and lignite	19,409	+5%	1,843	+15%	0	-	0	-	0	-	0	-	21,252	+3%
Water	1,641	+19%	8	+7%	0	-	0	-	40	-41%	0	-	1,690	+16%
Biomass	244	+22%	310	+27%	0	-	0	-	0	-	0	-	554	+24%
Photovoltaic	119	+4%	0	-	0	-	5	+12%	0	-	0	-	124	+5%
Wind	7	+13%	0	-	0	-	0	-	939	+20%	0	-	945	+20%
Natural gas	205	+40%	0	-	0	-	0	-	0	-	0	-	205	+40%
Bio gas	2	+72%	0	-	0	-	0	-	0	-	0	-	2	+72%
Total	42,503	-0%	2,161	+17%	0	-	5	-99%	979	+15%	0	-	45,648	-1%

Sales of electricity to end customers (GWh)

Q1 - Q3 2015	Czech Republic		Poland		Other Central Europe		Bulgaria		Romania		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Households	-5,086	+1%	0	-	-95	-1%	-3,074	+1%	-1,212	+7%	0	-	-9,468	+2%
Commercial (low voltage)	-1,756	-4%	0	-	-69	+36%	-1,621	-7%	-659	-4%	0	-	-4,105	-5%
Commercial and industrial (medium and high voltage)	-7,823	+6%	-1,263	>200%	-2,311	+23%	-2,329	+17%	-670	+32%	0	-	-14,395	+19%
Sold to end customers	-14,665	+3%	-1,263	>200%	-2,474	+23%	-7,024	+4%	-2,541	+9%	0	-	-27,967	+9%
 Distribution of electricity to end customers	 -24,592	 +2%	 0	 -	 0	 -	 -6,747	 +3%	 -4,793	 +2%	 0	 -	 -36,133	 +3%