PRESENTATION ON CEZ GROUP FINANCIAL RESULTS
IN Q1 2020

NONAUDITED CONSOLIDATED RESULTS
PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

May 12, 2020

CONTENTS

CEZ GROUP FINANCIAL AND OPERATING RESULTS

(CZK bn)	Q1 2019	Q1 2020	Change	%
Revenues	51.8	57.0	+5.2	+10%
EBITDA	21.3	25.9	+4.6	+22%
EBIT	13.8	18.8	+5.0	+36%
Net income	9.9	14.2	+4.2	+43%
Net income adjusted *	10.4	13.9	+3.6	+34%
Operating CF	19.7	13.2	-6.5	-33%
CAPEX	4.6	4.4	-0.2	-5%

		Q1 2019	Q1 2020	Change	%
Installed capacity **	GW	14.9	14.4	-0.5	-3%
Mining	m tons	5.6	5.0	-0.6	-10%
Generation of electricity - segment traditional energy	TWh	16.6	15.8	-0.8	-5%
Generation of electricity - segments new energy and sales	TWh	0.7	0.8	+0.1	+8%
Electricity distribution to end customers	TWh	14.5	14.4	-0.0	-0%
Electricity sales to end customers	TWh	9.9	9.7	-0.1	-1%
Sales of natural gas to end customers	TWh	3.8	3.7	-0.1	-3%
Sales of heat	000´TJ	9.9	9.7	-0.3	-3%
Number of employees ** ***	000´s	31.5	32.2	+0.7	+2%

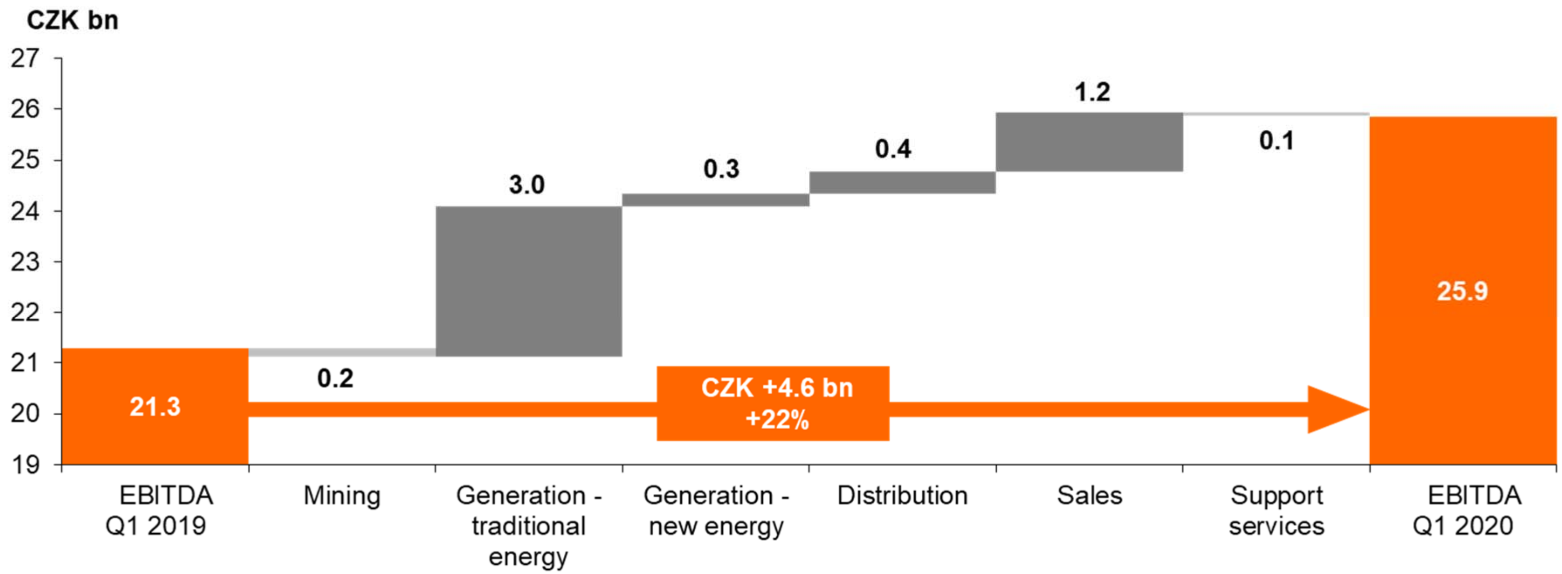
* Adjusted net income = Net income adjusted for extraordinary effects that are generally unrelated to ordinary financial performance in a given period (such as impairments of fixed assets and goodwill)

** As at the last date of the period

*** Increase primarily in the Sales segment (new ESCO acquisitions abroad)

Note: Figures for comparative period Q1 2019 were adjusted compared to the data published in Q1 2019 due to accounting, which subsequently refined reporting of effects of electricity sales price risk hedging on individual quarters of 2019.

YEAR-ON-YEAR CHANGE IN EBITDA BY SEGMENT



Main causes of year-on-year change in Q1 EBITDA:

- Higher realization prices of generated electricity, including the effect of hedges in Czechia and commodity trading (CZK +3.9 bn)
- Additional profit (overhedge) from German hedges for generation supplies in Czechia in the years 2021 to 2025 due to an increase in the difference between Czech and German market electricity prices (+1.4 billion CZK)
- Higher expenses on emission allowances for generation in Czechia (CZK -1.5 bn) due to increased purchase prices and lower allocation of free allowances
- Higher gross margin on electricity sales in Czechia, Romania, and Bulgaria (CZK +1.0 bn); the COVID-19 pandemic will only have a negative effect on the segment's financial performance in next quarters

 Due to precise mathematical rounding, the sum of listed partial values can sometimes differ from the total value.

OTHER INCOME (EXPENSES)

(CZK bn)	Q1 2019	Q1 2020	Change	%
EBITDA	21.3	25.9	+4.6	+22%
Depreciation, amortization and impairments*	**-7.5**	**-7.1**	**+0.4**	**+6%**
Other income (expenses)	**-1.6**	**-1.6**	**-0.0**	**-2%**
Interest income (expenses)	-1.3	-1.2	+0.0	+1%
Interest on nuclear and other provisions	-0.5	-0.5	-0.0	-5%
Income (expenses) from investments and securities	-0.0	-0.1	-0.1	>200%
Other	0.2	0.2	+0.1	+37%
Income taxes	**-2.3**	**-3.0**	**-0.7**	**-32%**
Net income	9.9	14.2	+4.2	+43%
Net income adjusted	**10.4**	**13.9**	**+3.6**	**+34%**

Depreciation, Amortization, and Impairments* (CZK +0.4 bn)

- Additions to and reversals of impairments of fixed assets in Bulgaria (CZK +0.6 bn) and lower additions to impairments of fixed assets in Romania (CZK +0.2 bn)
- Higher depreciation and amortization (CZK -0.3 bn), primarily at ČEZ Distribuce

Net Income Adjustments

- Q1 2020 net income adjusted for the positive effect of reversal of fixed asset impairments in Bulgaria of CZK 0.2 bn
- Q1 2019 adjusted for negative effects amounting to CZK 0.5 bn, including additions to impairments of fixed assets in Bulgaria (CZK +0.3 bn) and additions to impairments of fixed assets in Romania (CZK +0.2 bn)

Note: Figures for comparative period Q1 2019 were adjusted compared to the data published in Q1 2019 due to accounting, which subsequently refined reporting of effects of electricity sales price risk hedging on individual quarters of 2019.

* Including profit/loss from sales of tangible and intangible fixed assets

COVID-19: MEASURES TO ELIMINATE RISKS FOR AND IMPACTS ON KEY ACTIVITIES AND EMPLOYEES

ČEZ took adequate measures in time to be able to supply electricity under any circumstances.

A number of measures were taken at operating premises in Czechia and abroad, which are coordinated in collaboration with national crisis staffs.

- Nuclear power plants took about twenty measures; they are able to put more restrictive practices in place within hours. A shift rotation scheme was introduced to have a backup team of key personnel available at all times.
- Wearing a mask or other cover over the nose and mouth has become compulsory at power plants. Hand sanitizers are available to employees in all workplaces. Premises are cleaned and disinfected more frequently. Buses that transport employees to nuclear power plants are also disinfected.
- Body temperature is taken when entering power plants and call centers.
- Distribution control center staff worked in weekly isolation; shifts did not meet one another.
- Employees whose jobs permit it work from home.
- Catering premises and their opening hours have been adjusted to prevent crowding.
- All field trips and unnecessary visits to power plants have been canceled.
- Foreign companies within CEZ Group have adopted measures similar to those of Czech companies in line with national measures.

We have been easing measures in Czechia outside critical infrastructure and reopening customer care centers since the beginning of May.

COVID-19: CEZ GROUP IS HELPING AFFECTED CUSTOMERS, CITIZENS, AND OTHERS

CEZ Group Companies Are Helping Their Customers

- ČEZ Prodej has allowed households to postpone their payments for up to three months since March. Almost 3,400 customers have already taken advantage of ČEZ Prodej's help, decreasing their advance payments to zero. At the same time, issuing orders for electricity and gas disconnection has been suspended for customers in default due to the epidemic. Interest-free installment plans are provided.
- Corporate and large customers supplied with energies by ČEZ ESCO can ask for postponement of payments, for reduction of advances, and a more responsive approach to negotiating installment plans.
- ČEZ ESCO guarantees its hospital customers quick provision of backup power supplies in case of power outage during the current epidemic.
- ČEZ Teplárenská allows its customers to postpone payments and arrange installment plans.
- ČEZ Distribuce postponed 40% of scheduled power outages in March to disrupt people working from home as little as possible.

ČEZ Foundation Activities

- An exceptional Crisis Aid grant program was prepared to support activities aimed at fighting the epidemic (e.g., purchases of sewing machines or materials to make masks, helping with the provision of fundamental necessities in quarantined municipalities).
- 651 projects worth more than CZK 30 million supported in two weeks.
- Contribution to Prague hospitals in Motol, Vinohrady, and Krč to buy an ambulance, monitoring equipment for COVID-19 patients, and a diagnostic device for patient testing.

CEZ Group Made 18,600 Liters of Sanitizer to Protect Its Operations in Czechia

- CEZ Group's chemistry labs, which normally carry out tests to ensure 100% safety of operating premises for the neighborhood, began making their own sanitizer in reaction to its shortage on the market.
- This is a certified product prepared according to the Czech Ministry of Health's hand sanitizer formula.
- CEZ Group thus indirectly helped the Czech state, which can provide its own disinfectants to other critical plants. ČEZ labs also continue to fully carry out their standard function.

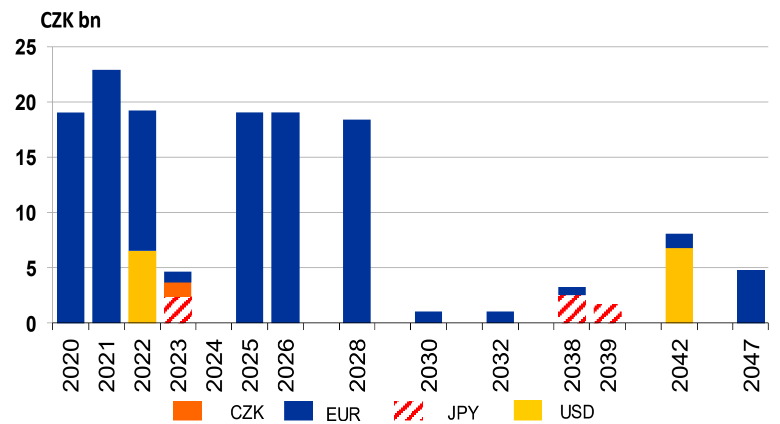
DEBT POSITION AND STRUCTURE

CEZ GROUP MAINTAINS A STRONG LIQUIDITY POSITION

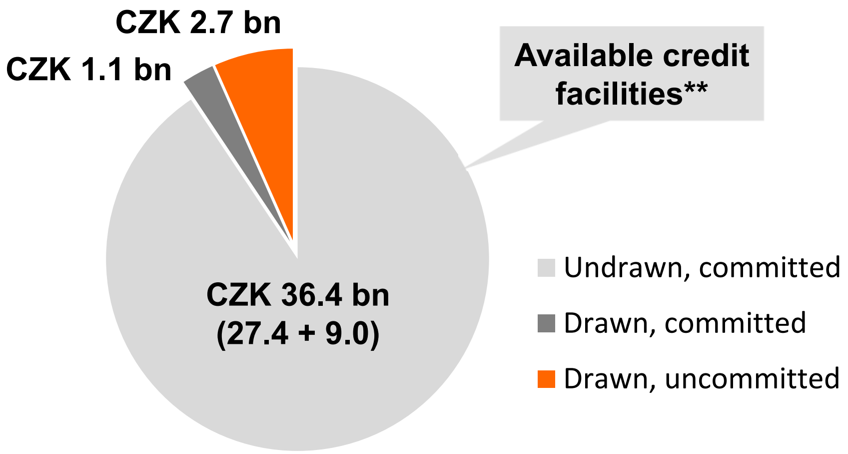
Debt Level

		As at Mar 31, 2019	As at Mar 31, 2020
Debt and loans	CZK bn	156.0	186.4
Cash and fin. assets*	CZK bn	12.1	18.5
Net debt	CZK bn	143.9	167.9
Net debt/EBITDA		2.70	2.59

Bond Maturity Profile (as at Mar 31, 2020)



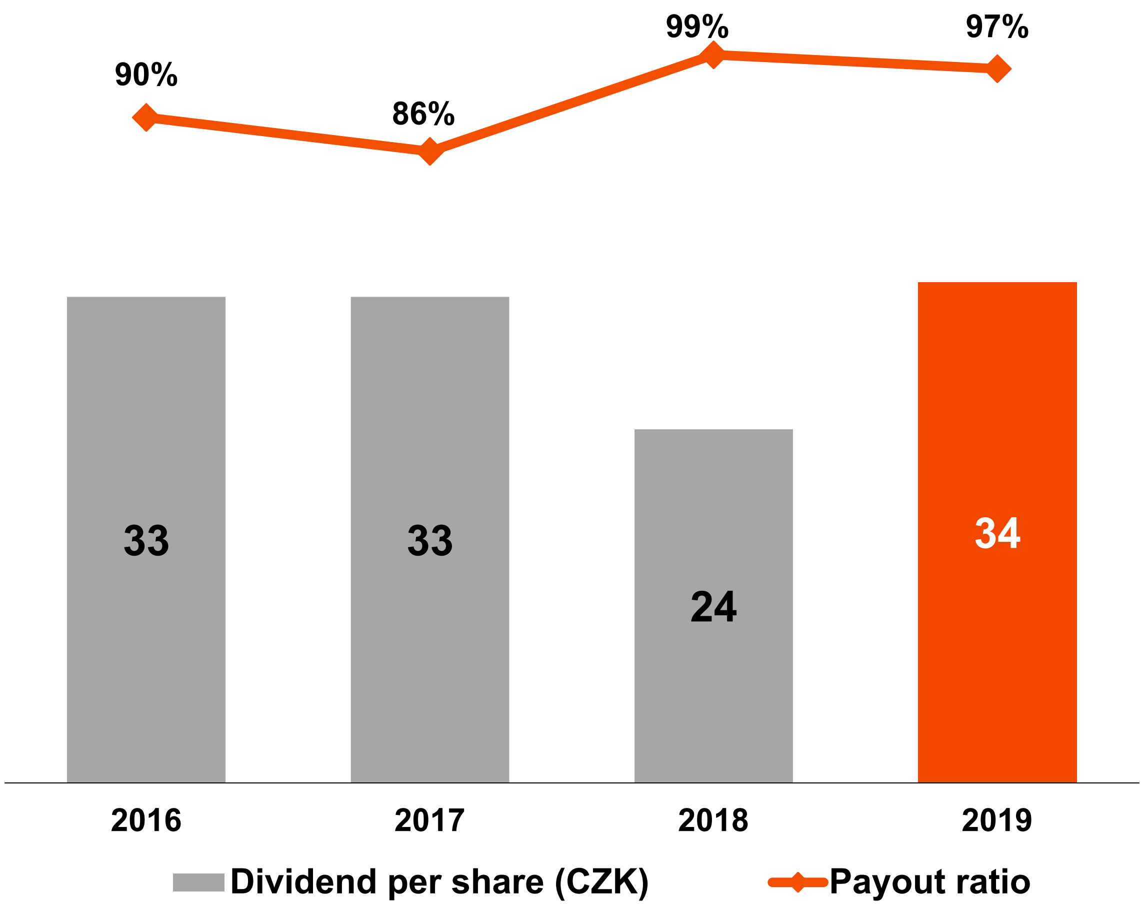
Utilization of Short-Term Lines and Available Committed Credit Facilities** (as at Mar 31, 2020)



- Committed facilities are kept as a reserve for covering unexpected expenses and to fund short-term financial needs.
- As at Mar 31, 2020, no drawdowns were made under a long-term loan agreement with the European Investment Bank for drawdowns of up to EUR 330 m (CZK 9 bn), signed in December 2019.
- CEZ Group has access to a total of CZK 37.5 bn in committed credit facilities, using just CZK 1.1 bn as at Mar 31, 2020.

* Cash and cash equivalents & Highly liquid financial assets; ** Including data on Bulgarian assets held for sale. Available credit facilities include an undrawn committed long-term EIB loan of EUR 330 m, which is estimated to be drawn down in the summer of 2020.

ČEZ BOARD OF DIRECTORS TO PROPOSE SHAREHOLDERS’ MEETING A DIVIDEND OF CZK 34 PER SHARE (97% OF 2019 ADJUSTED NET INCOME)



- The dividend for 2019 is proposed to be **CZK 34 per share**.
- The proposal reflects the Company’s current dividend policy (80–100% payout ratio).
- The proposal corresponds to **97%** of CEZ Group’s consolidated net income in 2019 adjusted for extraordinary effects

The above values of dividends per share correspond to dividends for a given year that are paid to shareholders in the following year as determined by the relevant shareholders’ meeting.

DEVELOPMENTS IN CEZ GROUP'S DIVESTING ACTIVITIES

ROMANIA

- A process to sell CEZ Group's Romanian assets was officially launched on Sep 9, 2019. The subject of the sale includes but is not limited to the distribution and sales companies and the Fântânele and Cogealac wind parks.
- The first stage was concluded with the receipt of 19 indicative offers.
- In connection with the COVID-19 pandemic, a state of emergency was declared in the country (currently valid until May 15). During the state of emergency, the Romanian government suspended the transfer of majority stakes in the companies of the national energy system. The sales process and negotiations with individual bidders continue. Final timetable including the deadline for binding bids will be set depending on the development of situation in the country.

BULGARIA

- An SPA for the purchase of Bulgarian assets made with Eurohold on Jun 20, 2019, remains in force.
- The first hearing of an action against the Commission for Protection of Competition's decision disapproving the sale of Bulgarian assets was held before the Sofia City Administrative Court on Mar 9, 2020. The hearing was adjourned until Apr 6, 2020. Due to restrictions resulting from the spread of COVID-19, the hearing was further adjourned until Apr 27, 2020, and subsequently until May 18, 2020.

POLAND

- The sale of Polish wind projects was started in 2019. It includes the Krasin and Sakówko projects as well as 4 projects with potential for further development. Finalization of portfolio sale is estimated to be completed in Q2 2020.
- Commencement of the process to sell Polish coal-fired assets (Chorzów and Skawina power plants) and other Polish companies (other than the ESCO companies) is preliminarily scheduled for H2 2020. We do not expect any major delay due to COVID-19.

TURKEY

- We continually monitor interest of mostly local investors in our share in Akcez. No negotiation with an interested party has proceeded to binding stage.

SELECTED EVENTS IN THE PAST QUARTER

IN TRADITIONAL ELECTRICITY GENERATION

- ČEZ is making environmental upgrades to its power plants to prepare them for new European BAT rules as much as possible. Modern technologies are being installed (e.g., activated carbon dosing technology will be applied to generating facilities, GORE modules are tested within Energotrans). Most environmental measures will be installed in 2022–2023.
- Applications for exemption from BAT requirements were submitted for the Prunéřov 2, Tušimice, Ledvice B6, Trmice, and Počerady coal-fired plants so that the heating plants and power plants may operate after August 2021. An application for exemption for the Mělník site is being prepared for submission. The applications for exemption from deadlines are mostly due to environmental measures for compliance with mercury limits.
- Poland—The Chorzów power plant obtained investment aid of approx. CZK 660 m for a prepared project for the construction of a new biomass facility.
- The operation of selected coal-fired plants was reduced due to a drop in spot market prices resulting from the pandemic. For example, the Dětmarovice power plant was shut down temporarily but heat continues to be supplied from the power plant without interruption.

IN DISTRIBUTION IN CZECHIA

- ERO's price decision for 2020 was amended as a follow-up to the declared state of emergency. The goal is to mitigate the consequences of the Czech government's measures relating to COVID-19. The changes are valid from April to June 2020.
- Regulatory formulas for the calculation of regulatory components are being finalized in relation to the Price Regulation Principles for the Fifth Regulatory Period applicable from 2021 to 2025. The ERO will publish the final Price Regulation Principles by May 31, 2020.
- The distribution grid was hit by 2 windstorms in 2020 (Sabine, Julia), during which power was cut to almost 390,000 service points. The average duration of the power cuts was 7.86 hours and costs to repair the damage exceeded CZK 55 m.

ERO—Energy Regulatory Office; BAT—Best Available Technology

SELECTED EVENTS IN THE PAST QUARTER

ČEZ DECIDED TO KEEP EVALUATING LITHIUM EXTRACTION OPPORTUNITY AT CÍNOVEC

- ČEZ and EMH agreed to make an amendment to their agreement, under which Severočeské doly will acquire a 51% stake in Geomet by raising its capital by EUR 29.1 m. Geomet holds priority rights to deposit exploration and exploitation.
- The next stage of project development (until about 2023) consists primarily in technical verification of the manufacturing process under pilot operation conditions and in pilot test lines. A decision on possible extraction will be taken on the basis of the results of this preparatory stage.
- If the project turns out to be unprofitable, ČEZ and Severočeské doly may back out. In such a case, CEZ Group will get back any unused resources and retain a share corresponding to the capital expenditure on project development used by that date.

CEZ GROUP PARTICIPATES IN THE CONSTRUCTION OF THE BIGGEST HIGH-TEMPERATURE ELECTROLYZER FOR GREEN HYDROGEN PRODUCTION

- German company Sunfire (part of the portfolio of CEZ Group's Inven Capital) announced its participation in a project to construct and operate the first multimegawatt (2.6 MW) high-temperature electrolyzer. Production is estimated to start in mid-2022.
- The facility, whose construction will start in 2021, will produce 60 kg of "green" hydrogen per hour from renewable sources.
- The project demonstrates progress made in research into the technology, creating an opportunity for facilities with a capacity of up to 100 MW in the future.

CZECH GOVERNMENT DEBATED COOPERATION AGREEMENTS FOR THE PREPARATION OF A PROJECT FOR THE "EDU II NEW NUCLEAR POWER PLANT"

At its meeting held on Apr 27, 2020, the Czech government debated and approved a plan to enter into two agreements with ČEZ that will regulate general terms and conditions for the construction of a new nuclear power plant in Czechia, at Dukovany, and tasked the deputy prime minister with debating them with the European Commission.

1) GENERAL AGREEMENT, not binding legally, covers overall cooperation in NNPP construction

2) IMPLEMENTATION AGREEMENT FOR STAGE 1 OF THE CONSTRUCTION OF A NEW NUCLEAR POWER PLANT at Dukovany

- <u>Selected obligations of ČEZ during Stage 1:</u>
  - Ensure that zoning permit and a nuclear facility siting permit (application submitted to State Office for Nuclear Safety on March 25, 2020) are issued and acquire necessary rights to real estate and land
  - Select a contractor and allow the state's control over the contractor selection procedure with regard to Czechia's security interests
  - Keep to the schedule and budget for Stage 1 and allow the Czech state to monitor performance
  - Hand over fully functional company Elektrárna Dukovany II if the company is to be bought by the Czech state
- <u>Selected rights of ČEZ during Stage 1 if no agreement is reached on the next stage (e.g., due to regulatory conditions):</u>
  - Sell off Elektrárna Dukovany II to the Czech state
  - Get compensation from the Czech state in the amount of costs incurred
- Future project stages will be dealt with in subsequent agreements including definitions of main principles (including parameters of offtake prices of electricity from new power plant)

The Czech government also tasked the MIT with submitting an act on measures for transition to low-carbon energy to the government by Jun 30, 2020, with the aim of allowing the state to make an order for the construction of a nuclear power plant with a firm deadline for the commissioning of the new unit, volume of generation, and purchase price.

Selected Activities and Milestones—Expected in 2020

- Finalizing and signing agreements with the state (General Agreement and Implementation Agreement for Stage 1)
- Submitting a notification form to the European Commission (Czech state's responsibility)
- Commencing the contractor selection procedure

NNPP—New nuclear power plant; MIT—Ministry of Industry and Trade

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SEGMENT: GENERATION–TRADITIONAL ENERGY

EBITDA (CZK bn)	Q1 2019	Q1 2020	Change	%
Czechia	11.7	14.6	+3.0	+26%
Poland	0.3	0.3	-0.0	-0%
Other states	0.0	0.0	-0.0	-60%
Generation - traditional energy	**12.0**	**15.0**	**+3.0**	**+25%**

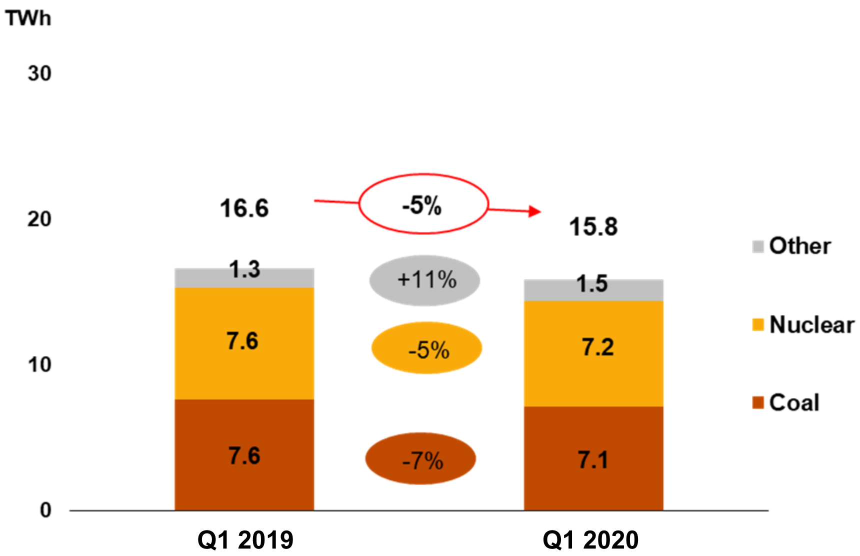
Czechia (CZK +3.0 bn)

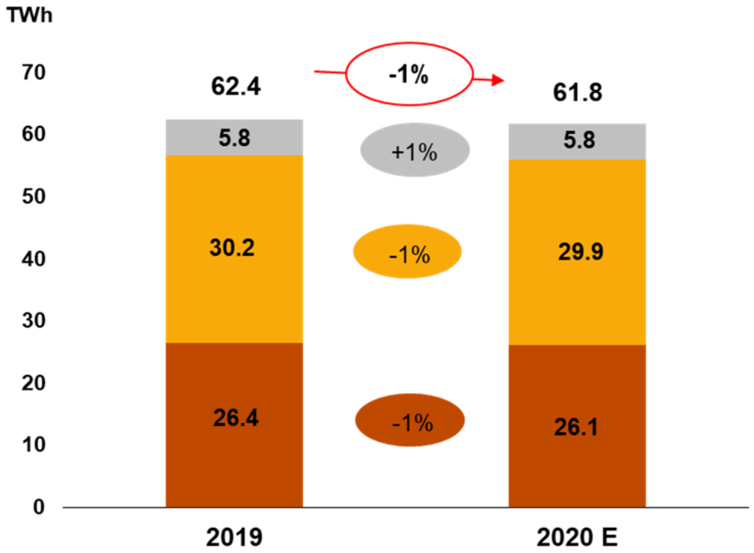
- Higher realization prices of generated electricity, including the effect of hedges and commodity trading (CZK +3.9 bn)
- Additional income ("overhedge") from German hedge contracts for generation supplies in 2021 to 2025 due to increased difference between Czech and German market prices of electricity in Q1 2020 beyond IFRS conditions for effective hedging (CZK +1.4 bn)
- Lower generation in nuclear plants (CZK -0.4 bn), operation of other power plants (CZK -0.3 bn)
- Higher expenses on emission allowances for generation (CZK -1.5 bn) due to increased purchase prices and lower allocation of free allowances
- Higher asset maintenance costs at nuclear power plants (CZK -0.2 bn)

Note: Figures for comparative period Q1 2019 were adjusted compared to the data published in Q1 2019 due to accounting, which subsequently refined reporting of effects of electricity sales price risk hedging on individual quarters of 2019.

ELECTRICITY GENERATION

GENERATION–TRADITIONAL ENERGY SEGMENT





Nuclear Power Plants (-5%)
− Extended outages at Dukovany power plant due to increased scope of inspection work

Coal-Fired Power Plants (-7%)
Czechia (-8%)
− Lower generation by Mělník 3 and Dětmarovice power plants
+ Shorter outages at Ledvice 4 (new facility) and Prunéřov 2 power plants
Poland (0%)
− Lower generation in connection with low spot prices (Skawina)
+ No outages (Chorzów)

Other (+11%)
+ Primarily higher generation at Počerady CCGT plant due to favorable market conditions, especially the effect of low gas prices
+ Higher utilization of pumped-storage hydroelectric power plants

Nuclear Power Plants (-1%)
− Extended scope of operating inspections, inclusion of capital projects, and grid effects

Coal-Fired Power Plants (-1%)
Czechia (-2%)
− Prunéřov 1 power plant put out of operation since Jul 1, 2020
− Lower generation by Mělník 3 and Mělník 2 power plants
+ Shorter outages at Prunéřov 2, Ledvice 4 (new facility), and Ledvice 3 power plants
Poland (+4%)
+ Higher generation, shorter outages (Skawina)

Other (+1%)
+ Higher utilization of pumped-storage hydroelectric power plants

 Due to precise mathematical rounding, the sum of listed partial values can sometimes differ from the total value.

SEGMENT: GENERATION–NEW ENERGY

EBITDA (CZK bn)	Q1 2019	Q1 2020	Change	%
Czechia	0.4	0.4	-0.0	-4%
Romania	0.6	0.8	+0.2	+40%
Germany	0.2	0.2	+0.1	+28%
Other states	-0.0	-0.0	-0.0	-52%
Generation - new energy	**1.2**	**1.4**	**+0.3**	**+22%**

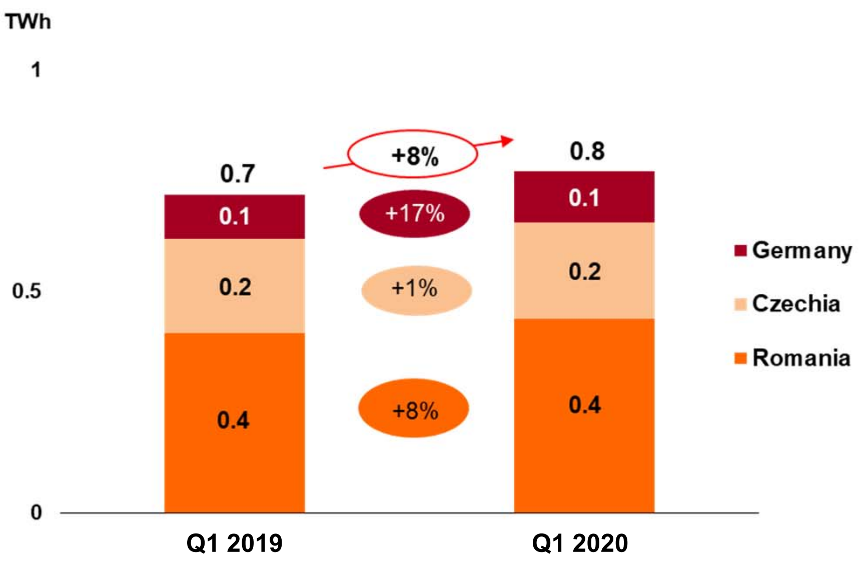
Romania (CZK +0.2 bn)

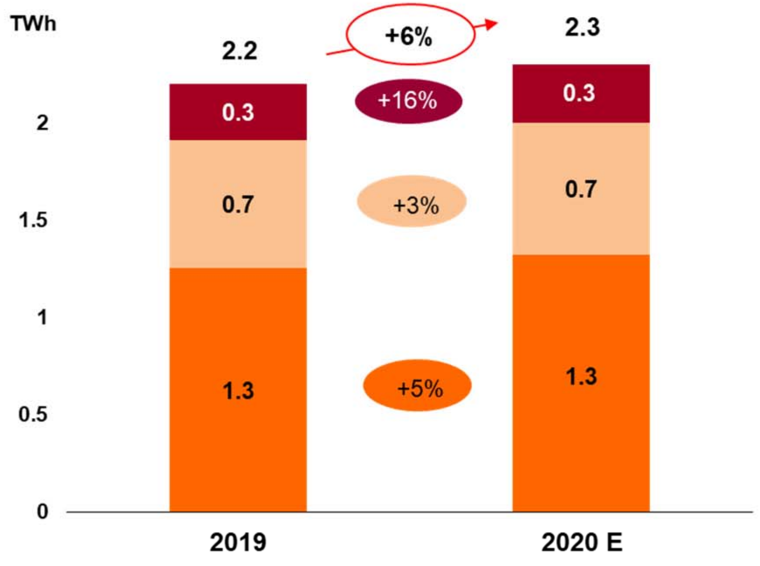
- Primarily higher price and amount of generated electricity

Germany (CZK +0.1 bn)

- Primarily higher amount of generated electricity

ELECTRICITY GENERATION
GENERATION—NEW ENERGY & SALES SEGMENTS





Germany (+17%)
+ Better weather conditions

Czechia (+1%)
+ Higher generation of CEZ Energo due to increased number of cogeneration units
− Higher generation at small hydropower plants in 2019

Romania (+8%)
+ Better weather conditions

Germany (+16%)
+ Worse-than-average weather conditions in 2019

Czechia (+3%)
+ Increase of generation of CEZ Energo
+ Modernization of Hradec Králové small hydropower plant completed at the end of 2019

Romania (+5%)
+ Worse-than-average weather conditions in 2019

 Due to precise mathematical rounding, the sum of listed partial values can sometimes differ from the total value.

SEGMENT: SALES

EBITDA (CZK bn)	Q1 2019	Q1 2020	Change	%
Czechia	0.7	1.3	+0.6	+87%
Germany	0.0	0.1	+0.1	+181%
Romania	-0.1	0.2	+0.3	-
Bulgaria	0.0	0.2	+0.1	>200%
Other states	-0.0	0.0	+0.0	-
Sales	**0.7**	**1.8**	**+1.2**	**+169%**

Czechia (CZK +0.6 bn)
- Higher margin on commodity sales (CZK +0.5 bn), primarily the effect of purchase prices and higher amounts sold
- Noncommodity ESCO activities (CZK +0.1 bn)

Germany (CZK +0.1 bn)
- Positive financial results of Elevion group, including the effect of Hermos acquisition

Romania (CZK +0.3 bn)
- Higher gross margin, primarily due to higher expenses on electricity purchases in 2019; higher margin in Q1 2020 will be negatively compensated for in H2 in line with regulation

Bulgaria (CZK +0.1 bn)
- Higher gross margin from sales of electricity

The COVID-19 pandemic will only have a negative effect on the segment’s financial performance in next quarters.

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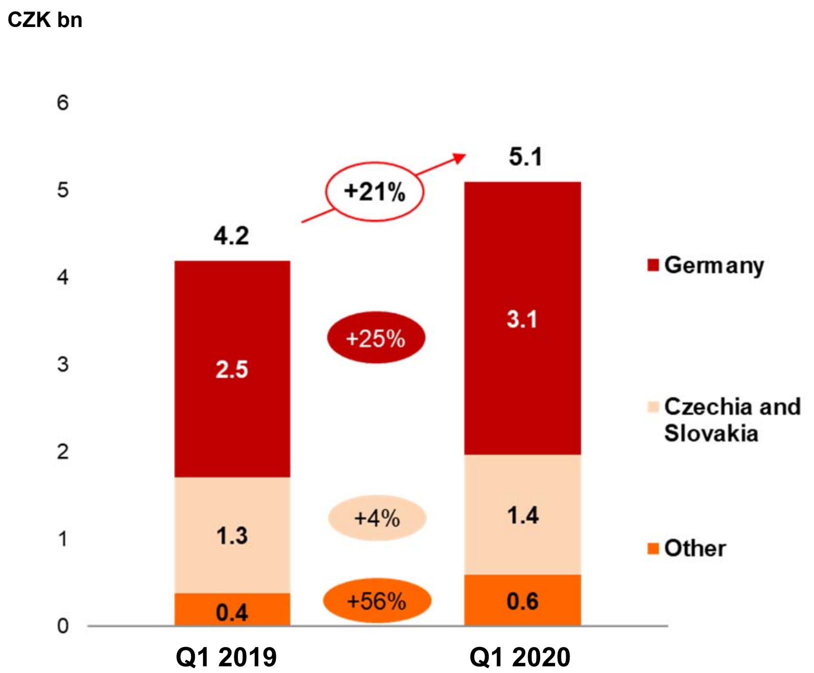
ESCO COMPANIES
Q1 SALES INCREASED BY 21% Y-O-Y

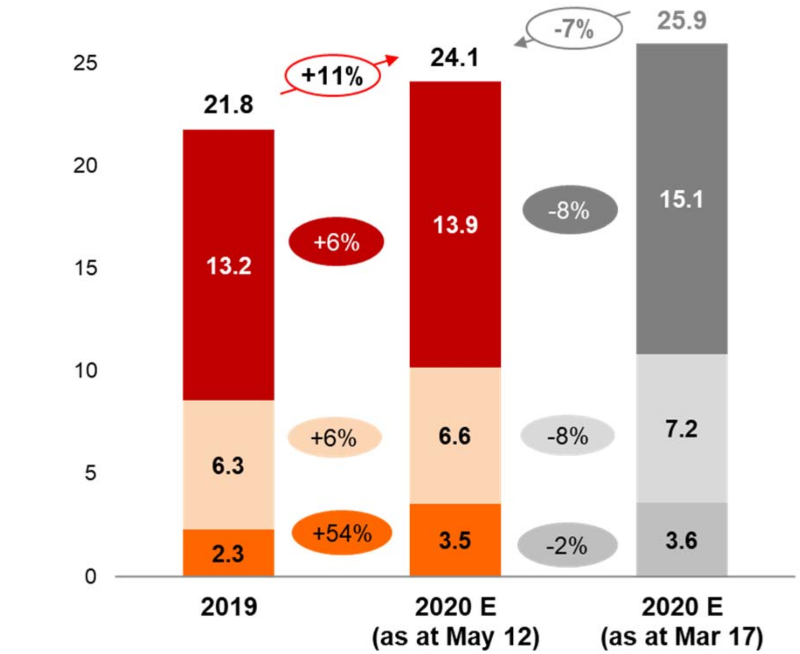


Germany (+25%)
+ Organic growth, primarily of En.plus and Elevion group
+ Effect of acquisition of Hermos (consolidated May 15, 2019)

Czechia & Slovakia (+4%)
+ Primarily organic growth

Other (+56%)
+ Organic growth, primarily of High-Tech Clima in Romania
+ Effect of acquisition of Euroklimat in Poland (consolidated Aug 30, 2019)

Lower sales outlook due to COVID-19



Germany (+6%)
+ Organic growth and effect of acquisition of Hermos

Czechia & Slovakia (+6%)
+ Organic growth and effect of minor acquisitions in 2019

Other (+54%)
+ Organic growth, primarily in Poland and Romania
+ Effect of acquisition of Euroklimat in Poland

 Due to precise mathematical rounding, the sum of listed partial values can sometimes differ from the total value.

SEGMENT: DISTRIBUTION

EBITDA (CZK bn)	Q1 2019	Q1 2020	Change	%
Czechia	4.8	4.8	+0.0	+1%
Romania	0.2	0.4	+0.2	+69%
Bulgaria	0.3	0.6	+0.2	+71%
Distribution	**5.4**	**5.8**	**+0.4**	**+8%**

Czechia (CZK +0.0 bn)

- Higher revenue from activities to ensure input power and connection (CZK +0.1 bn)
- Higher fixed operating expenses, primarily personnel expenses (CZK -0.1 bn)

Romania (CZK +0.2 bn)

- Higher gross margin on electricity distribution due to higher electricity distribution prices and due to lower expenses to cover grid losses

Bulgaria (CZK +0.2 bn)

- Higher gross margin on electricity distribution primarily due to lower expenses to cover grid losses and higher amount distributed (CZK +0.3 bn)
- Lower revenues from capacity reservation and connection

The COVID-19 pandemic will only have a negative effect on the segment's financial performance in next quarters.

Due to precise mathematical rounding, the sum of listed partial values can sometimes differ from the total value.

MINING SEGMENT,
SUPPORT SERVICES SEGMENT

EBITDA (CZK bn)	Q1 2019	Q1 2020	Change	%
Czechia	1.5	1.4	-0.2	-11%
Mining	**1.5**	**1.4**	**-0.2**	**-11%**

Czechia (CZK -0.2 bn)

- Primarily decrease in revenue from sales of coal (CZK -0.1 bn), especially due to lower demand by customers outside CEZ Group

EBITDA (CZK bn)	Q1 2019	Q1 2020	Change	%
Czechia	0.5	0.4	-0.1	-18%
Other states	0.0	0.0	+0.0	+131%
Support services	**0.5**	**0.4**	**-0.1**	**-17%**

Czechia (CZK -0.1 bn)

- Primarily an effect of lower intragroup sales and margins

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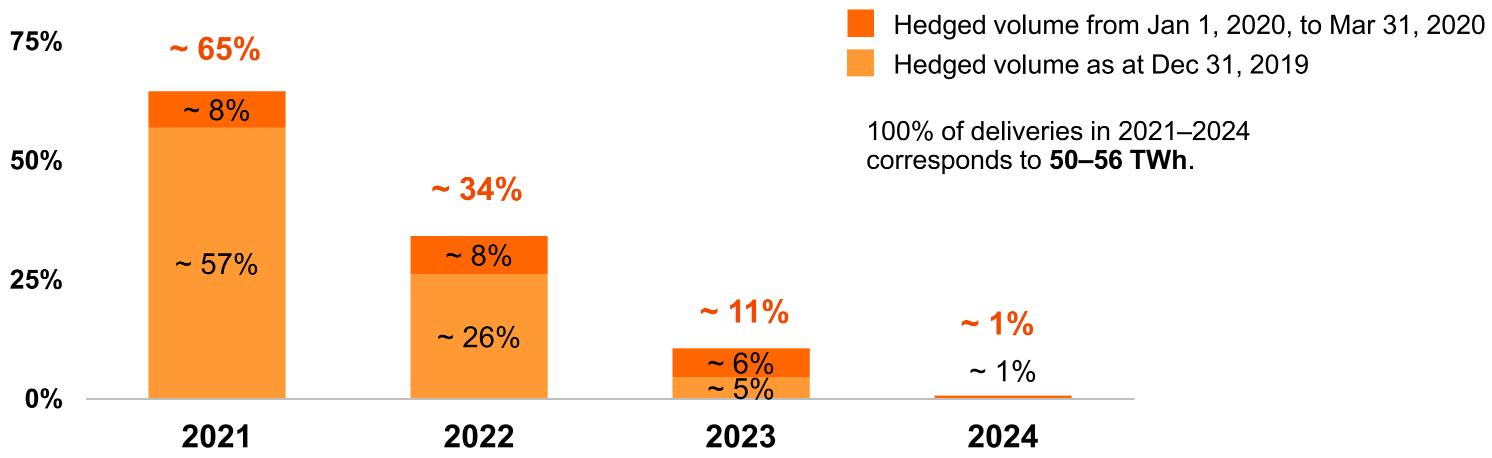
ČEZ CONTINUES HEDGING ITS GENERATION REVENUES, FOR 2021 SOLD 65% AT 46 EUR/MWH

Forecast realization price of electricity generated in Czechia in 2020 (estimated at May 12, 2020):

- Estimated average realization price of generated electricity is **44.9 EUR/MWh.**
- Estimated average acquisition price of emission allowances for generation (incl. allocated in the derogation) is 15.4 EUR/MWh.
- This results from hedges in past years, deals made in 2020, and the current market valuation of remaining, still unsold, estimated generation in 2020 (incl. valuation of not yet acquired emission allowances for expected generation in 2020).

Share of Hedged Production of ČEZ* Facilities in Czechia as at Mar 31, 2020



Hedging Prices of Electricity & Emission Allowances for Generation in Czechia as at Mar 31, 2020

	2021	2022	2023	2024
Electricity selling price (EUR/MWh)	€46.3	€48.0	€46.6	€49.1
EUA purchase price (EUR/t)	€19.2	€21.1	€21.4	€22.9

* ČEZ, a. s., including the Energotrans, Počerady, and Dětmarovice power plants

COVID-19 PANDEMIC IMPACT ON 2020 FINANCIAL PERFORMANCE IS NOT ESTIMATED TO BE SIGNIFICANT THANKS TO HEDGING

WE ESTIMATE THE TOTAL NEGATIVE IMPACT OF THE PANDEMIC ON CEZ GROUP'S EBITDA FOR THE WHOLE OF 2020 AT CZK 3 TO 4 BN.

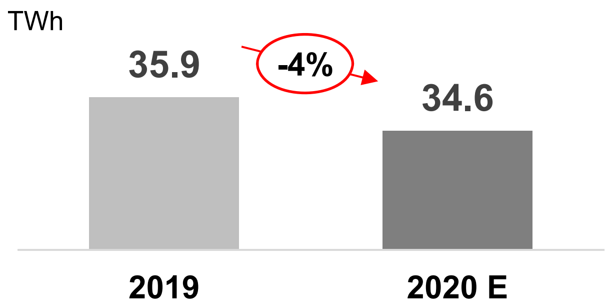
Generation—Traditional Energy Segment & Mining Segment

- Decrease in commodity prices on energy exchanges—because of high hedging, we expect a relatively low impact on generation margin of CEZ facilities. Lower generation has a negative impact primarily on decreased revenue from coal mining.
- We estimate the **total negative impact** of COVID-19 on the segments' EBITDA 2020 outlook at **CZK 1.5 to 2 bn**

Distribution Segment & Sales Segment

- Decrease in the consumption of electricity and natural gas across countries (in Czechia, electricity consumption decreased by approx. 11% in April 2020)
- Delay of acquisitions and new investments in ESCO and lower ESCO revenues (lower EBITDA by a total of 20–30% as compared to the initial plan)
- Lower margin on commodity sales to wholesale customers
- Negative effect of the Czech regulatory authority's price decision modifying selected regulatory parameters for distribution in April to June 2020
- We estimate the **total negative impact** of the pandemic on the segments' EBITDA 2020 outlook at **CZK 1.5 to 2 bn**

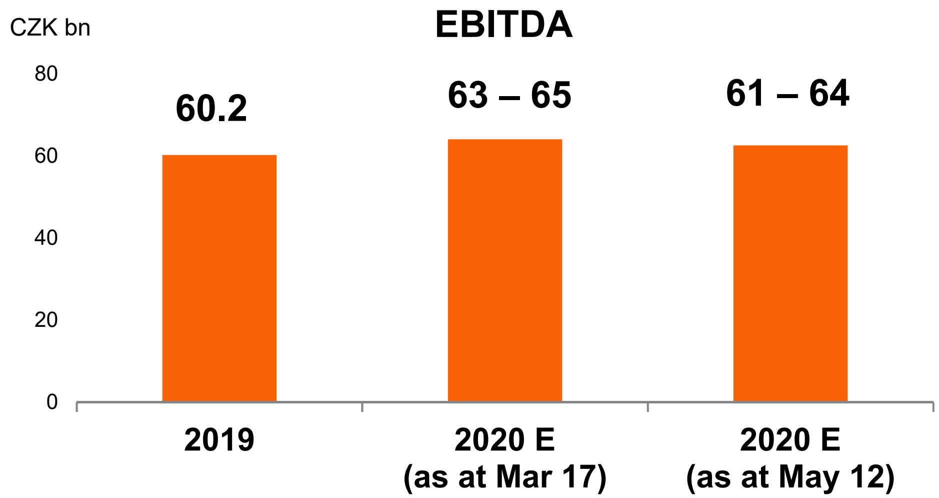
Electricity Consumption in the Distribution Area of ČEZ Distribuce*

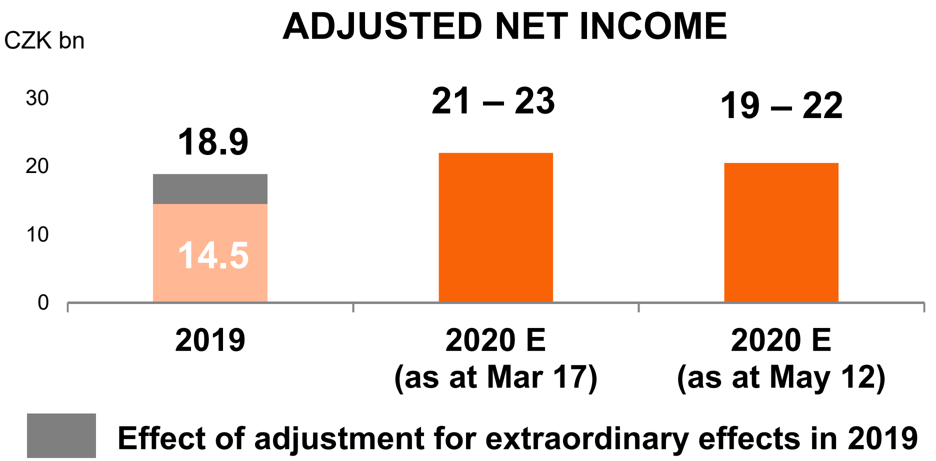


- The pandemic is not an existential threat for any of CEZ Group's consolidated companies.
- The outcome of tests for the recoverable value of assets did not result in additions to fixed asset impairments or in goodwill impairment.

* ČEZ Distribuce's distribution area covers about ⅝ of Czechia.

WE ADJUST THE FINANCIAL OUTLOOK FOR 2020, ESTIMATING EBITDA AT CZK 61 TO 64 BN, ADJUSTED NET INCOME AT CZK 19 TO 22 BN





Selected reasons for change in financial outlook as compared to outlook from Mar 17, 2020:

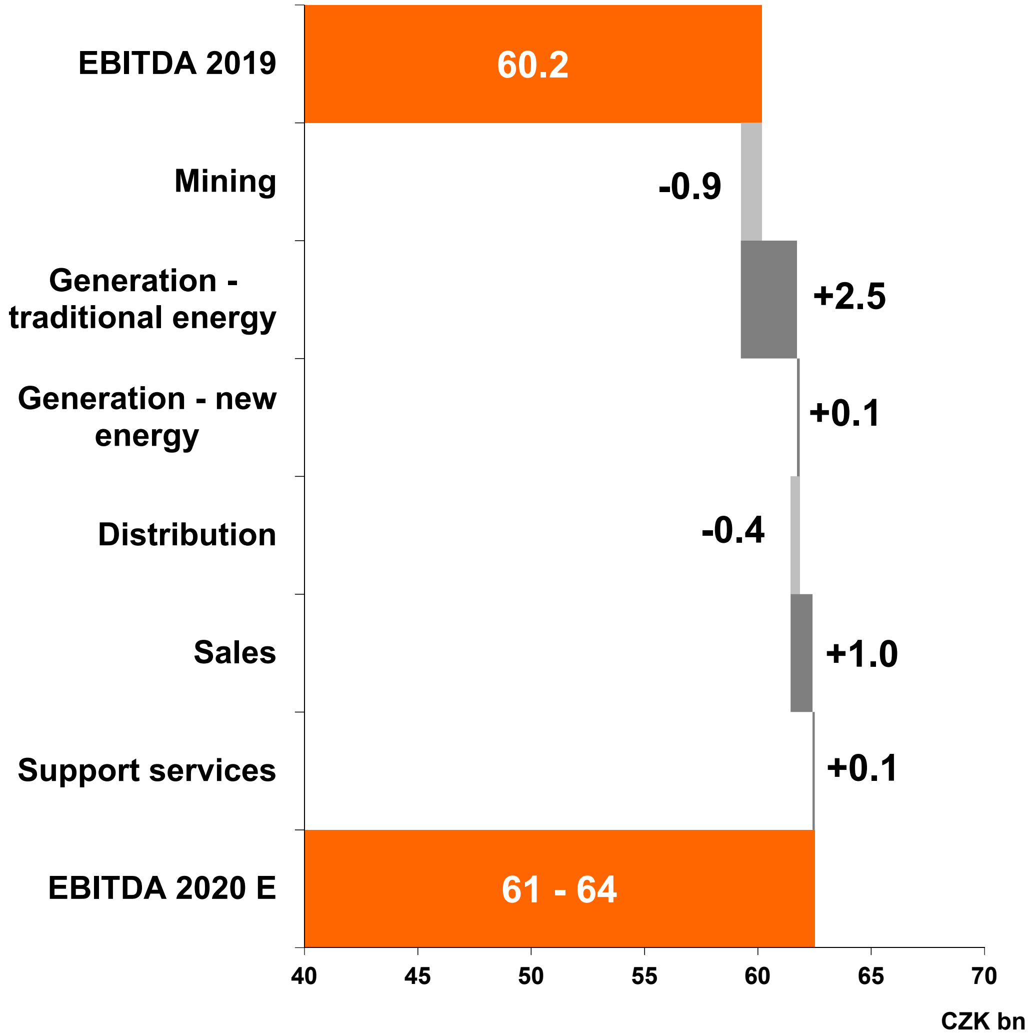
- Negative impact of COVID-19 on the Generation—Traditional Energy, Distribution, Sales, and Mining segments:
  - Decrease in consumption and market prices of electricity
  - Delay of acquisitions and lower ESCO revenue
  - Reduced demand for electricity by corporate customers
  - Lower sales of coal
- Higher revenue from commodity trading
- Additional income (“overhedge”) from German hedge contracts for Czech generation supplies in 2021 to 2025 due to increased difference between Czech and German market prices of electricity

Selected forecast risks and opportunities (reasons for the interval):

- Impact of the pandemic on electricity consumption, commodity market prices, and customers
- Availability of generating facilities
- Realization prices of generated electricity
- Revenue from commodity trading and from ancillary services for the generation portfolio in Czechia

The values of adjusted net income exclude extraordinary effects that are generally unrelated to ordinary financial performance in a given year (such as fixed asset impairments and goodwill write-off); see the Annex for a detailed indicator definition and calculation method.

EXPECTED YEAR-ON-YEAR CHANGE IN EBITDA BY BUSINESS SEGMENT



Mining (CZK -0.7 to -1.1 bn)

- Lower sales of coal due to decreased generation by ČEZ's coal-fired power plants and due to decreased demand by customers outside CEZ Group (COVID-19)

Generation—Traditional Energy (CZK +2 to +3 bn)

- Higher realization prices of the generated electricity incl. hedging effects
- Additional profit (overhedge) from German hedges for generation supplies in Czechia in the years 2021 to 2025
- Higher expenses on emission allowances for generation
- Lower revenue from ancillary services
- Lower revenue from commodity trading (as compared to exceptionally good results in 2019)

Distribution (CZK -0.7 to +0.1 bn)

- Lower amount of distributed electricity and negative effect of regulatory authority's price decision in Czechia (COVID-19)

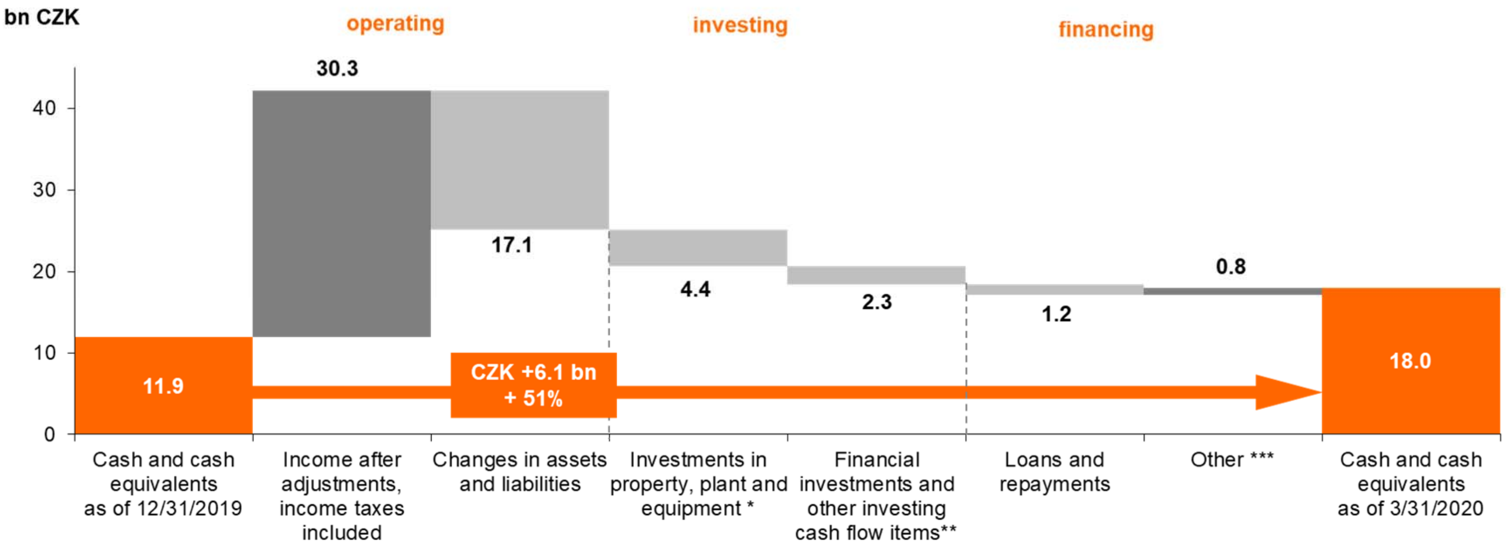
Sales (CZK +0.7 to +1.4 bn)

- Negative impact on financial performance in 2019 (CZK +1.3 bn) of a court ruling under which SŽDC's payment of obligation to ČEZ Prodej from 2010 was repaid in 2019
- Lower margin on commodity sales to corporate customers (COVID-19)

ANNEXES

- Cash Flows
- Capital Expenditure
- Balance Sheet Overview
- Electricity Consumption
- Currency Risk Hedging
- Market Developments
- Electricity Procured and Sold
- Definitions of Alternative Indicators according to ESMA

CASH FLOWS



Cash Flows from Operating Activities (CZK +13.2 bn)

- Income after adjustments, incl. income tax (CZK +30.3 bn): income before taxes (CZK +17.2 bn); income tax paid (CZK -1.0 bn); interest paid, other than capitalized interest, and interest received (CZK -0.2 bn); adjustments for noncash operations (CZK +14.3 bn), including depreciation and amortization of nuclear fuel (CZK +8.4 bn); other impairments and other noncash income and expenses (CZK +3.0 bn); change in provisions (CZK +2.2 bn); loss from associates and joint ventures (CZK +0.1 bn); interest expenses and revenues and dividends received (CZK +1.2 bn); foreign exchange gains and losses (CZK -0.4 bn); impairments of property, plant, and equipment and noncurrent intangible assets (CZK -0.3 bn)
- Changes in assets and liabilities (CZK -17.1 bn): change in payables and receivables from derivatives, including options (CZK -8.6 bn); change in trade payables (CZK -8.0 bn); change in receivables and contract assets (CZK -1.3 bn); change in other assets and liabilities (CZK +0.7 bn); change in inventories of materials and fossil fuels (CZK +0.1 bn)

Cash Flows Used in Investing Activities (CZK -6.7 bn)

- Capital expenditure* (CZK -4.4 bn)
- Change in liabilities attributable to capital expenditure (CZK -2.4 bn)

Cash Flows from Financing Activities (CZK -0.4 bn)***

- Balance of proceeds from and repayments of borrowings (CZK -1.2 bn); lease repayments (CZK -0.2 bn); balance of additions to and repayments of other noncurrent liabilities (CZK +0.1 bn); effect of exchange differences and impairments on amount of funds (CZK +0.9 bn)

*CAPEX; **Including change in liabilities attributable to capital expenditure, balance of loans granted, divestments, and change of restricted funds; ***Including the net effect of currency translation and impairment in cash

CAPITAL EXPENDITURE

BROKEN DOWN BY SEGMENT

CZK bn	Q1 2019	Q1 2020
Generation—Traditional Energy	**1.7**	**1.6**
Of which: Nuclear fuel acquisition	0.9	0.6
Generation—New Energy	**0.4**	**0.1**
Mining	**0.4**	**0.3**
Distribution	**1.8**	**2.2**
Czechia	1.3	1.7
Romania	0.2	0.3
Bulgaria	0.3	0.3
Sales	**0.2**	**0.2**
Support Services*	**0.1**	**0.1**
Total	**4.6**	**4.4**

Year-on-year changes in capital expenditure in segments:

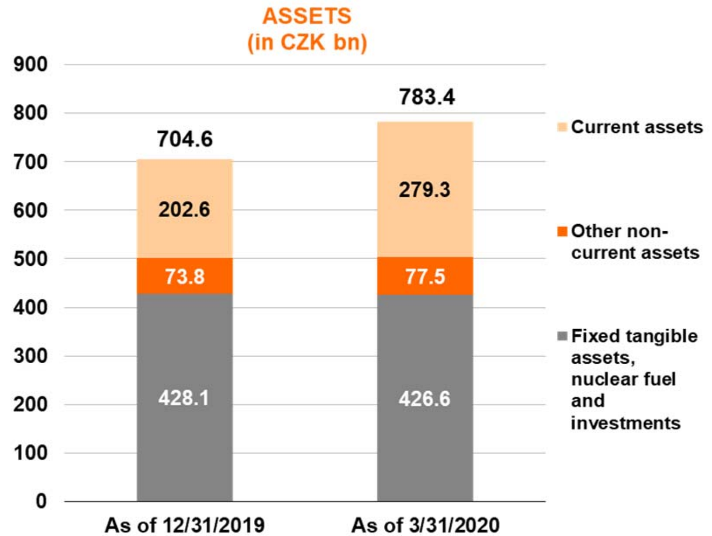
- **Generation—Traditional Energy:** Procurement of a lower amount of uranium (CZK -0.3 bn)
- **Generation—New Energy:** Primarily the acquisition of a RES project in France in 2019
- **Mining:** Slower start of rubber belt repairs and deployment according to open pit advances; rescheduling of land purchases
- **Distribution:** Czechia—Higher capital expenditures on the renovation of distribution grid facilities and capital expenditures initiated at customer requests

*Including the amount of intersegment eliminations; RES—renewable energy sources

BALANCE SHEET OVERVIEW

Total property, plant and equipment decreased by CZK 1.5 bn
- Property, plant, and equipment, gross, including construction work in progress CZK +6.9 bn; accumulated depreciation and impairments CZK -8.2 bn
- Nuclear fuel CZK -0.1 bn

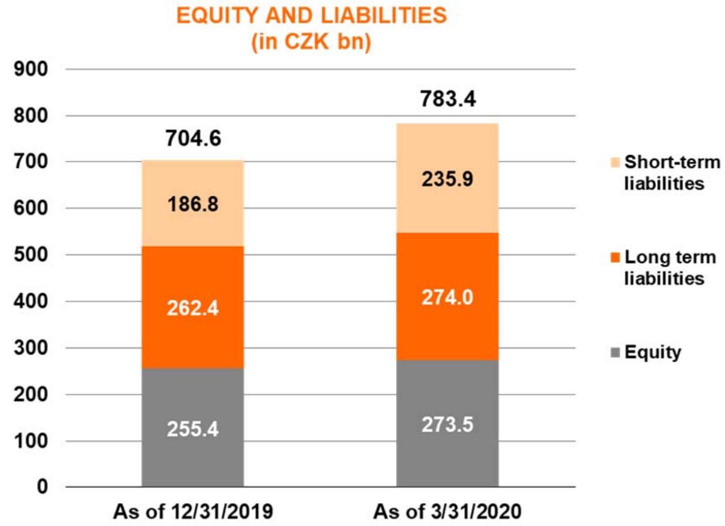
Other noncurrent assets increased by CZK 3.7 bn
- Long-term receivables from derivatives CZK +6.7 bn
- Noncurrent intangible assets CZK -3.0 bn, primarily due to decrease in long-term emission allowances of CZK -3.4 bn; in contrast, goodwill at subsidiaries increased by CZK +0.6 bn
- Investments in associates and joint ventures increased by CZK +0.2 bn
- Deferred tax asset CZK -0.2 bn



Current assets increased by CZK 76.6 bn
- Receivables from derivatives, including options CZK +65.4 bn
- Cash and cash equivalents CZK +5.5 bn
- Other assets CZK +2.6 bn, primarily short-term contract assets
- Assets classified as held for sale CZK +2.2 bn
- Income tax asset CZK +0.8 bn
- Net trade receivables CZK +0.6 bn
- Emission allowances CZK -0.4 bn

Equity increased by CZK 18.2 bn
- Net income in the reporting period CZK +14.2 bn
- Other comprehensive income CZK +4.0 bn

Noncurrent liabilities increased by CZK 11.6 bn
- Bonds issued and long-term bank loans CZK +10.2 bn
- Deferred tax liability CZK +2.8 bn
- Other noncurrent liabilities CZK +0.3 bn
- Long-term provisions CZK +0.2 bn
- Liabilities attributable to capital expenditure CZK +0.2 bn
- Noncurrent lease liabilities CZK +0.1 bn
- Noncurrent liabilities from derivatives CZK -2.2 bn

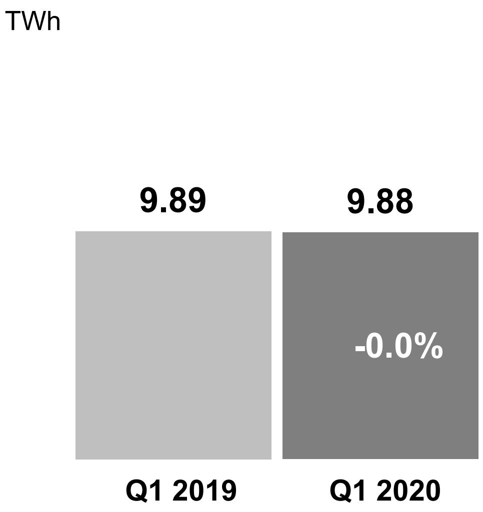


Current liabilities increased by CZK 49.1 bn
- Liabilities from derivatives, including options CZK +54.3 bn
- Current portion of long-term debts CZK +3.1 bn
- Short-term provisions CZK +2.4 bn
- Liabilities associated with assets held for sale CZK +0.4 bn
- Trade payables CZK -9.4 bn
- Short-term loans CZK -0.8 bn
- Other current liabilities CZK -0.7 bn, primarily current contract liabilities
- Income tax liabilities CZK -0.1 bn

 Due to precise mathematical rounding, the sum of listed partial values can sometimes differ from the total value.

ELECTRICITY CONSUMPTION
IN THE DISTRIBUTION AREA OF ČEZ DISTRIBUCE

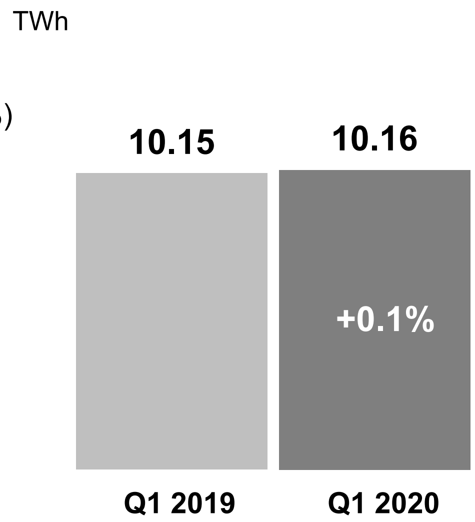
Consumption in the Distribution Area of ČEZ Distribuce



Changes in consumption (-0.0%) by segment:

- -1.2% large end-use customers
- +2.9% residential customers
- -1.8% commercial retail

Temperature- and Calendar-Adjusted Consumption*



- Analysis based on CEZ Group’s internal data.
- CEZ Group’s distribution area covers around ⅝ of Czechia’s territory, so the data are a good indicator of nationwide consumption trends.

Acc. to data of ČEZ Distribuce, a. s.; *Adjustment as per ČEZ Distribuce, a. s., model

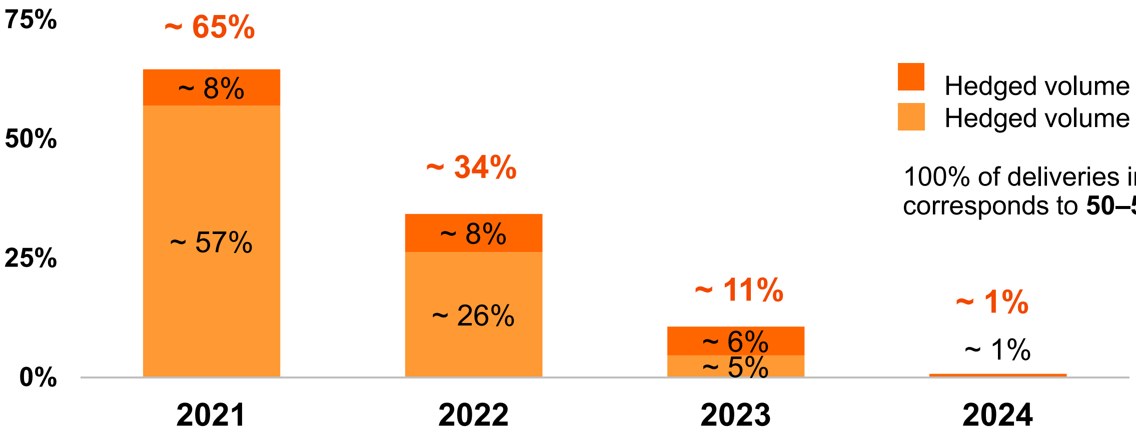
CURRENCY HEDGES FOR ESTIMATED ELECTRICITY GENERATION IN 2021–2024

Currency Hedges for Estimated Supplies of Generated Electricity as at Mar 31, 2020

	2021	2022	2023	2024
Total currency hedges (natural & transactional) as at Mar 31, 2020	**98%**	**94%**	**84%**	**76%**
Of which, natural currency hedges (debts in EUR, capital and other expenditures and costs in EUR)	83%	78%	77%	82%

The foreign exchange position for 2021 is hedged at an average rate of 26.9 CZK/EUR, for 2022–2024 at a rate of 25.8–26.2 CZK/EUR.

Share of Hedged Production of ČEZ* Facilities in Czechia as at Mar 31, 2020

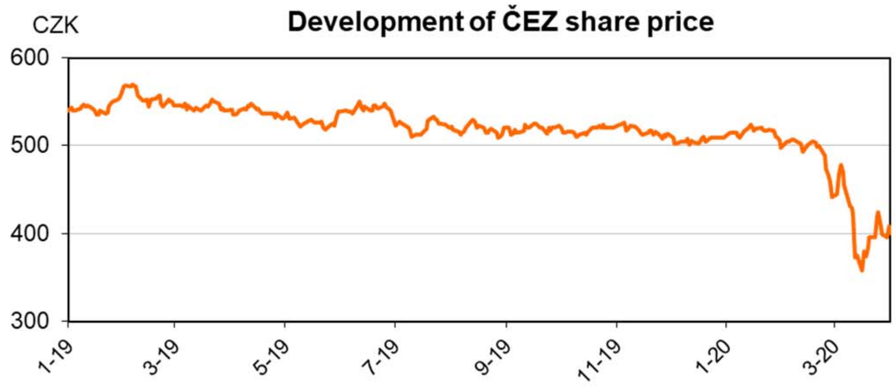


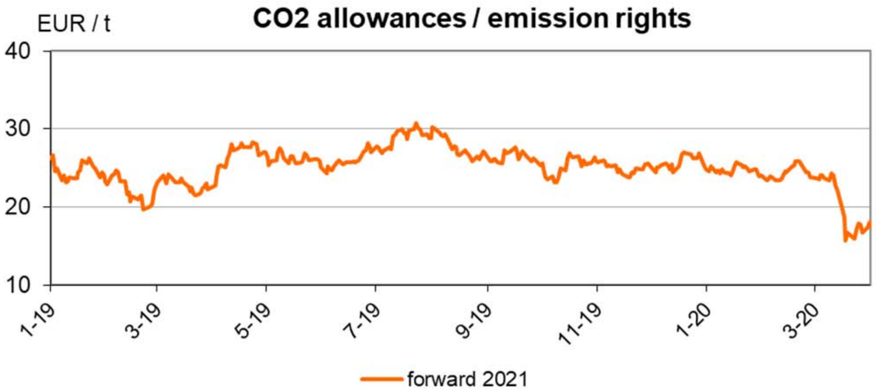
Hedged volume from Jan 1, 2020, to Mar 31, 2020
Hedged volume as at Dec 31, 2019

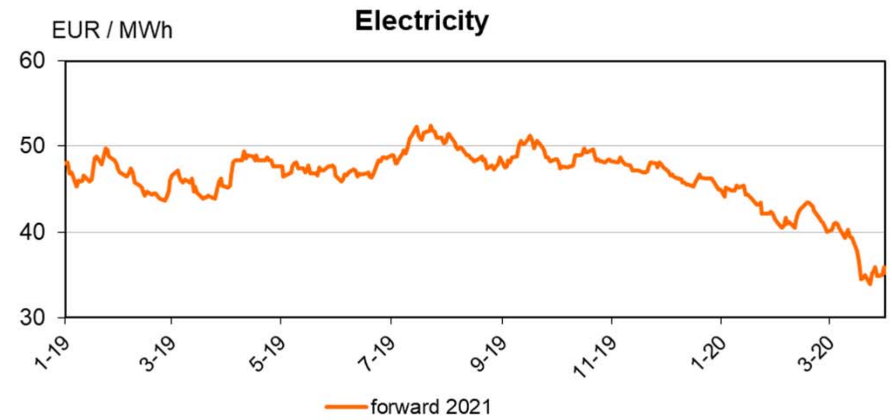
100% of deliveries in 2021–2024 corresponds to **50–56 TWh**.

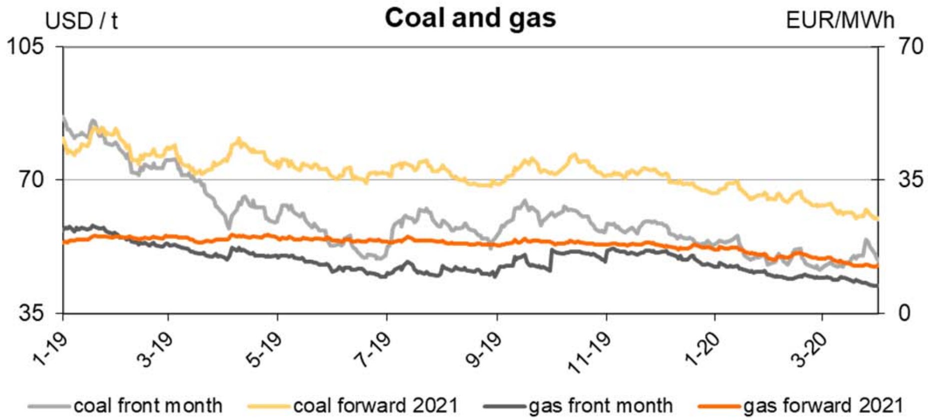
* ČEZ, a. s., including the Energotrans, Počerady, and Dětmarovice power plants

MARKET DEVELOPMENTS









Electricity balance (GWh)

	Q1 2019	Q1 2020	Index 2020/2019
Electricity procured	**15,667**	**14,923**	**-5%**
Generated in-house (gross)	17,318	16,582	-4%
In-house and other consumption, including pumping in pumped-storage plants	-1,651	-1,658	+0%
Sold to end customers	**-9,864**	**-9,719**	**-1%**
Sold in the wholesale market (net)	**-4,619**	**-4,088**	**-11%**
Sold in the wholesale market	-77,694	-67,481	-13%
Purchased in the wholesale market	73,075	63,393	-13%
Grid losses	**-1,184**	**-1,116**	**-6%**

Electricity generation by source (GWh)

Nuclear	7,635	7,239	-5%
Coal and lignite	7,428	6,830	-8%
Water	754	539	-29%
Biomass	226	276	+22%
Photovoltaic	25	24	-3%
Wind	490	541	+10%
Natural gas	760	1,133	+49%
Bio gas	1	1	-6%
Total	**17,318**	**16,582**	**-4%**

Sales of electricity to end customers (GWh)

Households	-3,965	-4,089	+3%
Commercial (low voltage)	-1,492	-1,406	-6%
Commercial and industrial (medium and high voltage)	-4,407	-4,223	-4%
Sold to end customers	**-9,864**	**-9,719**	**-1%**

Distribution of electricity (GWh)

	Q1 2019	Q1 2020	Index 2020/2019
Distribution of electricity to end customers	14,477	14,444	-0%

Electricity balance (GWh) by segment

Q1 2020	Generation - traditional energy		Generation - new energy		Distribution		Sale		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Electricity procured	**14,159**	**-5%**	**647**	**+8%**	**0**	**-**	**117**	**+10%**	**0**	**-**	**14,923**	**-5%**
Generated in-house (gross)	15,809	-5%	652	+8%	0	-	121	+7%	0	-	16,582	-4%
In-house and other consumption, including pumping in pumped-storage plants	-1,650	+1%	-5	+13%	0	-	-4	-35%	0	-	-1,658	+0%
Sold to end customers	**-627**	**+9%**	**0**	**-**	**0**	**-**	**-9,468**	**-4%**	**453**	**-17%**	**-9,719**	**-1%**
Sold in the wholesale market (net)	**-13,532**	**-6%**	**-647**	**+8%**	**1,116**	**-6%**	**9,351**	**-4%**	**-453**	**-17%**	**-4,088**	**-11%**
Sold in the wholesale market	-72,532	-13%	-861	+7%	0	-	-1,257	+39%	7,233	-7%	-67,481	-13%
Purchased in the wholesale market	59,000	-15%	214	+6%	1,116	-6%	10,608	-0%	-7,685	-7%	63,393	-13%
Grid losses	**0**	**-**	**0**	**-**	**-1,116**	**-6%**	**0**	**-**	**0**	**-**	**-1,116**	**-6%**

Electricity generation by source (GWh) by segment

	Generation - traditional energy		Generation - new energy		Distribution		Sale		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Nuclear	7,239	-5%	0	-	0	-	0	-	0	-	7,239	-5%
Coal and lignite	6,830	-8%	0	-	0	-	0	-	0	-	6,830	-8%
Water	452	-32%	87	-4%	0	-	0	-	0	-	539	-29%
Biomass	276	+22%	0	-	0	-	0	-	0	-	276	+22%
Photovoltaic	0	-	24	-3%	0	-	0	-	0	-	24	-3%
Wind	0	-	541	+10%	0	-	0	-	0	-	541	+10%
Natural gas	1,012	+54%	0	-	0	-	121	+17%	0	-	1,133	+49%
Bio gas	0	-	1	-6%	0	-	0	-	0	-	1	-6%
Total	**15,809**	**-5%**	**652**	**+8%**	**0**	**-**	**121**	**+7%**	**0**	**-**	**16,582**	**-4%**

Sales of electricity to end customers (GWh) by segment

	Generation - traditional energy		Generation - new energy		Distribution		Sale		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Households	0	-	0	-	0	-	-4,089	+3%	0	-	-4,089	+3%
Commercial (low voltage)	0	-1%	0	-	0	-	-1,401	-6%	0	-	-1,406	-6%
Commercial and industrial (medium and high voltage)	-627	+9%	0	-	0	-	-3,978	-9%	453	-17%	-4,223	-4%
Sold to end customers	**-627**	**+9%**	**0**	**-**	**0**	**-**	**-9,468**	**-4%**	**453**	**-17%**	**-9,719**	**-1%**

Electricity balance (GWh) by country

Q1 2020	Czechia		Poland		Romania		Bulgaria		Germany		Others		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Electricity procured	**13,762**	**-5%**	**610**	**-0%**	**434**	**+8%**	**1**	**+3%**	**116**	**+18%**	**0**	**-**	**0**	**-**	**14,923**	**-5%**
Generated in-house (gross)	15,323	-5%	703	-0%	439	+8%	1	+3%	116	+18%	0	-	0	-	16,582	-4%
In-house and other consumption, including pumping in pumped-storage plants	-1,561	+0%	-93	+2%	-5	+13%	0	-	0	-	0	-	0	-	-1,658	+0%
Sold to end customers	**-5,037**	**+7%**	**-76**	**-83%**	**-974**	**+0%**	**-3,172**	**+6%**	**0**	**-**	**-458**	**-37%**	**0**	**-**	**-9,719**	**-1%**
Sold in the wholesale market (net)	**-8,148**	**-12%**	**-533**	**>200%**	**814**	**-7%**	**3,437**	**+4%**	**-116**	**+18%**	**458**	**-37%**	**0**	**-**	**-4,088**	**-11%**
Sold in the wholesale market	-67,402	-14%	-700	-7%	-436	-22%	-105	-19%	-116	+18%	-27	+52%	1,305	-46%	-67,481	-13%
Purchased in the wholesale market	59,254	-14%	167	-72%	1,249	-13%	3,542	+3%	0	-	485	-34%	-1,305	-46%	63,393	-13%
Grid losses	**-577**	**+0%**	**0**	**-**	**-274**	**-9%**	**-266**	**-14%**	**0**	**-**	**0**	**-**	**0**	**-**	**-1,116**	**-6%**

Electricity generation by source (GWh) by country

	Czechia		Poland		Romania		Bulgaria		Germany		Others		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Nuclear	7,239	-5%	0	-	0	-	0	-	0	-	0	-	0	-	7,239	-5%
Coal and lignite	6,249	-8%	582	-5%	0	-	0	-	0	-	0	-	0	-	6,830	-8%
Water	519	-30%	2	+132%	18	+6%	0	-	0	-	0	-	0	-	539	-29%
Biomass	157	+13%	119	+37%	0	-	0	-	0	-	0	-	0	-	276	+22%
Photovoltaic	23	-3%	0	-	0	-	1	+3%	0	-	0	-	0	-	24	-3%
Wind	3	-3%	0	-	421	+8%	0	-	116	+18%	0	-	0	-	541	+10%
Natural gas	1,133	+49%	0	-	0	-	0	-	0	-	0	-	0	-	1,133	+49%
Bio gas	1	-6%	0	-	0	-	0	-	0	-	0	-	0	-	1	-6%
Total	**15,323**	**-5%**	**703**	**-0%**	**439**	**+8%**	**1**	**+3%**	**116**	**+18%**	**0**	**-**	**0**	**-**	**16,582**	**-4%**

Sales of electricity to end customers (GWh) by country

	Czechia		Poland		Romania		Bulgaria		Germany		Others		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Households	-2,202	+2%	0	-	-464	+7%	-1,424	+3%	0	-	0	-	0	-	-4,089	+3%
Commercial (low voltage)	-619	-7%	-5	-88%	-244	-12%	-499	+7%	0	-	-39	-2%	0	-	-1,406	-6%
Commercial and industrial (medium and high voltage)	-2,217	+17%	-71	-83%	-267	+1%	-1,249	+8%	0	-	-419	-39%	0	-	-4,223	-4%
Sold to end customers	**-5,037**	**+7%**	**-76**	**-83%**	**-974**	**+0%**	**-3,172**	**+6%**	**0**	**-**	**-458**	**-37%**	**0**	**-**	**-9,719**	**-1%**

Distribution of electricity (GWh) by country

Q1 2020	Czechia		Poland		Romania		Bulgaria		Germany		Others		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Distribution of electricity to end customers	9,884	-0%	0	-	1,708	-3%	2,852	+1%	0	-	0	-	0	-	14,444	-0%

Methods Used to Calculate Indicators Unspecified in IFRS

In accordance with ESMA guidelines, ČEZ provides detailed information on indicators that are not reported as standard in IFRS financial reporting framework or the components of which are not directly available from standardized statements (from financial statements included in Financial Report and/or from accompanying notes). Such indicators represent supplementary information in respect of financial data, providing reports' users with additional information for their assessment of the financial position and performance of CEZ Group or ČEZ. In general, these indicators are also commonly used in other commercial companies, not only in the energy sector.

Indicator	
Net Debt	Purpose: The indicator shows the real level of a company's financial debt, i.e., the nominal amount of debt net of cash, cash equivalents, and highly liquid financial assets held by the company. The indicator is primarily used to assess the overall appropriateness of the company's debt, e.g., in comparison with selected corporate profit or balance sheet indicators. Definition: Long-Term Debt, Net of Current Portion + Current Portion of Long-Term Debt + Short-Term Loans – (Cash and Cash Equivalents + Highly Liquid Financial Assets). The components of the indicator, except for Highly Liquid Financial Assets, are reported individually on the balance sheet, with items related to assets held for sale are presented separately on the balance sheet.
Adjusted Net Income (After-Tax Income, Adjusted)	Purpose: This is a supporting indicator, intended primarily for investors, creditors, and shareholders, which allows interpreting achieved financial results with the exclusion of extraordinary, usually nonrecurring effects that are generally unrelated to ordinary financial performance and value creation in a given period. Definition: Net income (after-tax income) +/− additions to and reversals of impairments of property, plant, and equipment and intangible assets, including goodwill +/− additions to and reversals of impairments of developed projects +/− other extraordinary effects that are generally unrelated to ordinary financial performance in a given year and value creation in a given period +/− effects of the above on income tax.
Dividend per Share (Gross)	Purpose: The indicator expresses a shareholder's right to the payment of a share in a joint-stock company's profits (usually for the past year) corresponding to the holding of one share. The subsequent payment of the share in profits is usually subject to taxes, which may be different for different shareholders; therefore, the value before taxes is monitored. Definition: Dividend awarded in the given year, before taxes, per outstanding share.
Net Debt / EBITDA	Purpose: This indicates a company's capability to pay back its debt as well as its ability to take on additional debt to grow its business. CEZ Group uses this indicator primarily to assess the adequacy of its capital structure to the structure and stability of its expected cash flows. Definition: Net Debt / EBITDA. EBITDA is the running total for the past 12 months, i.e. EBITDA for the period from April 1 of previous year until March 31; Net Debt is the amount at the end of the period.

Most of the components used in the calculation of individual indicators are directly shown in financial statements. The components of calculations that are not included in the financial statements are usually shown directly in a company's books and are defined as follows:

Highly Liquid Financial Assets—component of Net Debt indicator (CZK millions):

	As at Dec 31, 2019	As at Mar 31, 2020
Current debt financial assets	403	403
Non-current debt financial assets	111	111
Current term deposits	3	2
Non-current term deposits	0	0
Short-term equity securities	0	0
Highly liquid financial assets, total	**517**	**517**

Adjusted Net Income indicator—individual components:

Adjusted Net Income (After-Tax Income, Adjusted)	Unit	Q1 2019	Q1 2020
Net income	CZK millions	9,925	14,162
Impairments of property, plant, and equipment and intangible assets	CZK millions	512	(256)
Impairments of developed projects*)	CZK millions	3	-
Impairments of property, plant, and equipment and intangible assets, including goodwill, at joint ventures**)	CZK millions	-	-
Effects of additions to or reversals of impairments on income tax***)	CZK millions	(64)	26
Other extraordinary effects	CZK millions	-	-
Adjusted net income	**CZK millions**	**10,376**	**13,932**

**) Included in the row Other operating expenses in the Consolidated Statement of Income*
***) Included in the row Share of profit (loss) from associates and joint-ventures in the Consolidated Statement of Income*
****) Included in the row Income taxes in the Consolidated Statement of Income*

Totals and subtotals can differ from the sum of partial values due to rounding.