

**GROUP ČEZ****Consolidated Income Statement** in accordance with IFRS

(in CZK Millions)

	1-9/2005	7-9/2005	1-9/2006	7-9/2006
<b>Revenues</b>	<b>89,402</b>	<b>27,687</b>	<b>113,710</b>	<b>36,527</b>
Sales of electricity	82,910	25,694	105,798	34,153
Heat sales and other revenues	6,492	1,993	7,912	2,374
<b>Operating expenses</b>	<b>66,199</b>	<b>22,044</b>	<b>83,769</b>	<b>29,959</b>
Fuel	6,752	2,220	8,084	2,835
Purchased power and related services	26,176	7,958	36,361	11,862
Repairs and maintenance	2,339	983	3,214	1,370
Depreciation and amortization	15,180	5,143	18,358	7,408
Salaries and wages	8,955	3,271	10,089	3,508
Materials and supplies	2,833	1,023	3,513	1,341
Emission rights			-471	45
Other operating expenses	3,964	1,446	4,621	1,590
<b>Income before other expense/income and income taxes</b>	<b>23,203</b>	<b>5,643</b>	<b>29,941</b>	<b>6,568</b>
<b>Other expenses/income</b>	<b>3,279</b>	<b>803</b>	<b>1,506</b>	<b>-162</b>
Interest on debt, net of capitalized interest	1,276	477	1,511	642
Interest on nuclear and other provisions	1,817	606	1,416	470
Interest income	-292	-111	-511	-221
Foreign exchange rate losses/gains, net	351	-300	-560	-71
Gain(-)/Loss on sale of subsidiary/associate	193		225	-12
Negative goodwill write-off	-20			
Other expenses/income, net	27	143	-501	-961
Income from associates	-73	-12	-74	-9
<b>Income before income taxes</b>	<b>19,924</b>	<b>4,840</b>	<b>28,435</b>	<b>6,730</b>
<b>Income taxes</b>	<b>4,653</b>	<b>1,252</b>	<b>6,416</b>	<b>1,279</b>
<b>Net income</b>	<b>15,271</b>	<b>3,588</b>	<b>22,019</b>	<b>5,451</b>
<b>Net income attributable to:</b>				
Equity holders of the parent	14,581	3,453	21,125	5,221
Minority interests	690	135	894	230

**GROUP ČEZ****Consolidated Balance Sheet** in accordance with IFRS

(in CZK Millions)

	as of 31.12.2005	as of 30.9.2006
<b>Assets</b>	<b>324,209</b>	<b>353,574</b>
<b>Fixed assets</b>	<b>280,400</b>	<b>303,282</b>
Plant in service	439,416	457,055
Less accumulated provision for depreciation	199,756	215,774
Net plant in service	239,660	241,281
Nuclear fuel, at amortized cost	7,860	7,174
Construction work in progress	11,570	14,265
Investment in associates	929	410
Investments and other financial assets, net	13,811	24,232
Intangible assets, net	6,046	15,128
Deferred tax assets	524	792
<b>Current assets</b>	<b>43,809</b>	<b>50,292</b>
Cash and cash equivalents	16,791	17,158
Receivables, net	14,792	12,441
Income tax receivable	1,478	2,175
Materials and supplies, net	3,671	4,759
Fossil fuel stock	756	1,040
Emission rights	134	2,649
Other current assets	6,187	10,070
<b>Equity and liabilities</b>	<b>324,209</b>	<b>353,574</b>
<b>Equity</b>	<b>191,289</b>	<b>201,386</b>
Equity attributable to equity holders of the parent	176,673	188,539
Stated capital	58,237	57,641
Retained earnings and other reserves	118,436	130,898
Minority interests	14,616	12,847
<b>Long-term liabilities</b>	<b>81,429</b>	<b>82,540</b>
Long-term debt, net of current portion	30,586	30,180
Accumulated provision for nuclear decommissioning and fuel storage	35,869	36,270
Other long-term liabilities	14,974	16,090
<b>Deferred taxes liability</b>	<b>18,555</b>	<b>26,042</b>
<b>Current liabilities</b>	<b>32,936</b>	<b>43,606</b>
Short-term loans	265	2,774
Current portion of long-term debt	7,888	12,263
Trade and other payables	16,243	19,408
Income tax payable	630	9
Accrued liabilities	7,910	9,152

**GROUP ČEZ****Consolidated Cash Flow Statement** in accordance with IFRS

(in CZK Millions)

	1-9/2005	1-9/2006
<b>Operating activities:</b>		
Income before income taxes	19,924	28,435
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Depreciation and amortization and asset write-off	15,193	18,363
Amortization of nuclear fuel	2,201	2,340
(Gain)/Loss in fixed assets retirement:	66	60
Foreign exchange rate loss (gain)	351	-560
Interest expense, interest income and dividends income, net	907	934
Provision for nuclear decommissioning and fuel storage	486	211
Valuation allowances, other provisions and other adjustments	-150	665
Income from associates	-73	-74
Changes in assets and liabilities:	8	-2,426
Receivables	-564	656
Materials and supplies	-303	-973
Fossil fuel stocks	166	-97
Other current assets	1,491	-3,731
Trade and other payable:	-806	2,502
Accrued liabilities	24	-783
Cash generated from operations	38,913	47,948
Income taxes paid	-4,873	-1,493
Interest paid, net of interest capitalized	-1,134	-1,205
Interest received	289	490
Dividends received	82	120
Net cash provided by operating activities	<b>33,277</b>	<b>45,860</b>
<b>Investing activities:</b>		
Acquisition of subsidiaries and associates, net of cash	-5,834	-24,223
Proceeds from disposal of subsidiaries and associates, net of cash	2,036	3,279
non-current assets	-10,995	-14,505
Loans made	-	-32
Proceeds from sales of fixed assets	1,600	1,236
Change in decommissioning and other restricted funds	179	-2,223
Repayments of loans	26	77
Total cash used in investing activities	<b>-12,988</b>	<b>-36,391</b>
<b>Financing activities:</b>		
Proceeds from borrowings	481	29,457
Payments of borrowings	-3,786	-28,704
Proceeds from other long-term liabilities	11	185
Payments of other long-term liabilities	-74	-236
Dividends paid to Company's shareholders	-5,290	-8,839
Dividends paid to minority interest	-1,707	-42
Acquisition/sale of treasury shares	-993	-770
Total cash provided by (used in) financing activities	<b>-11,358</b>	<b>-8,949</b>
Net effect of currency translation in cash	-38	-153
<b>Net increase/decrease in cash and cash equivalents</b>	<b>8,893</b>	<b>367</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>8,942</b>	<b>16,791</b>
Effect of change in group structure on opening balance of cash and cash equivalents		
<b>Cash and cash equivalents at beginning of period, as restated</b>	<b>8,942</b>	<b>16,791</b>
<b>Cash and cash equivalents at end of period</b>	<b>17,835</b>	<b>17,158</b>
<b>Supplementary cash flow information</b>		
Total cash paid for interest	1,541	1,599

**GROUP ČEZ****Consolidated Statement of Changes in Equity** in accordance with IFRS

(in CZK Millions)

[pro potřeby zveřejnění k 30.9.2006](#)

	Attributable to Equity Holders of the Parent					Minority Interests	Total Equity
	Stated Capital	Translation Differences	Fair Value and Other Reserves	Retained Earnings	Total		
December 31, 2004	59,218	-2	85	112,796	172,097	6,350	178,447
Change in fair value of available-for-sale financial assets removed from equity to P&L			39		39	3	42
Change in fair value of cash flow hedges recognized in equity			18		18	1	19
Cash flow hedges removed from equity			73		73		73
Translation differences		-268	-157		-157	-113	-381
Other movements				-12	-12		-12
Gain and loss recorded directly to equity		-268	-27	-12	-307	-109	-416
Net Income for period 1-9/2005				14,581	14,581	690	15,271
Total gains and losses for period 1-9/2005		-268	-27	14,569	14,274	581	14,855
Effect of acquisition of ŠKODA PRAHA				111	111		111
Acquisition of treasury shares	-1,246				-1,246		-1,246
Sale of treasury shares	331			-78	253		253
Dividends declared to shareholders of the parent				-5,309	-5,309		-5,309
Dividends declared to minority interests				-1,198	-1,198	-536	-1,734
Share options			268		268		268
Change in minority due to acquisitions						2,117	2,117
September 30, 2005	58,303	-270	326	120,891	179,250	8,512	187,762
December 31, 2005	58,237	-789	588	118,637	176,673	14,616	191,289
financial assets recognized in equity			-80		-80	-17	-97
Available-for-sale financial assets removed from equity to P&L			56		56	1	57
Change in fair value of cash flow hedges recognized in equity			173		173	4	177
Cash flow hedges removed from equity			134		134		134
Translation differences		-71			-71	17	-54
Other movements			-2	-6	-8	-4	-12
Gain and loss recorded directly to equity		-71	281	-6	204	1	205
Net Income for period 1-9/2006				21,125	21,125	894	22,019
Total gains and losses for period 1-9/2006		-71	281	21,119	21,329	895	22,224
Acquisition of treasury shares	-899				-899		-899
Sale of treasury shares	303			-174	129		129
Dividends declared to shareholders of the parent				-8,853	-8,853		-8,853
Share options			160		160		160
Transfer of exercised and forfeited share options within equity			-238	238			
Change in minority due to acquisitions						-2,664	-2,664
September 30, 2006	57,641	-860	791	130,967	188,539	12,847	201,386