CONFERENCE CALL ON CEZ GROUP FINANCIAL RESULTS Q1 – Q3 2013

NON-AUDITED CONSOLIDATED RESULTS
PREPARED IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

(Quarterly Report pursuant to Section 119a(4) of the Capital Markets Act)

Prague, November 12, 2013

AGENDA

CEZ Group financial highlights and key events in Q1 – Q3 2013
Martin Novák, Chief Financial Officer

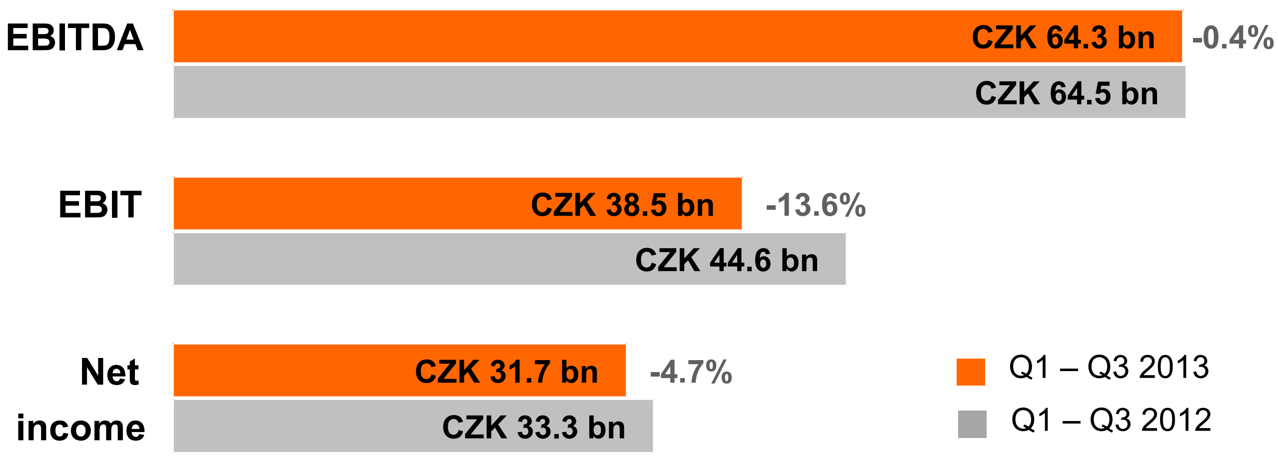
Financial results
Martin Novák, Chief Financial Officer

Trading position of CEZ Group
Alan Svoboda, Executive Director Sales and Trading

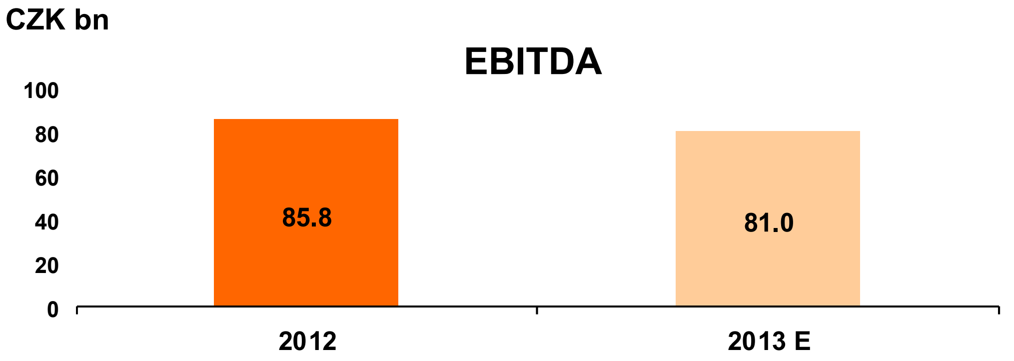
FINANCIAL HIGHLIGHTS OF Q1 – Q3 2013

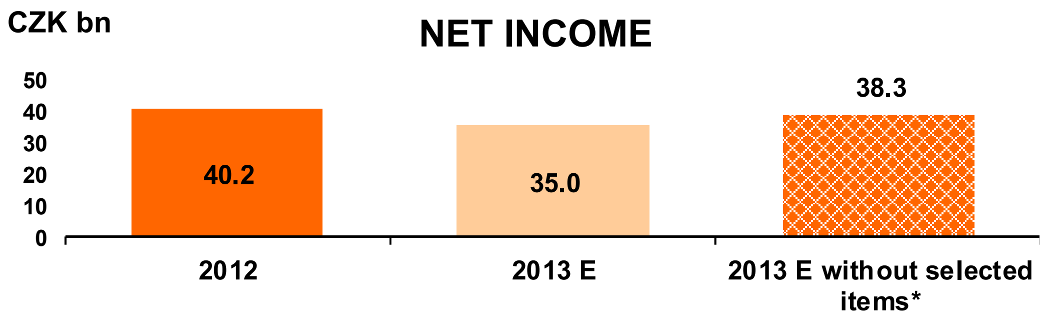
- **earnings before interest, taxes, depreciation and amortisation (EBITDA) were CZK 64.3 bn**
- **earnings before interest and taxes (EBIT) CZK 38.5 bn**
- **net income CZK 31.7 bn**

Comparison of results in Q1 – Q3 2013 vs. Q1 – Q3 2012



EXPECTED 2013 RESULTS
EBITDA CZK 81 BN & NET INCOME CZK 35 BN





*Selected one-off items (CZK -3.3 bn): impairments to fixed assets (CZK -8 bn), sale of Chvaletice Power Plant (CZK +2.9 bn) and exclusion of CEZ Shpërndarje from consolidation (CZK +1.8 bn).

<u>Selected year-on-year negative effects:</u>

- Trend of declining electricity prices
- Lower allocation of emission allowances for power production
- Worsened national regulatory conditions in Southeast Europe
- Impairments to fixed assets due to decreasing electricity prices, economic development and power industry regulation in Europe

<u>Selected year-on-year positive effects:</u>

- End of operations in Albania
- Takeover of RES purchase administration by the state-owned company OTE and correction factors for distribution in the Czech Republic
- Allowance trading (CER Gate)
- Sale of Chvaletice Power Plant

<u>Selected prediction risks:</u>

- Higher impairments to fixed assets especially in Southeast Europe

RES – renewable energy sources OTE – electricity market operator

CEZ JOINED THE LEADING EUROPEAN ENERGY COMPANIES' JOINT INITIATIVE

CEZ, ENEL, ENI, E.ON, Gas Natural Fenosa, GDF Suez, GasTerra, Iberdrola, RWE & Vattenfall

The goal is to get producers, investors, and the political leaders of countries and the EU involved in the discussion of a **solution to today's energy industry crisis, which is caused by the following factors in particular:**

- Massive support of subsidized renewable sources
- Nonfunctioning system of the emission allowances
- Development in shale gas extraction and surplus of hard coal on the world's markets
- Economic stagnation and ongoing debt crisis in Europe
- Changing rules frequently and non-market mechanisms (capacity payments, regional subsidies, EU energy efficiency directive, BREF, etc.) and their application in individual countries

BREF – reference documents used by Member States' authorities when issuing integrated permits

THE JOINT INITIATIVE'S GOAL IS STABILITY & CLEAR RULES FOR ALL

ENEL, ENI, E.ON, Gas Natural Fenosa, GDF Suez, GasTerra, Iberdrola, RWE, Vattenfall & CEZ
jointly defined the main goals for the initiative:

- Guarantee a reliable, uninterrupted electricity and gas supply
- Electricity bills should not support political goals but reflect the actual cost of generation, transmission and distribution
- The energy sector should be based on free competition instead of support for the construction of certain type of sources
- Europe's energy sector should only pursue one goal – reducing emissions of CO_2 and greenhouse gases
- RES development and future application of new technologies should be supported rather than generation from contemporary RES production
- The 3rd liberalisation package must be adopted in order to standardise rules across EU Member States

CEZ offers its own solution for continuous emission reduction

- The solution is a flexible cap-and-trade (F-CAT) system under which the supply of emission allowances would be continually matched with demand for CO_2 according to the current economic situation and pre-set emission intensity, which would be gradually decreased
- This would lead to increasingly greater use of low-emission and highly effective sources

CEZ SUCCESSFULLY PASSED A NUCLEAR REVIEW OF THE INTERNATIONAL ATOMIC ENERGY AGENCY

Corporate OSART mission: The IAEA's first ever review of a "nuclear" company's centralised activities, focusing not only on technology but also, e.g. on management, human resources, and communication.
Objective: Review, evaluate and strengthen processes focusing on nuclear safety as the company's priority.

IAEA: 9 nuclear experts from 6 countries
CEZ: More than 100 employees

- Tens of thousands of report, procedure, and record pages
- More than 350 hours of interviews

Reviewed areas:

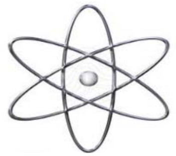
- Corporate governance (governance system and management)
- Purchasing
- Technical assistance
- Communication
- Human resources
- Corporate independent supervision
- Maintenance

Result:

- CEZ fully **complies with all legislative requirements** for nuclear plant operation
- The experts identified **ten "good practices"**, i.e. CEZ sets an example for all other operators in the world (e.g. talent recruitment or nuclear communication in social media)
- The experts presented **six proposals for improvement and three recommendations**

WE UPDATE AND SPECIFY OUR STRATEGY IN THE CONTEXT OF ENERGY MARKET DEVELOPMENTS

DEVELOPMENT OF STRATEGIC PROGRAMMES TO DATE

	Programme	Status/Fulfilment
	**NUCLEAR SOURCES**	▪ Temelín NPP: Our decision on EPC contract signature postponed by 12-18 months; negotiations on conditions for financial feasibility of Temelín Units 3 and 4 continue ▪ Dukovany NPP: The Dukovany Long-Term Operation project continues
	**FUEL PROCUREMENT**	▪ Main goals achieved (coal for Pocerady Power Plant ensured) ▪ Conditions for final termination of EC investigation met ▪ Optimisation of plants outside coal districts continues
	**PERFORMANCE**	▪ Cost cuts on support services in the Czech Republic realised ▪ Investments adapted to our available funds ▪ Ongoing emphasis on internal efficiency
	**REGIONAL ENERGY**	▪ Activities originally pursued under Regional Energy are incorporated partly in standard operations and partly in a new strategic programme, “New Energy”
	**RENEWABLE SOURCES**	▪ Narrowing our short-term goal for portfolio development and optimisation by divesting selected assets/shares from our portfolio

EPC - Engineering, procurement and construction EC – European Commission

CEZ GROUP'S CURRENT STRATEGY CONSISTS OF SEVEN STRATEGIC PROGRAMMES:

Strategic programme	Programme goals
1 New nuclear sources	▪ Ensure conditions for the financial feasibility and financing ability of Temelín Units 3 & 4
2 Long-term operation of Dukovany NPP	▪ Extend the service life of the Dukovany nuclear power plant until at least 2025 while ensuring the required rate of return
3 Consolidation abroad	▪ Maximise cash flow to ČEZ, a. s. ▪ Lower exposure on unatractive markets and increase focus on countries with higher political and economic stability
4 Renewable sources	▪ Develop, build, and operate a RES portfolio with an attractive IRR ▪ Optimise the existing portfolio by divesting selected projects or stakes
5 Customer orientation	▪ Improve customer experience across the CEZ Group ▪ Use new products to capitalise on the existing customer base ▪ Improve brand perception
6 New Energy	▪ Develop new business activities mainly in the distributed and "small" energy sector focusing on the end customer
7 Performance and Entrepreneurship	▪ Strengthen entrepreneurial spirit and financial management while achieving additional savings ▪ Define a staff development programme to improve the Group's performance and value

IRR – Internal rate of return

WE ARE ALREADY ACTIVELY AND SUCCESSFULLY IMPLEMENTING THE "CUSTOMER ORIENTATION" STRATEGIC PROGRAMME...

We offered our customers the biggest drop in electricity prices ever (by 15 or 20%)

- ČEZ Prodej decreases the price of power electricity by 15% from January 1, 2014 (for the most popular Comfort product range)
- In addition, since September 2013 we have been offering a 20% reduction in the price of power electricity with activation of the ČEZ FIX product range, i.e. with the price fixed until 2015

We have also been offering mobile phone services since 15 October

- CEZ as a mobile virtual network operator entered the market with an attractive product, Mobile from CEZ
- ČEZ Prodej has already acquired more than 13,000 customers

Text in picture says: We are electricity, we are gas, we are mobile, we are people, we are with you. CEZ Group

CZECH REPUBLIC
SELECTED EVENTS IN THE PAST QUARTER

Sale of the Chvaletice Power Plant duly executed on September 2, 2013

- On September 2, 2013 shares of Elektrárna Chvaletice a.s. were transferred to Severní energetická a.s. (originally Litvínovská uhelná, a.s.), which became its 100% owner
- The contract, signed in March, was reviewed and approved by the Czech Office for the Protection of Competition
- Severní energetická a.s. was also recognised as a suitable buyer by the European Commission

Increased achievable capacity of both units at the Temelín Nuclear Power Plant (Units 1 & 2)
A capacity of 2,110 MW was achieved, increasing the capacity by 84 MW and the annual output potential by approx. 600,000 MWh.

ABROAD

SELECTED EVENTS IN THE PAST QUARTER

Poland

- A 10-year cooperation agreement signed by the ELCHO power plant and TAURON Ciepło, guaranteeing an increase in heat supply from 320 to 490 MW.
- For the CEZ Group, the agreement means not only expanding the heat market and increasing its market share in Upper Silesia to 25% but also utilising the power plant's full capacity

Bulgaria

- Procedure for revoking the distribution company's license initiated on February 19, 2013 is not finished
- No serious deficiencies, which could create grounds for licence revocation, have been found yet.

Romania

- The Romanian company Electrica S. A. increased its claim against our Romanian distribution company from EUR 18 million to EUR 82 million on the ground of an alleged breach of the privatisation agreement (especially the obligation to disclose information). The court admitted the increased claim in September 2013.
- In its action, CEZ denied the claim as unsubstantiated and proposed that the court should dismiss the action and order the claimant to reimburse CEZ for the cost of the proceedings
- The court has not yet made a decision.

AGENDA

CEZ Group financial highlights and key events in Q1 – Q3 2013
Martin Novák, Chief Financial Officer

Financial results
Martin Novák, Chief Financial Officer

Trading position of CEZ Group
Alan Svoboda, Executive Director Sales and Trading

CEZ GROUP FINANCIAL RESULTS

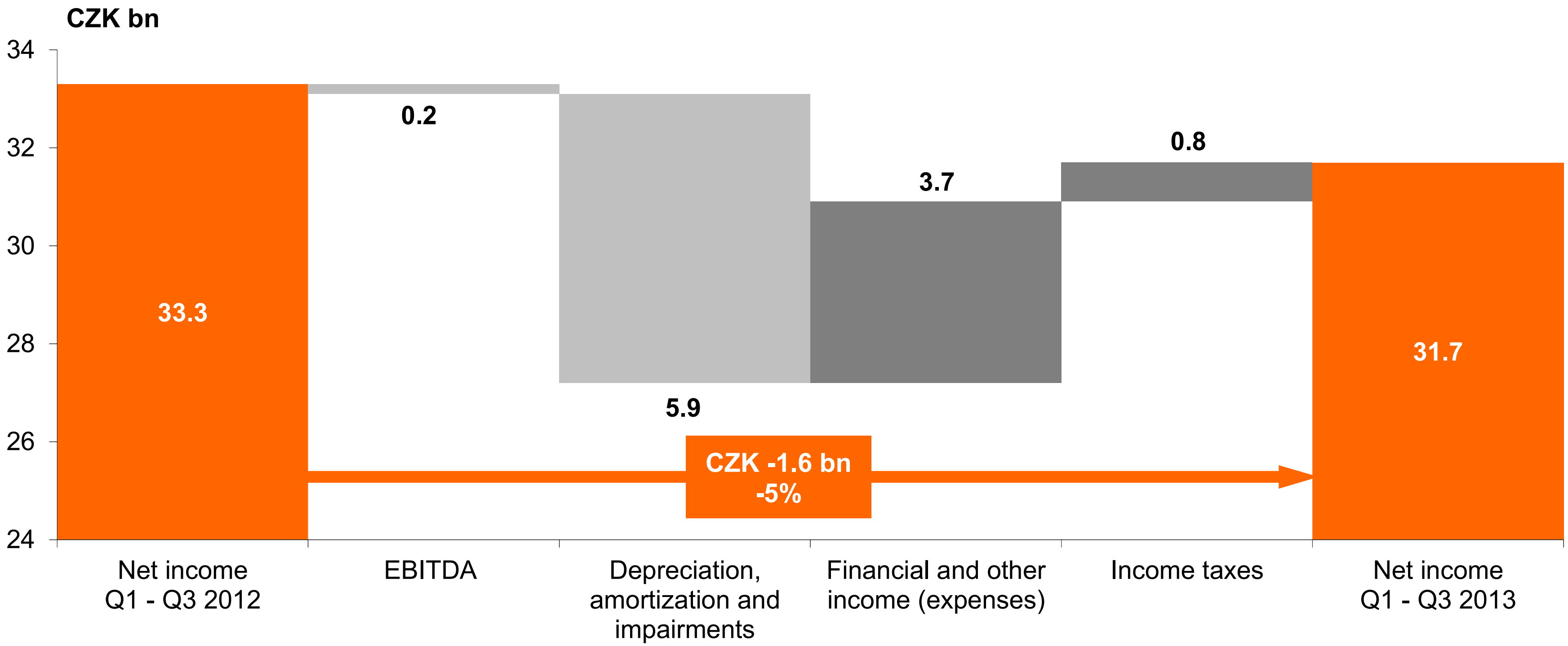
(CZK bn)	Q1 - Q3 2012	Q1 - Q3 2013	Change	%
Revenues	162.5	161.9	-0.6	-0%
EBITDA	64.5	64.3	-0.2	-0%
Net income	33.3	31.7	-1.6	-5%
Operating CF	43.0	53.4	+10.4	+24%
CAPEX	35.8	28.3	-7.5	-21%
Net debt *	160.5	155.7	-4.8	-3%

		Q1 - Q3 2012	Q1 - Q3 2013	Change	%
Installed capacity *	GW	15.7	15.0	-0.7	-5%
Generation of electricity	TWh	51.3	49.4	-1.9	-4%
Electricity distribution to end customers	TWh	38.8	35.6	-3.2	-8%
Electricity sales to end customers	TWh	30.6	27.0	-3.6	-12%
Sales of natural gas to end customers	TWh	3.7	3.9	+0.2	+7%
Sales of heat	000´TJ	10.6	17.1	+6.5	+60%
Number of employees *	000´s	31.5	26.7	-4.8	-15%

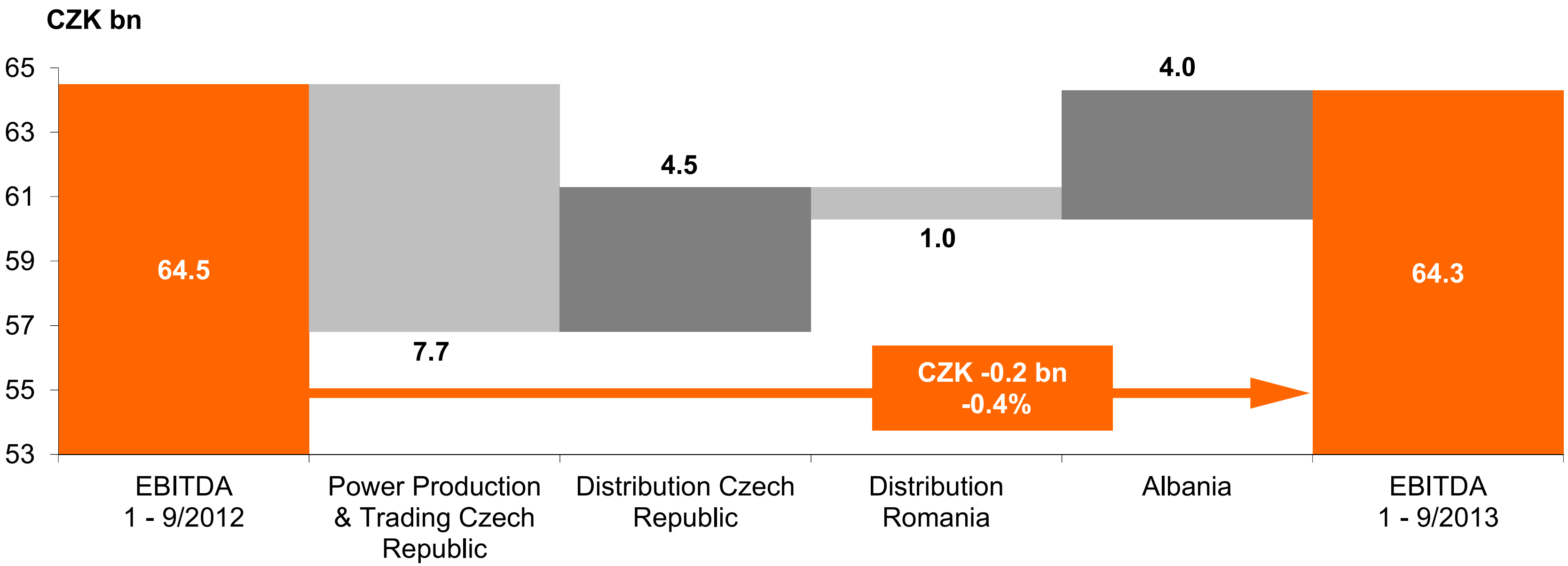
Financial values for 2012 throughout this presentation reflect a change in the method of reporting Sales and impairments to fixed assets, goodwill, and Financial and other expenses and income, and also current recalculation of previous periods in accordance with the IFRS.

* as of the last date of the period

DRIVERS OF YEAR-ON-YEAR CHANGE IN NET INCOME



KEY DRIVERS OF YEAR-ON-YEAR CHANGE OF EBITDA



Power Production & Trading Czech Republic (CZK -7.7 bn):

- Declining achieved prices of electricity (CZK -4.3 bn)
- Reduced production (CZK -2.0 bn), due especially to comprehensive renewal of the Prunéřov Power Plant

Distribution CZ (CZK +4.6 bn)

- Effect of the takeover of RES & CHP purchase administration by the state-owned company OTE (CZK +3.7 bn)
- Higher revenues for reserved capacity (CZK +0.6 bn)

Distribution Romania (CZK -1.0 bn)

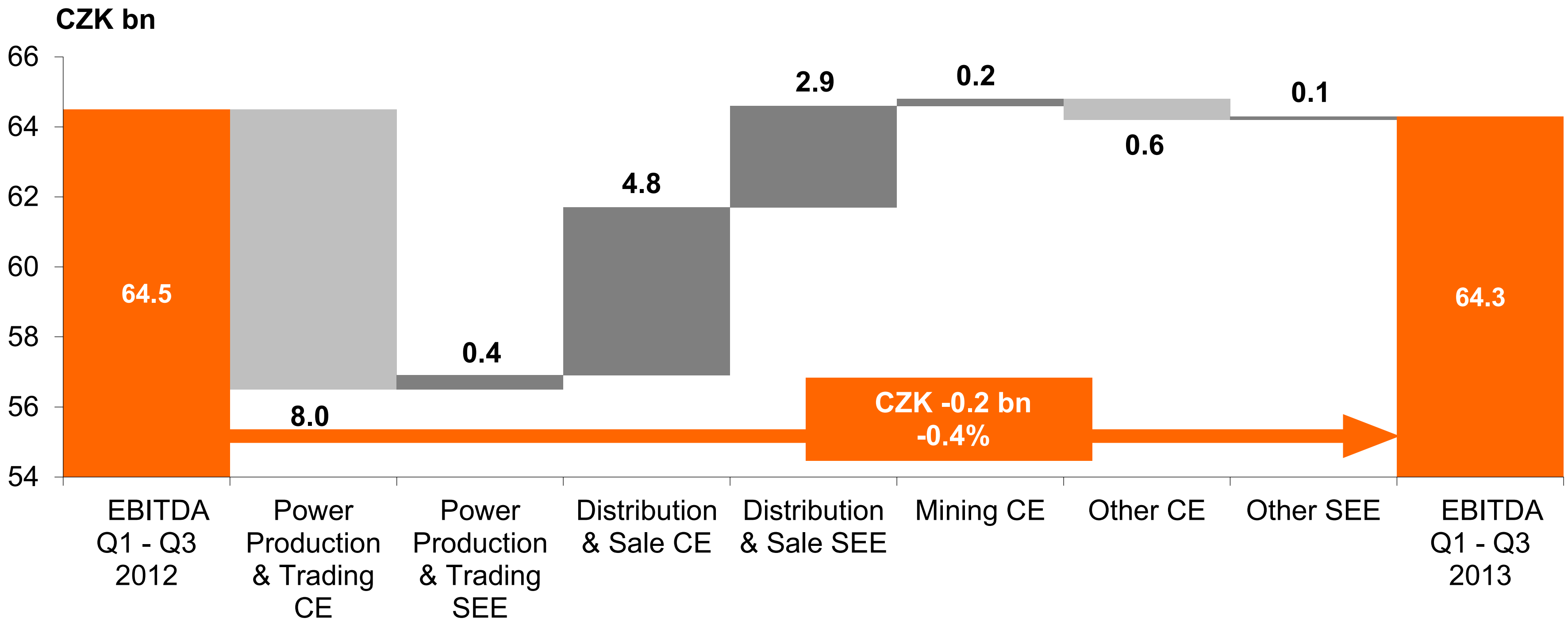
- Extraordinary earnings in H1 2012 associated with payment of debts by Romanian state railways (CZK -1.2 bn)
- Higher margin on electricity sales (CZK +0.2 bn)

Albania (CZK +4.0 bn)

- End of accounting of CEZ Shpërndarje's financial results due to loss of control by ČEZ, a. s. in January 2013

 RES – renewable energy sources CHP – combined heat and power generation OTE – electricity market operator

YEAR-ON-YEAR CHANGE OF EBITDA BY SEGMENT



CE – Central Europe SEE – Southeast Europe

EBITDA BY SEGMENT:
POWER PRODUCTION AND TRADING CENTRAL EUROPE

CZK bn	Q1 - Q3 2012	Q1 - Q3 2013	Change	%
Czech Republic	43.2	35.5	-7.7	-19%
Poland	0.9	0.6	-0.3	-28%
Total EBITDA	**44.1**	**36.1**	**-8.0**	**-18%**

Czech Republic (CZK -7.7 bn)

- Year-on-year drop in achieved electricity prices (CZK -4.3 bn)
- Lower electricity generation (CZK -2.0 bn) especially in ČEZ* coal-fired power plants, with the key driver being the shutdown of the Prunéřov II Power Plant for comprehensive renewal
- Lower sales of auxiliary services and regulation energy, revaluation of commodity derivatives (CZK -1.8 bn)
- Effect of Energotrans integration into the CEZ Group (CZK +1.0 bn)
- Expenses associated with the comprehensive renewal of the Prunéřov II Power Plant (CZK -0.3 bn)
- Other (CZK -0.3 bn)

Poland (CZK -0.3 bn)

- Lower revenue from colour certificates due to a drop in their market prices

ČEZ* = ČEZ, a. s., including spun-off coal-fired power plants in Počerady, Chvaletice and Dětmarovice

EBITDA BY SEGMENT:
POWER PRODUCTION AND TRADING SOUTHEAST EUROPE

CZK bn	Q1 - Q3 2012	Q1 - Q3 2013	Change	%
Bulgaria	0.0	0.1	+0.1	-
Romania	1.7	2.0	+0.3	+14%
Total EBITDA	**1.7**	**2.1**	**+0.4**	**+19%**

Bulgaria (CZK +0.1 bn)

- Higher revenues from availability due to year-on-year lower activation of cold reserve
- Slight increase in regulated sale prices from July 1, 2012

Romania (CZK +0.3 bn)

- Higher production (+0.3 TWh) due to year-on-year increase of installed capacity of the Fântânele and Cogealac wind farms
- The benefits of initiation of the assignment of the second green certificate for Cogealac production in Q4 2012 were partially eliminated by postponement of the assignment of one certificate at both wind farms since July 1, 2013 as well as a lower market price of green certificates in 2013

EBITDA BY SEGMENT:
DISTRIBUTION AND SALE CENTRAL EUROPE

CZK bn	Q1 - Q3 2012	Q1 - Q3 2013	Change	%
Distribution	7.4	11.9	+4.5	+61%
Sale	3.0	3.3	+0.3	+9%
Total EBITDA	**10.4**	**15.2**	**+4.8**	**+46%**

Distribution (CZK +4.5 bn)

- Effect of RES correction factors from previous years (CZK +3.7 bn) because of the effect of takeover of RES & CHP purchase administration by the state-owned company OTE from January 1, 2013 (following a legislation change)
- Effect of higher income for reserved capacity (CZK +0.6 bn)
- Reduced operating expenses (CZK +0.2 bn)

Sale (CZK +0.3 bn)

- A higher gross margin on gas sales due to a growing customer base and higher volumes supplied to collectively served customers (CZK +0.4 bn)

 RES – renewable energy sources CHP – combined heat and power generation OTE – electricity market operator

EBITDA BY SEGMENT:
DISTRIBUTION AND SALE SOUTHEAST EUROPE

CZK bn	Q1 - Q3 2012	Q1 - Q3 2013	Change	%
Romania	2.2	1.2	-1.0	-44%
Bulgaria	1.0	0.9	-0.1	-11%
Albania	-3.8	0.2	+4.0	-
Total EBITDA	**-0.6**	**2.3**	**+2.9**	**-**

Romania (CZK -1.0 bn)

- Extraordinary earnings in H1 2012 associated with payment of debts by Romanian state railways (CZK -1.2 bn)
- Higher margin on electricity sales (CZK +0.2 bn)

Bulgaria (CZK -0.1 bn)

- Higher costs of electricity purchased from renewables, which in H1 2013 were not compensated in the prices charged to end customers (CZK -0.1 bn)

Albania (CZK +4.0 bn)

- End of accounting of CEZ Shpërndarje's financial results due to loss of control by ČEZ, a. s. in January 2013

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

EBITDA (CZK bn)	Q1 - Q3 2012	Q1 - Q3 2013	Change	%
Mining CE	**4.0**	**4.2**	**+0.2**	**+6%**
Other CE	**4.8**	**4.2**	**-0.6**	**-14%**
Other SEE	**0.1**	**0.2**	**+0.1**	**+21%**

Mining Central Europe (CZK +0.2 bn)

- The effects of higher quantities delivered to the external market and Energotrans were partially eliminated by decreased deliveries for ČEZ, a. s. and the cost of technological transport

Other CE (CZK -0.6 bn)

- Škoda Praha Invest (CZK -0.3 bn), other (CZK -0.3 bn)

OTHER INCOME (EXPENSES)

(CZK bn)	Q1 - Q3 2012	Q1 - Q3 2013	Change	%
EBITDA	**64.5**	**64.3**	**-0.2**	**-0%**
Depreciation, amortization and impairments	**-19.9**	**-25.8**	**-5.9**	**-29%**
Financial and other income (expenses)	**-3.5**	**0.2**	**+3.7**	**-**
Interest income (expenses)	-1.9	-2.4	-0.5	-26%
Interest on nuclear and other provisions	-1.5	-1.3	+0.2	+12%
Income (expenses) from investments	1.2	4.9	+3.7	>200%
Other income (expenses)	-1.3	-1.0	+0.3	+27%
Income taxes	**-7.8**	**-7.0**	**+0.8**	**+10%**
Net income	**33.3**	**31.7**	**-1.6**	**-5%**

Depreciation, amortisation and impairments (CZK -5.9 bn)
- Impairments to fixed assets in Romania and Bulgaria and goodwill amortisation in 2013 (CZK -4.8 bn)
- Growth in depreciation and amortisation (CZK -0.9 bn) as a result of booking investments as fixed assets, especially in the Czech Rep.

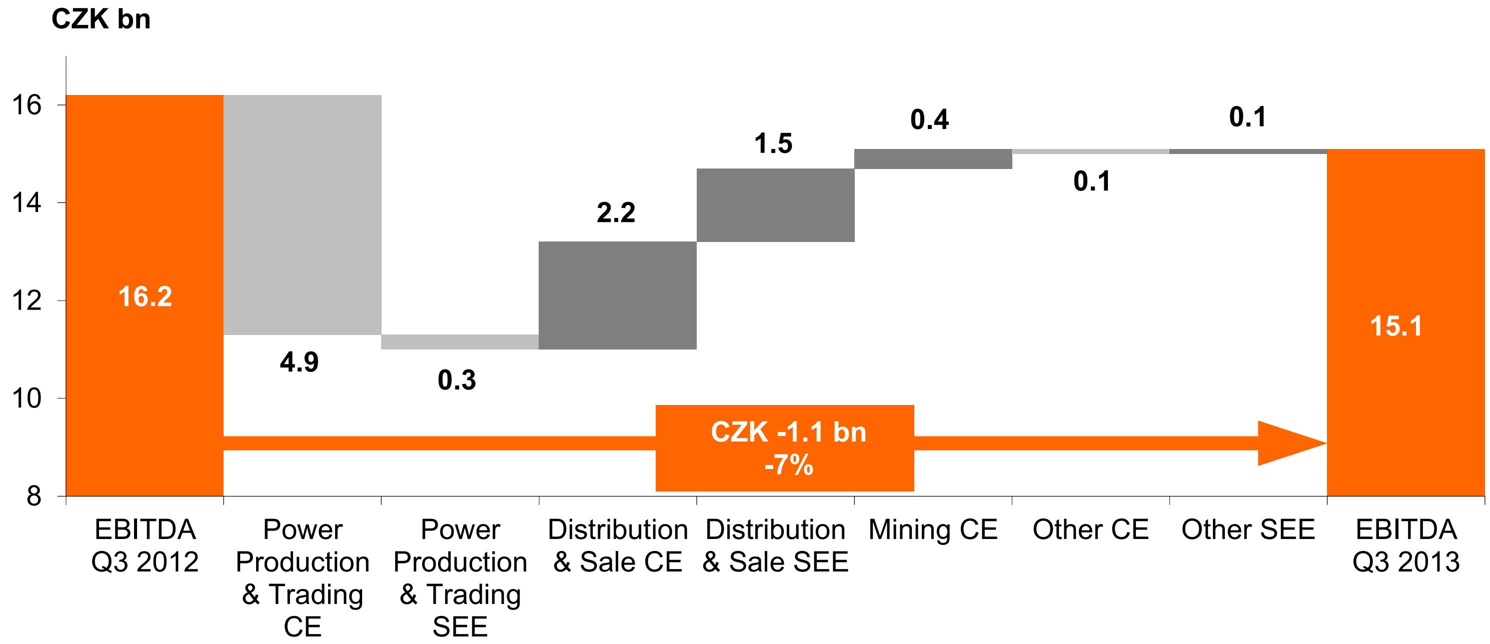
Interest income (expenses) (CZK -0.5 bn)
- Growth in interest expense especially in connection with issued bonds and weakened CZK/EUR exchange rate

Income (expenses) from investments (CZK +3.7 bn)
- Settlement of the sale of Chvaletice Power Plant (CZK +2.9 bn)
- Extraordinary one-off impact of excluding CEZ Shpërndarje from the consolidated CEZ Group (CZK +1.8 bn)
- Weaker results of the Turkish businesses mostly due to exchange rate differences on USD loans (CZK -1.1 bn), other (CZK +0.1 bn)

Other income (expenses) (CZK +0.3 bn)
- Lower effects of the gift tax on emission allowances (CZK +0.7 bn); y-o-y difference in revaluation of MOL option (CZK -1.7 bn)
- Other (CZK +1.3 bn), in particular exchange rate gains/losses and other financial derivatives

Income tax (CZK +0.8 bn):
- Effect of non-deductible expenses and revenues (in particular the effect of exclusion of CEZ Shpërndarje, sale of Chvaletice Power Plant, and additions to impairments)

DEVELOPMENT IN Q3



CEZ Group EBITDA (CZK -1.1 bn):

Power Production & Trading CE (CZK -4.9 bn): Especially lower achieved price of electricity (CZK -1.9 bn), lower production volume (CZK -0.6 bn), additions to provisions for emission allowances (CZK -0.8 bn), lower revenue from auxiliary services and regulation energy, revaluation of commodity derivatives (CZK -1.2 bn)

Power Production & Trading SEE (CZK -0.3 bn): Effects of postponement of one green certificate and lower market certificate prices

Distribution & Sale CE (CZK +2.2 bn): Higher gross margin on distribution, in particular on RES due to correction factors from previous years due to the takeover of RES and CHP purchase administration by the state-owned company OTE

Distribution & Sale SEE (CZK +1.5 bn): Albania (CZK +1.5 bn) end of accounting of CEZ Shpërndarje's financial results due to loss of control by ČEZ, a. s. in January 2013; Romania (CZK -0.1 bn) lower margin on electricity sales; Bulgaria (CZK +0.1 bn) higher expenses on purchases of electricity from renewable sources in Q3 2012

Mining CE (CZK +0.4 bn): Higher deliveries to the external market and Energotrans

DEVELOPMENT IN Q3 – CONTINUED

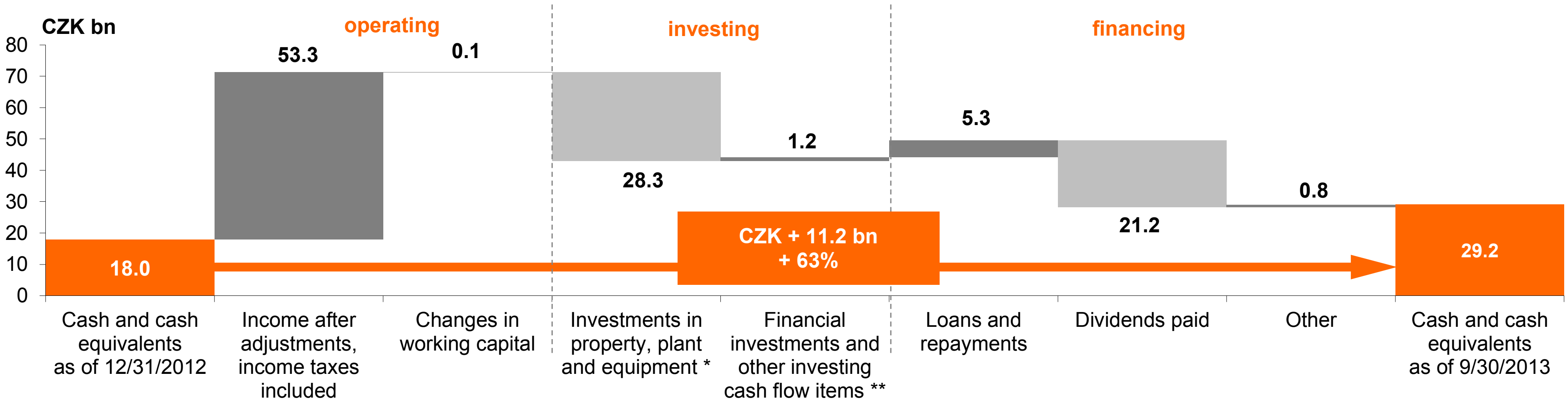
(CZK bn)	Q3 2012	Q3 2013	Change	%
Revenues	49.4	48.8	-0.6	-1%
Operating expenses less depreciation and amortization	-33.2	-33.8	-0.6	-2%
EBITDA	**16.2**	**15.0**	**-1.2**	**-7%**
Depreciation, amortization and impairments	-7.0	-11.6	-4.6	-66%
Financial and other income (expenses)	-1.5	0.8	+2.3	-
Income taxes	-1.6	-1.1	+0.5	+34%
Net income	**6.1**	**3.1**	**-3.0**	**-49%**

Depreciation, amortisation and impairments (CZK -4.6 bn)
- Impairments to fixed assets in Romania and Bulgaria and goodwill amortisation in 2013 (CZK -4.8 bn) compensated by lower depreciation and amortisation due to disposal and sales of assets

Other financial income/expenses (CZK +2.3 bn)
- Settlement of the sale of Chvaletice Power Plant (CZK +2.9 bn)
- Weaker results of the Turkish businesses (CZK -0.4 bn) mostly due to exchange rate losses from USD loan revaluation
- Lower effects of the gift tax on emission allowances (CZK +0.3 bn)
- Difference in revaluation of the MOL option (CZK -1.3 bn)
- Other (CZK +0.8 bn), in particular exchange rate gains/losses and securities trading

Income tax (CZK +0.5 bn):
- Lower deferred tax mostly due to lower book value of assets (fixed asset impairments, sale of Chvaletice Power Plant, exclusion of CEZ Shpërndarje)

CASH FLOW



Cash flows from operating activities (CZK +53.4bn)

- Income after adjustments (CZK +53.3 bn): Earnings before tax (CZK +38.7 bn), depreciation and amortisation of nuclear fuel (CZK +23.5 bn), income tax paid (CZK -7.3 bn), net interest balance (CZK -2.1 bn), exclusion of CEZ Shpërndarje from the consolidated group (CZK -1.8 bn), other (CZK +2.3 bn)
- Changes in working capital (CZK +0.1 bn): Growth in balance of payables and receivables incl. advances and accruals of unbilled electricity (CZK -2.1 bn), growth of liquid securities (CZK -1.0 bn), reduction of emission allowances, fossil fuels, and materials (CZK +3.3 bn), other current assets (CZK -0.1 bn)

Cash flows used in investing activities (CZK -27.1 bn)

- Investments in property, plant and equipment – CAPEX (CZK -28.3 bn) – see details in Annexe
- Sale of Chvaletice Power Plant (CZK +4.1 bn), increase in long-term financial assets (CZK -1.9 bn) and financial investments (CZK -1.0 bn) mostly in Areál Třeboradice and share in Akcez

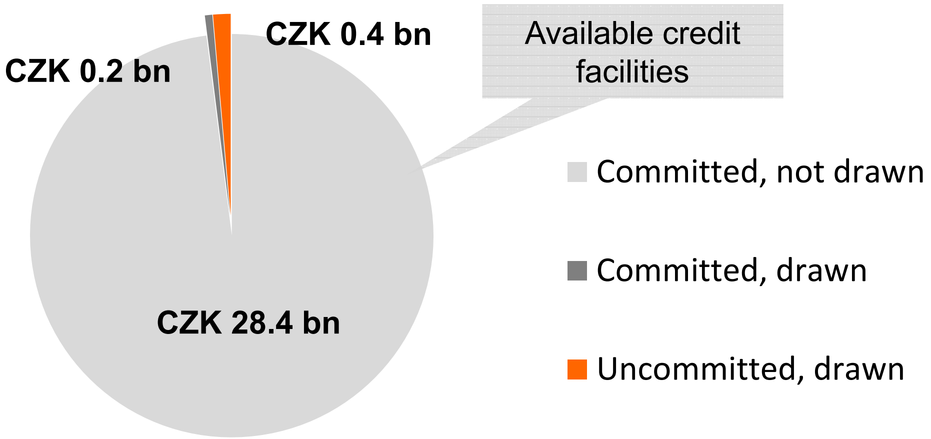
Cash flows from financing activities incl. exchange rate differences (CZK -15.1 bn)

- Dividends paid to shareholders (CZK -21.2 bn) and balance of loans and repayments (CZK +5.3 bn)
- Growth in other long-term payables (CZK +1.3 bn) – security for coal delivery received from Vršanská uhelná; other (CZK -0.5 bn)

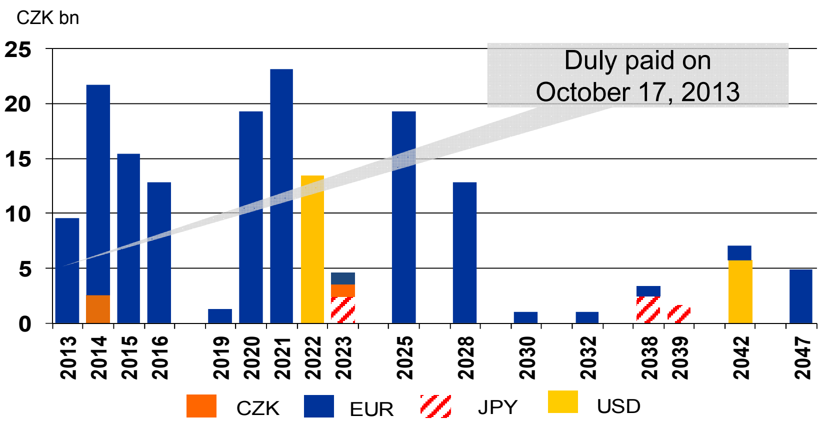
 * CAPEX ** including the balance of loans granted, divestments and change of restricted funds

CEZ GROUP MAINTAINS A STRONG LIQUIDITY POSITION

Utilisation of short-term lines (as of September 30, 2013)



Bond maturity profile (as of September 30, 2013)

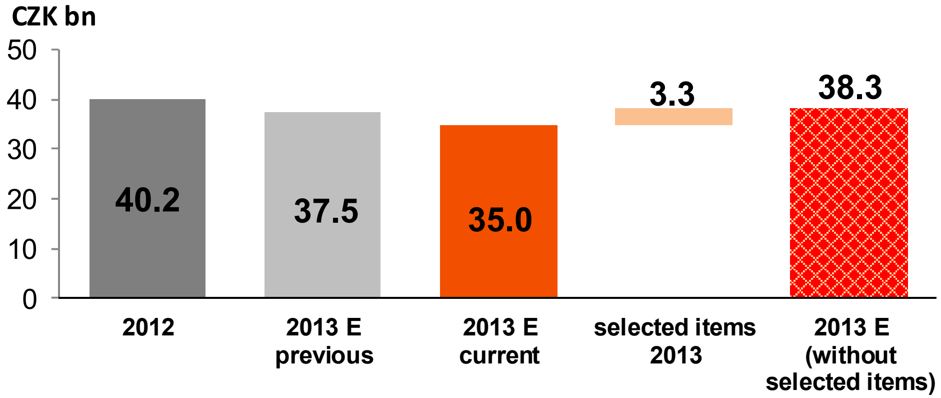


- CZK 43.2 bn in cash and highly liquid assets as of 30 September 2013
- The CEZ Group has access to CZK 28.6 bn in committed credit facilities, using just CZK 0.2 bn as of September 30, 2013
- Payout of dividends for 2012 started on August 1, 2013

Note: Uncommitted credit facilities are used primarily. Committed facilities are kept as a reserve for covering unexpected needs.

CURRENT ANNUAL PROFIT GUIDANCE (CZK 35 BN) REFLECTS PRELIMINARY ASSET TESTS, INDICATING IMPAIRMENTS OF ABOUT CZK 8 BN

The CEZ Group's 2013 net income – net of one-off impacts – is expected to be approx. CZK 38.3 bn



Selected one-off items (CZK -3.3 bn):

- Impairments to fixed assets (CZK -8 bn)
- Effect of the sale of Chvaletice Power Plant (CZK +2.9 bn)
- Exclusion of CEZ Shpërndarje (CZK +1.8 bn)

Impairments to fixed assets express a temporary decrease in the book value of assets without any impact on cash flow.

Currently expected decrease in value is caused by worsened outlook for future cash flows. When market conditions improve in the future, they will be accounted for with a positive impact on net income.

Cumulative impairments and Goodwill write offs (from 2010 to June 30, 2013)

	EUR bn	CZK bn	% of fixed assets
Vattenfall	6.8	177.0	15%
Verbund	0.9	23.6	9%
E.ON	7.7	200.0	8%
RWE	3.5	90.9	6%
Enel	4.3	111.9	3%
CEZ	**0.2**	**4.5**	**1%**

In H2 2013, we expect asset impairments of **approx. CZK 8 bn in total** (including CZK 4.8 bn accounted for in Q3 2013), which would mean **approx. 2.5% of fixed assets** cumulatively since 2010.

AGENDA

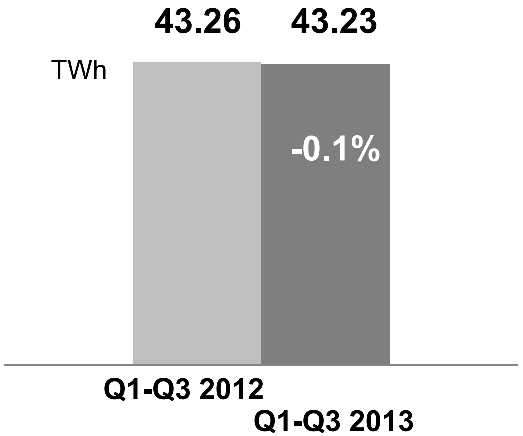
CEZ Group financial highlights and key events in Q1 – Q3 2013
Martin Novák, Chief Financial Officer

Financial results
Martin Novák, Chief Financial Officer

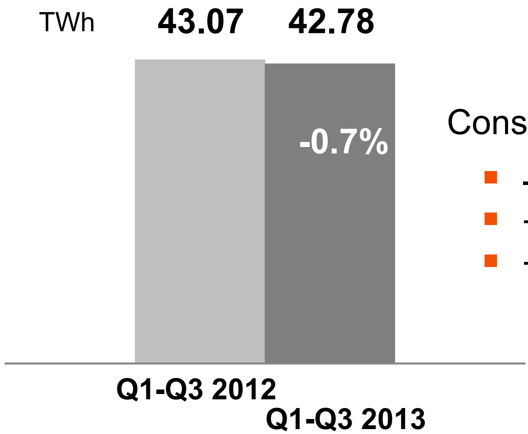
Trading position of CEZ Group
Alan Svoboda, Executive Director Sales and Trading

ELECTRICITY CONSUMPTION DROPS YEAR-ON-YEAR IN THE CZECH REPUBLIC

Consumption in the Czech Republic*



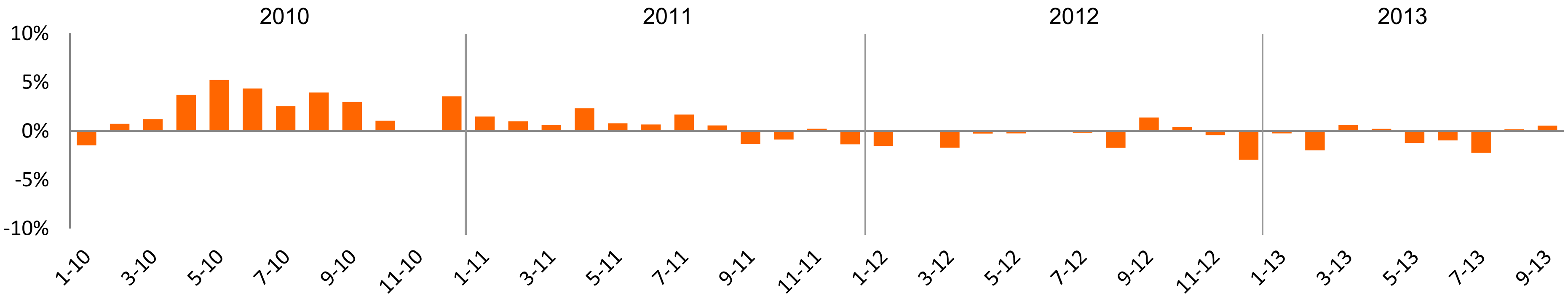
Consumption in CZ (temperature adjusted)**



Consumption development by segment:*

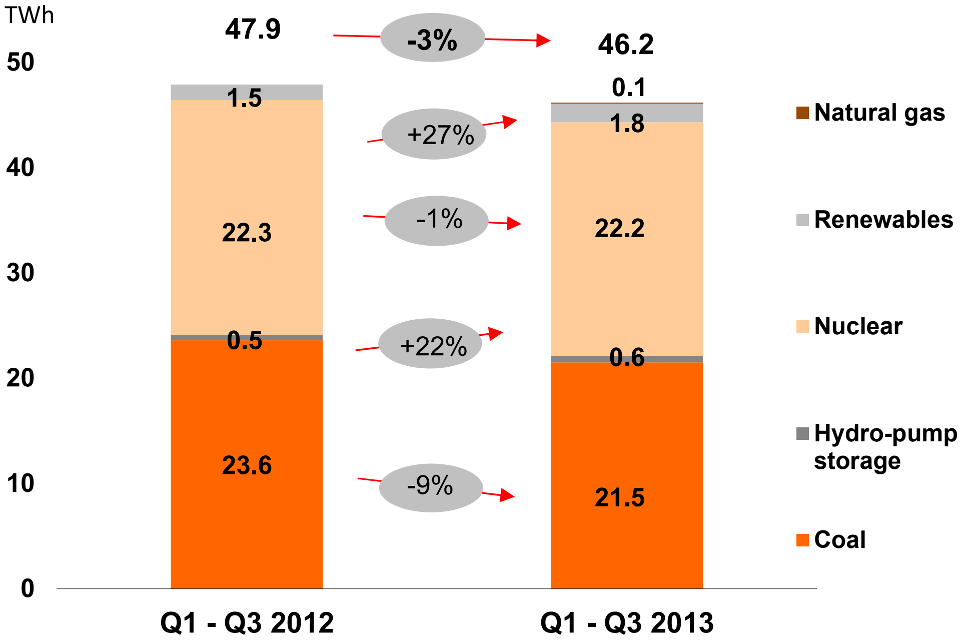
- -2.1% wholesale customers
- +2.8% households
- +1.9% small businesses

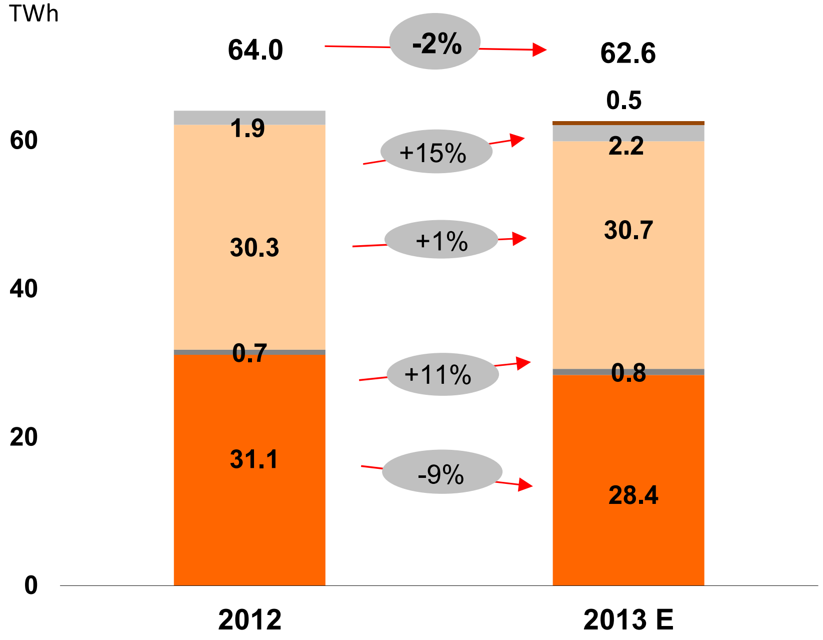
Monthly year-on-year absolute consumption indices for the Czech Republic (temperature and calendar adjusted)**



 *Q1 – Q3 acc. to ERO **Conversion based on CEZ's model

CZ – YEAR-ON-YEAR DECREASE IN PRODUCTION REFLECTS REFURBISHMENT OF 3 PRUNÉŘOV UNITS AND SALE OF CHVALETICE





Nuclear power plants (-1%)

– Longer shutdown periods of Temelín Nuclear Power Plant
+ Shorter shutdown periods and increased available capacity of Dukovany Nuclear Power Plant

Coal-fired power plants (-9%)

– Start of comprehensive renewal of three units at Prunéřov II Power Plant on September 1, 2012
– Reduced fuel deliveries

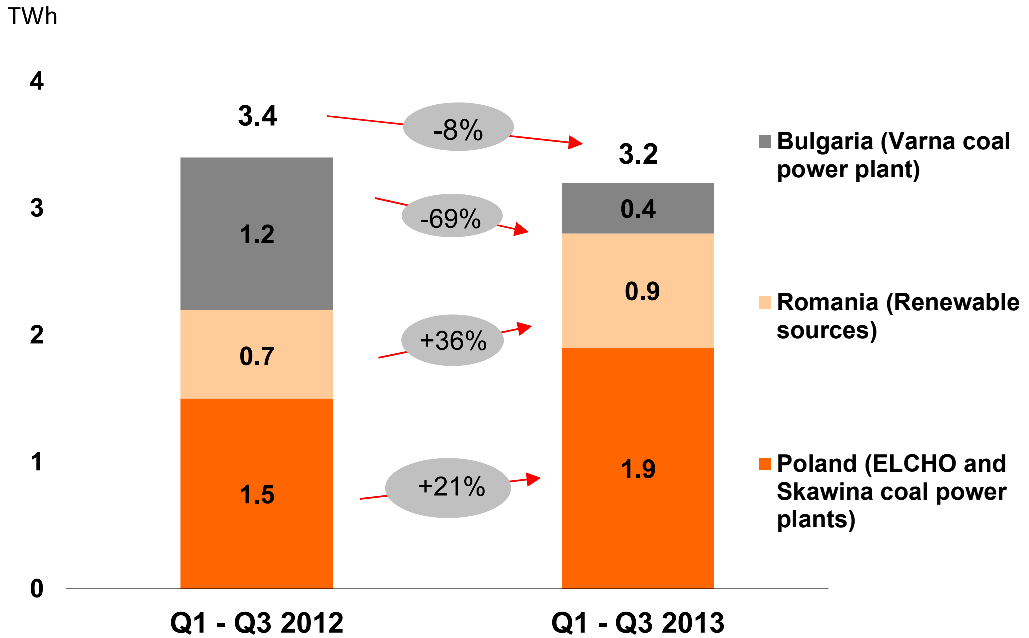
Nuclear power plants (+1%)

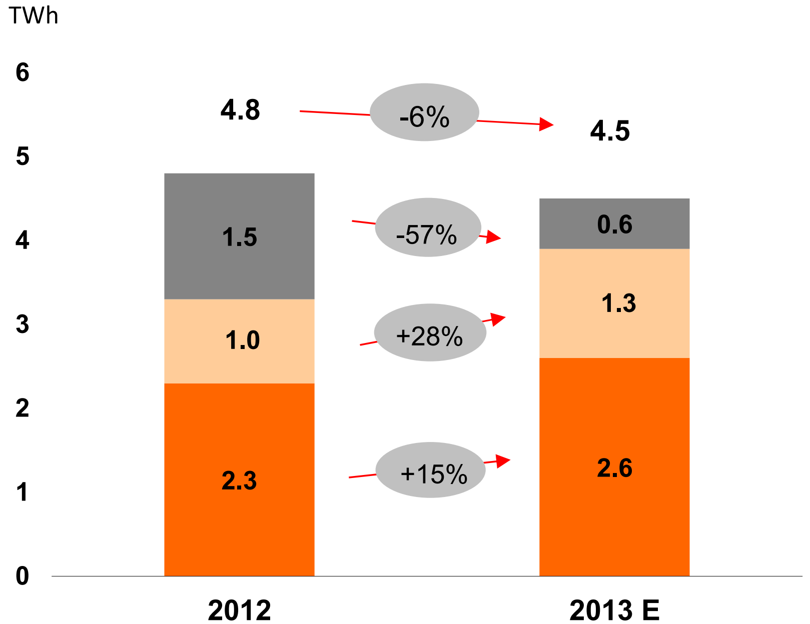
+ Shorter shutdown periods at Dukovany Nuclear Power Plant
+ Increase of available capacity of Temelín Nuclear Power Plant

Coal-fired power plants (-9%)

– Lower fuel deliveries
– Year-round comprehensive renewal of three units of Prunéřov II Power Plant
– Sale of Chvaletice Power Plant

ABROAD – REDUCED PRODUCTION IN BULGARIA PARTIALLY COMPENSATED BY GROWTH IN POLAND AND ROMANIA





Bulgaria – coal-fired Varna plant (-69%)

– Lower demand for deliveries to the regulated market, in particular lower activation of cold reserve and lower quota production

Romania RES (+36%)

+ Production running at all 240 wind turbines in Fântânele & Cogealac

Poland – coal-fired ELCHO & Skawina plants (+21%)

+ Higher production at the Skawina Power Plant due to a more favourable contract for coal than in 2012

Bulgaria – coal-fired Varna plant (-57%)

– Lower demand for deliveries to the regulated market, in particular lower activation of cold reserve and lower quota production

Romania RES (+28%)

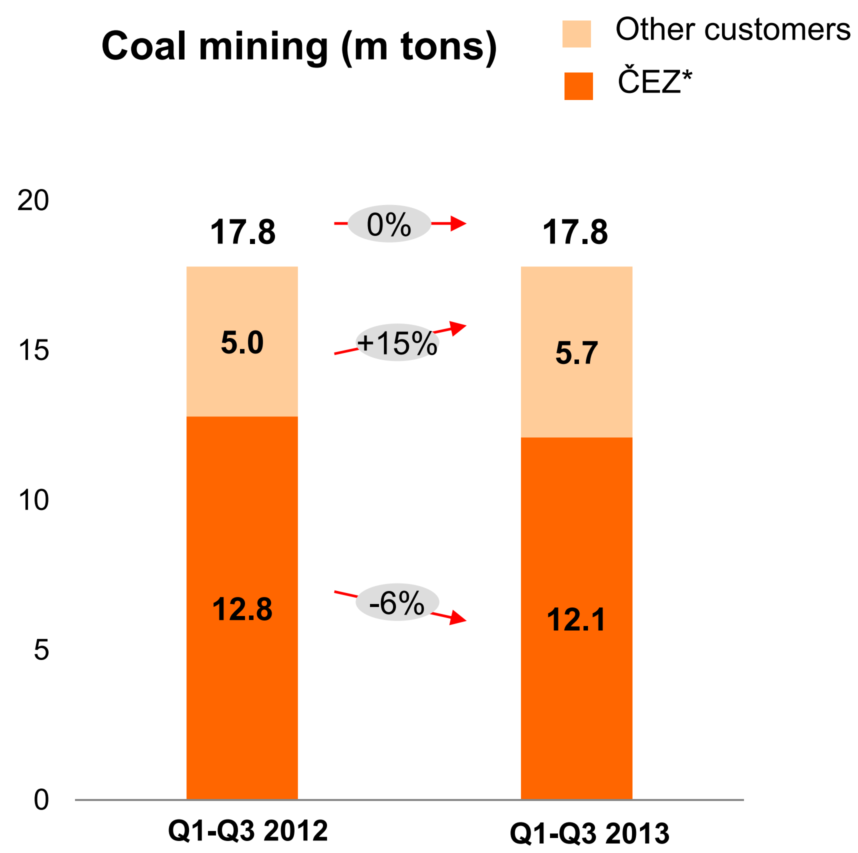
+ Production running at all 240 wind turbines in Fântânele & Cogealac

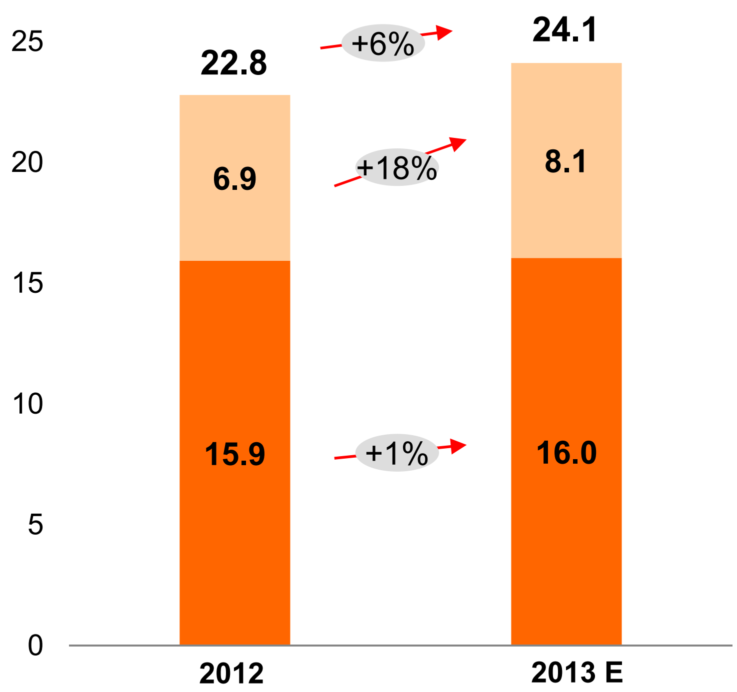
Poland – coal-fired ELCHO & Skawina plants (+15%)

+ Higher production at the Skawina Power Plant due to a more favourable contract for coal than in 2012
+ 2012 production in the ELCHO power plant affected by planned boiler repairs
+ Borek small hydroelectric power plant launched in May 2013

SEVEROČESKÉ DOLY

EXPECTING MORE COAL EXTRACTED IN 2013





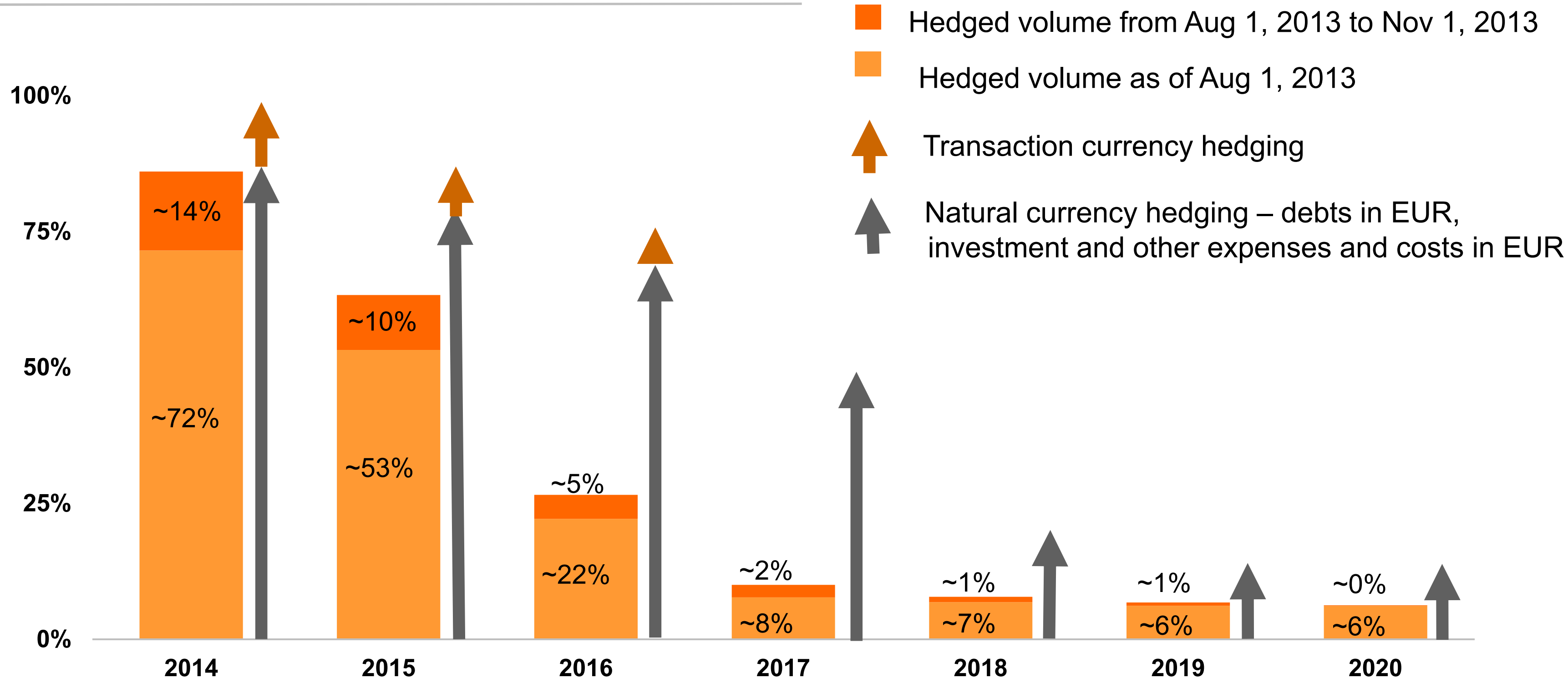
- Lower quantities of coal taken by ČEZ* for their power plants compensated by higher sales to other customers

- We expect a greater coal mining volume due to both rising deliveries to ČEZ* and especially higher demand by other customers

ČEZ* = ČEZ, a. s. including spun-off coal-fired power plants in Počerady and Chvaletice

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

Share of hedged production from ČEZ* power plants
(as of Nov 1, 2013, 100% corresponds to 55-58 TWh)



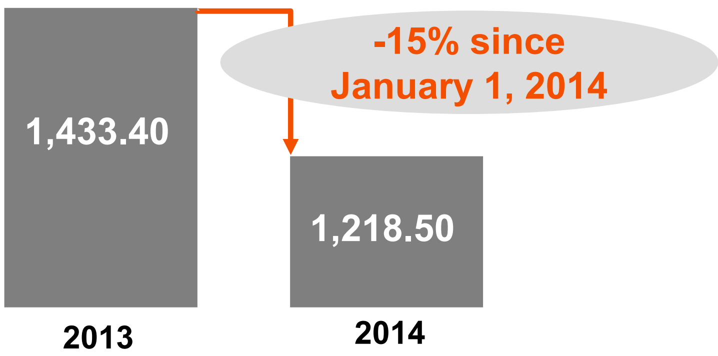
	2014	2015	2016	2017	2018	2019	2020
Total hedged (from production)	86%	63%	27%	~ 10%	~ 8%	~ 7%	~ 6%

Source: ČEZ* = ČEZ, a. s., including spun-off coal-fired power plants in Počerady, Chvaletice and Dětmarovice

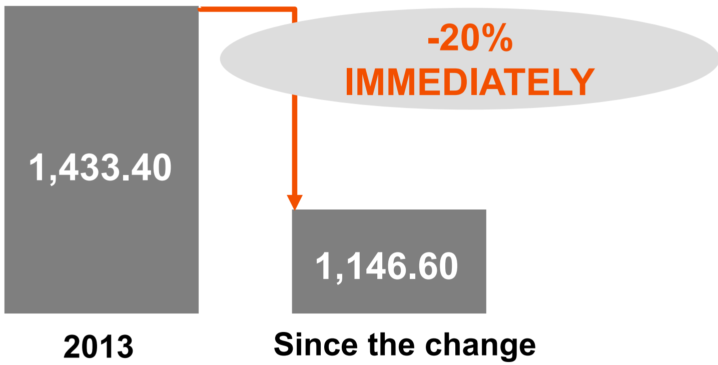
20% CHEAPER POWER ELECTRICITY IN THE ČEZ FIX PRODUCT RANGE HAS GREAT TAKE-UP

Average prices of electricity (CZK/MWh excl. VAT)

COMFORT product range



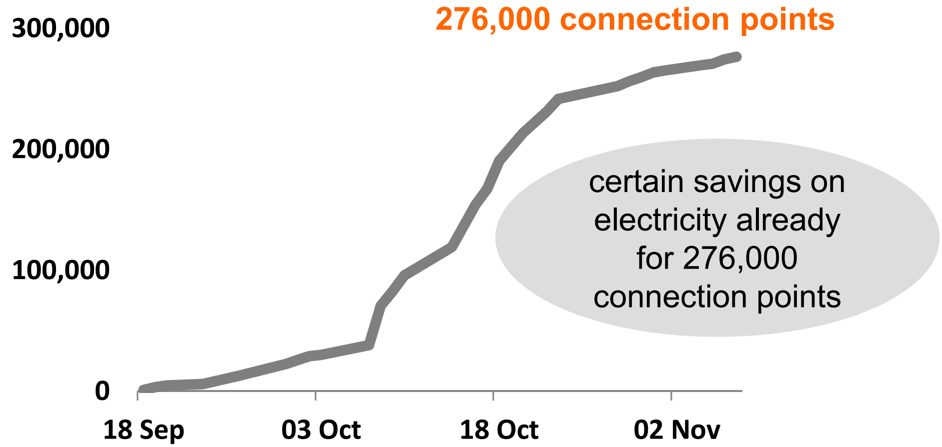
ČEZ FIX product range*



CEZ products allow saving money too; it is not necessary to seek an alternative supplier

- The quality of alternative suppliers' supplementary services and care is usually insufficient
- Changing the supplier takes 3-6 months
- Surveys show that 74% of customers do not save any money by changing their supplier

Number of connection points

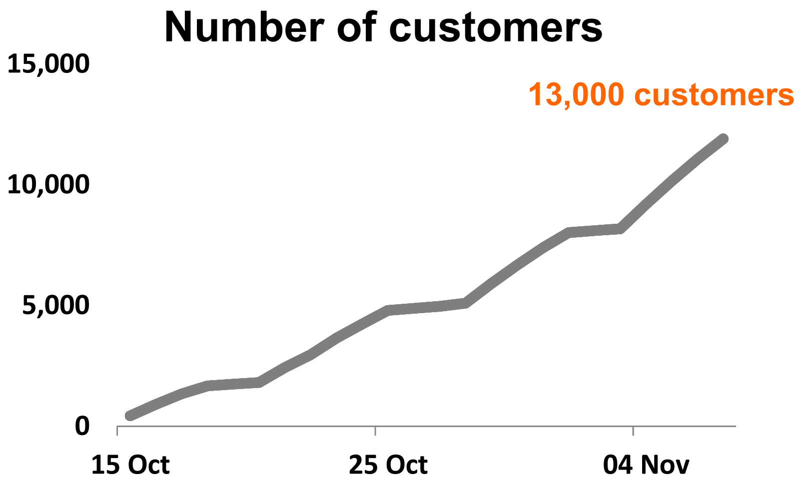


* Includes the ČEZ ASISTENT assistance service with coverage for damage up to CZK 5,000 per claim

MOBILE FROM CEZ APPEALS TO MANY CUSTOMERS

10 reasons to use Mobile from CEZ

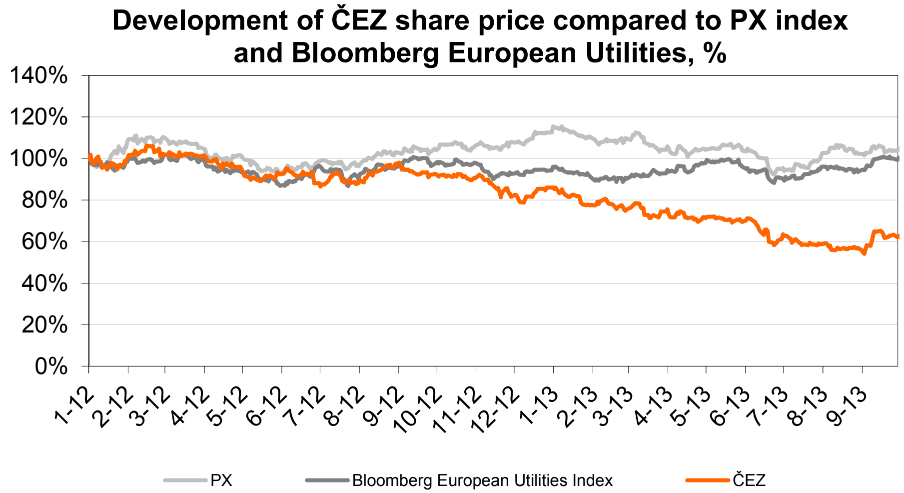
1. The offer is for everybody, not only CEZ customers.
2. The services are without time and financial obligations.
3. Mobile from CEZ has no hidden fees.
4. We will transfer the unused minutes in your package to your next billing period.
5. Activation of any package involves free calls in the CEZ network.
6. Customers of ČEZ Prodej automatically get free texts in the CEZ network for another three relatives, friends, or acquaintances in the CEZ network.
7. The Infolimit service, watching your bill for mobile services, is completely free.
8. Changes in service settings can be made every month for free.
9. The Mobile from CEZ voice self-care at *84 is free of charge, including calls to operators.
10. Wide network of contact points.

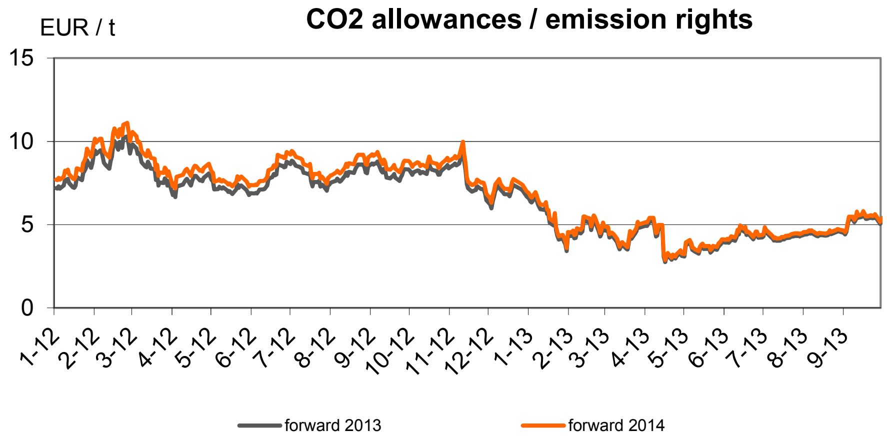


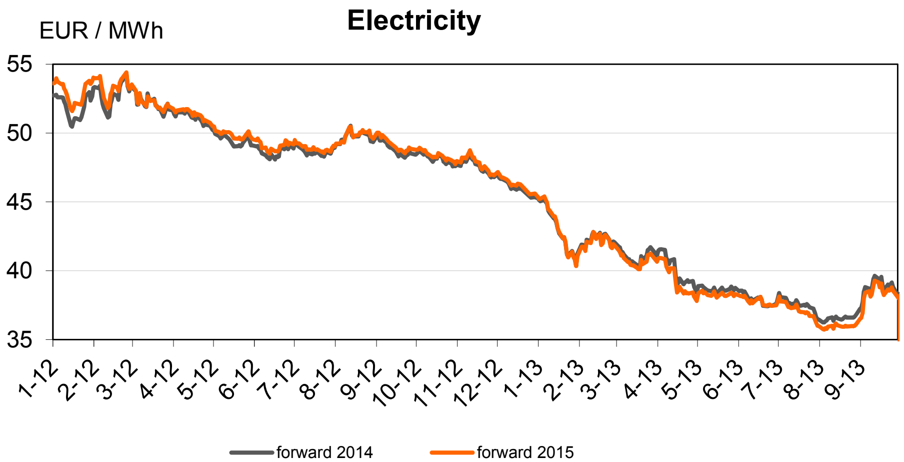
ANNEXES

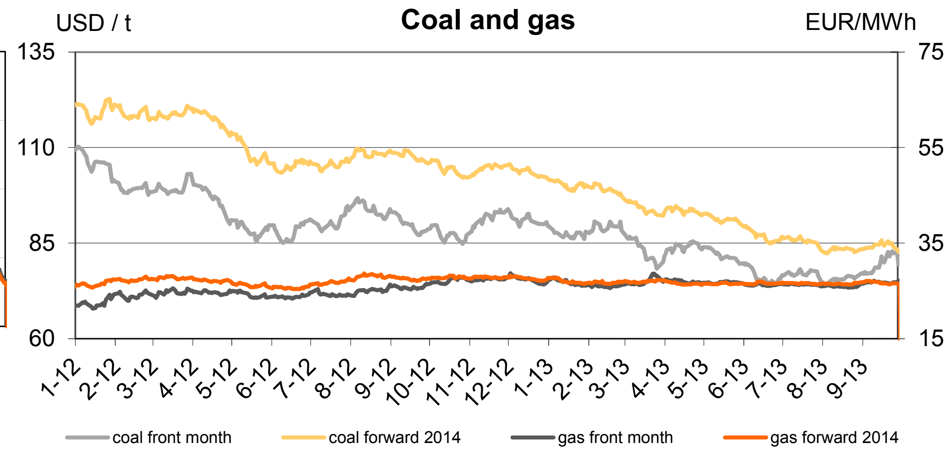
- Market developments
- Investments in fixed assets
- Balance sheet overview
- Balance of electricity

MARKET DEVELOPMENTS









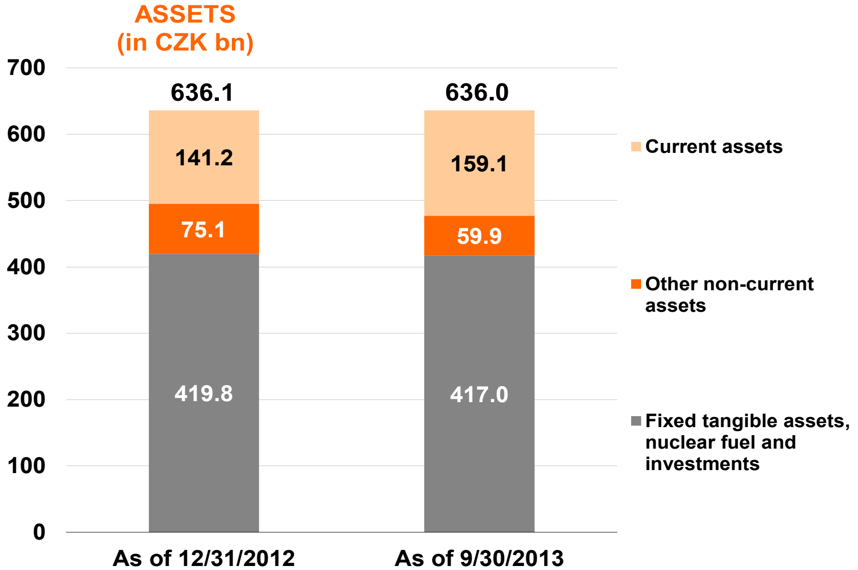
INVESTMENTS IN FIXED ASSETS (CAPEX)

Investments into fixed assets 1 - 9/2013:	**CZK 28.3 bn**
Conventional power plants	**CZK 13.3 bn** Počerady CCGT plant: Power plant ready for comprehensive test. Minor defects and arrears are being rectified. Ledvice new unit: Assembly and test of the pressure system finished. Work on lining and insulation and tests of and work on provisional chemical treatment systems are in progress. Prunéřov II comprehensive renewal: Condensers and generators fitted. Installation of pressure assemblies for steam generators, construction of FGD absorbers, reconstruction of the cooling tower, and construction work in the turbine building are in progress.
Nuclear power plants	**CZK 5.1 bn** Temelín NPP: There was a shutdown of Unit 1 in Q3, involving fuel replacement. The shutdown schedule of 49 days was exceeded by 11 days. Dukovany NPP: There was a planned shutdown of Unit 1 in Q3. Several new investments started, based on recommendations arising from stress test results. Drop ceilings in the unit control room were seismically secured. Temelín NNPP: Project in phase 2 of tender procedure. Tender negotiations are underway, the schedule is being updated and the Intended Schedule is being revised in connection with the postponement of contractor selection, the preparatory and licensing process are being prepared, projects for associated and induced investments are being prepared and partially implemented. Dukovany NNPP: Detailed background information for EIA initiation and background information for the creation of technical specifications is being prepared.
Electricity distribution	**CZK 7.4 bn** Czech Republic: CZK 5.3 bn Romania: CZK 1.2 bn Bulgaria: CZK 0.9 bn
Mining	**CZK 1.3 bn** Implementing requirements arising from mining procedures at Tušimice and Bílina (deliveries, reconstruction, and modernisation of mining, dressing, and crushing equipment).
Other	**CZK 1.2 bn**

BALANCE SHEET OVERVIEW

Fixed assets

- Decrease in property, plant and equipment at CZK -2.8 bn: Loss of control over CEZ Shpërndarje and sale of the Chvaletice Power Plant (CZK -7.1 bn overall) prevailed over the effects of power plant renewal and construction – in particular in the Czech Rep.
- Decrease of other fixed assets (CZK -15.2 bn) mainly due to the reclassification of a long-term receivable from MOL into current assets (CZK -14.7 bn)

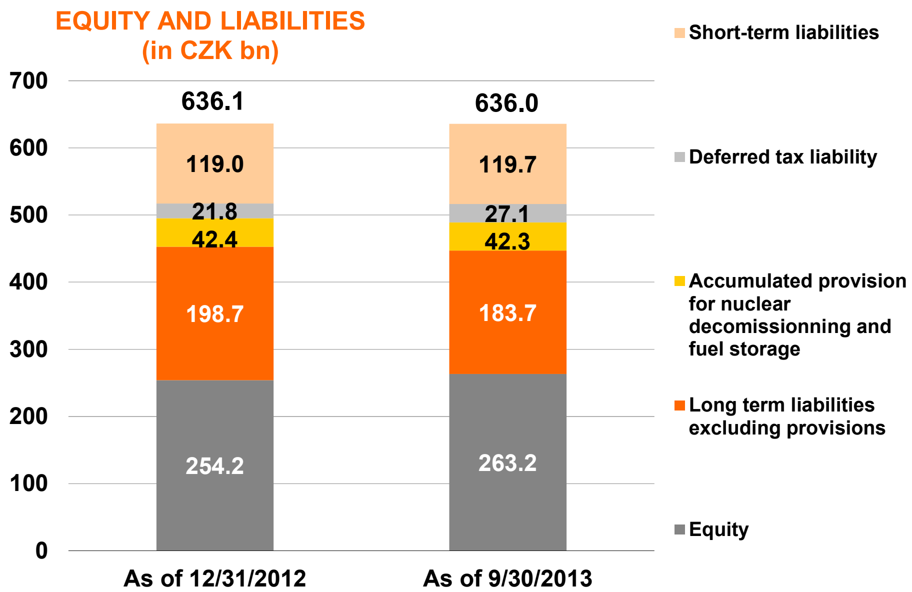


Current assets

- Increase in cash and cash equivalents (CZK +11.2 bn) and highly liquid securities (CZK +1.0 bn)
- Increase in receivables, net (CZK +7.5 bn) – reclassification of the long-term receivable from MOL (CZK +14.7 bn) compensated by the reduction of receivables due to the exclusion of CEZ Shpërndarje from the consolidated group and lower receivables of ČEZ, a. s.
- Increase in income tax receivables (CZK +4.6 bn)
- Decrease in emission allowances and inventories of fossil fuels and materials (CZK -3.3 bn)
- Decrease in receivables from derivatives (CZK -3.1 bn), other (CZK +0.1 bn)

Equity and long-term liabilities

- Increase in equity CZK +9.0 bn: Net income (CZK +31.7 bn), approved dividends (CZK -21.3 bn), other comprehensive income (CZK -3.0 bn) – especially change in fair value of hedging derivatives; effect of exclusion of CEZ Shpërndarje from the consolidated group (CZK +1.4 bn); other (CZK +0.2 bn)
- Decrease in long-term liabilities of CZK -15.0 bn: Decrease of long-term bank loans (CZK -8.9 bn), decrease in bonds issued (CZK -6.4 bn), other (CZK +0.3 bn)
- Increase in deferred tax liability at CZK +5.3 bn



Current liabilities

- Increase in current portion of long-term debt, incl. short-term bank loans, of CZK +22.6 bn (bonds issued)
- Decrease in trade payables, incl. received advances, of CZK -15.7 bn (mostly impact of exclusion of CEZ Shpërndarje from consolidated group and lower liabilities of ČEZ, a. s.)
- Decrease in unbilled goods and services of CZK -4.8 bn
- Decrease in liabilities from derivatives, incl. options, of CZK -1.4 bn

Electricity balance (GWh)

	Q1 - Q3 2012	Q1 - Q3 2013	+/-
Electricity procured	**46,425**	**44,618**	**-4%**
Generated in-house (gross)	51,321	49,415	-4%
In-house and other consumption, including pumping in pumped-storage plants	-4,896	-4,797	-2%
Sold to end customers	**-30,649**	**-27,021**	**-12%**
Sold in the wholesale market (net)	**-9,572**	**-13,970**	**+46%**
Sold in the wholesale market	-170,481	-136,008	-20%
Purchased in the wholesale market	160,909	122,038	-24%
Grid losses	**-6,203**	**-3,626**	**-42%**

Electricity generation by source (GWh)

	Q1 - Q3 2012	Q1 - Q3 2013	+/-
Nuclear	22,300	22,142	-1%
Coal and lignite	26,005	23,522	-10%
Water	1,570	2,121	+35%
Biomass	632	444	-30%
Solar	127	110	-13%
Wind	663	937	+41%
Natural gas	25	136	>200%
Bio gas	1	2	+100%
Total	**51,323**	**49,414**	**-4%**

Sales of electricity to end customers (GWh)

	Q1 - Q3 2012	Q1 - Q3 2013	+/-
Households	-11,464	-9,754	-15%
Commercial (low voltage)	-5,643	-4,725	-16%
Commercial and industrial (medium and high voltage)	-13,543	-12,542	-7%
Sold to end customers	**-30,650**	**-27,021**	**-12%**

Distribution of electricity to end customers	**-38,760**	**-35,556**	**-8%**

Electricity balance (GWh)

Q1 - Q3 2013	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	**43,330**	**-3%**	**0**	**-**	**1,288**	**-29%**	**0**	**-**	**0**	**-**	**44,618**	**-4%**
Generated in-house (gross)	48,100	-3%	0	-	1,315	-32%	0	-	0	-	49,415	-4%
In-house and other consumption, including pumping in pumped-storage plants	-4,770	-1%	0	-	-27	-73%	0	-	0	-	-4,797	-2%
Sold to end customers	**-492**	**+38%**	**-16,855**	**-4%**	**0**	**-**	**-9,674**	**-24%**	**0**	**-**	**-27,021**	**-12%**
Sold in the wholesale market (net)	**-42,837**	**-3%**	**18,725**	**-4%**	**-1,288**	**-29%**	**11,430**	**-33%**	**0**	**-**	**-13,970**	**+46%**
Sold in the wholesale market	-154,644	-17%	-2,334	-63%	-1,288	-29%	-889	+6%	23,147	-10%	-136,008	-20%
Purchased in the wholesale market	111,807	-22%	21,059	-18%	0	-	12,319	-31%	-23,147	-10%	122,038	-24%
Grid losses	**0**	**-**	**-1,870**	**+1%**	**0**	**-**	**-1,756**	**-60%**	**0**	**-**	**-3,626**	**-42%**

Electricity generation by source (GWh)

Q1 - Q3 2013	Power Production & Trading CE		Distribution & Sale CE		Power Production & Trading SEE		Distribution & Sale SEE		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Nuclear	22,142	-1%	0	-	0	-	0	-	0	-	22,142	-1%
Coal and lignite	23,143	-7%	0	-	379	-69%	0	-	0	-	23,522	-10%
Water	2,121	+38%	0	-	0	-	0	-	0	-	2,121	+35%
Biomass	444	-30%	0	-	0	-	0	-	0	-	444	-30%
Solar	105	-14%	0	-	5	+25%	0	-	0	-	110	-13%
Wind	6	-14%	0	-	931	+42%	0	-	0	-	937	+41%
Natural gas	136	>200%	0	-	0	-	0	-	0	-	136	>200%
Bio gas	2	+100%	0	-	0	-	0	-	0	-	2	+100%
Total	**48,099**	**-3%**	**0**	**-**	**1,315**	**-32%**	**0**	**-**	**0**	**-**	**49,414**	**-4%**

Sales of electricity to end customers (GWh)

Q1 - Q3 2013	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	-	-5,647	-1%	0	-	-4,107	-29%	0	-	-9,754	-15%
Commercial (low voltage)	0	-	-2,108	-10%	0	-	-2,617	-21%	0	-	-4,725	-16%
Commercial and industrial (medium and high voltage)	-492	+38%	-9,100	-5%	0	-	-2,950	-18%	0	-	-12,542	-7%
Sold to end customers	**-492**	**+38%**	**-16,855**	**-4%**	**0**	**-**	**-9,674**	**-24%**	**0**	**-**	**-27,021**	**-12%**

Distribution of electricity to end customers	**0**	**-**	**-24,223**	**+0%**	**0**	**-**	**-11,333**	**-22%**	**0**	**-**	**-35,556**	**-8%**

Electricity balance (GWh)

Q1 - Q3 2013	Czech Republic		Poland		Other Central Europe		Bulgaria		Romania		Albania		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Electricity procured	**41,706**	**-4%**	**1,624**	**+22%**	**0**	**-**	**357**	**-69%**	**931**	**+37%**	**0**	**-**	**0**	**-**	**44,618**	**-4%**
Generated in-house (gross)	46,250	-3%	1,850	+21%	0	-	384	-69%	931	+36%	0	-	0	-	49,415	-4%
In-house and other consumption, including pumping in pumped-storage plants	-4,544	-1%	-226	+15%	0	-	-27	-71%	0	-	0	-	0	-	-4,797	-2%
Sold to end customers	**-15,291**	**-3%**	**-286**	**+67%**	**-1,770**	**-15%**	**-7,170**	**-4%**	**-2,504**	**-5%**	**0**	**-**	**0**	**-**	**-27,021**	**-12%**
Sold in the wholesale market (net)	**-24,544**	**-4%**	**-1,338**	**+15%**	**1,770**	**-15%**	**7,660**	**+6%**	**2,482**	**-14%**	**0**	**-**	**0**	**-**	**-13,970**	**+46%**
Sold in the wholesale market	-136,702	-19%	-1,681	+20%	-137	-96%	-537	-64%	-1,635	+44%	0	-	4,685	-5%	-136,008	-20%
Purchased in the wholesale market	112,158	-21%	343	+41%	1,907	-64%	8,197	-6%	4,117	+2%	0	-	-4,685	-5%	122,038	-24%
Grid losses	**-1,870**	**+1%**	**0**	**-**	**0**	**-**	**-846**	**-11%**	**-910**	**-3%**	**0**	**-**	**0**	**-**	**-3,626**	**-42%**

Electricity generation by source (GWh)

Q1 - Q3 2013	Czech Republic		Poland		Other Central Europe		Bulgaria		Romania		Albania		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Nuclear	22,142	-1%	0	-	0	-	0	-	0	-	0	-	0	-	22,142	-1%
Coal and lignite	21,528	-9%	1,616	+37%	0	-	379	-69%	0	-	0	-	0	-	23,522	-10%
Water	2,115	+38%	6	+50%	0	-	0	-	0	-	0	-	0	-	2,121	+35%
Biomass	216	-24%	228	-34%	0	-	0	-	0	-	0	-	0	-	444	-30%
Solar	105	-14%	0	-	0	-	5	+25%	0	-	0	-	0	-	110	-13%
Wind	6	-14%	0	-	0	-	0	-	931	+42%	0	-	0	-	937	+41%
Natural gas	136	>200%	0	-	0	-	0	-	0	-	0	-	0	-	136	>200%
Bio gas	2	+100%	0	-	0	-	0	-	0	-	0	-	0	-	2	+100%
Total	**46,250**	**-3%**	**1,850**	**+21%**	**0**	**-**	**384**	**-69%**	**931**	**+36%**	**0**	**-**	**0**	**-**	**49,414**	**-4%**

Sales of electricity to end customers (GWh)

Q1 - Q3 2013	Czech Republic		Poland		Other Central Europe		Bulgaria		Romania		Albania		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Households	-5,555	-4%	0	-	-93	-	-3,014	-5%	-1,092	-6%	0	-	0	-	-9,754	-15%
Commercial (low voltage)	-2,053	-13%	0	-	-55	-	-1,942	-6%	-675	-1%	0	-	0	-	-4,725	-16%
Commercial and industrial (medium and high voltage)	-7,684	+1%	-286	+67%	-1,623	-25%	-2,213	-0%	-736	-7%	0	-	0	-	-12,542	-7%
Sold to end customers	**-15,292**	**-3%**	**-286**	**+67%**	**-1,771**	**-15%**	**-7,169**	**-4%**	**-2,503**	**-5%**	**0**	**-**	**0**	**-**	**-27,021**	**-12%**
Distribution of electricity to end customers	**-24,223**	**+0%**	**0**	**-**	**0**	**-**	**-6,529**	**-3%**	**-4,804**	**-8%**	**0**	**-**	**0**	**-**	**-35,556**	**-8%**