CEZ GROUP

Consolidated Balance Sheet in accordance with IFRS (in CZK Millions)

	31/12/2007	30/09/2008
Assets		
Property, plant and equipment:		
Plant in service	479,091	482,405
Less accumulated provision for depreciation Net plant in service	234,297 244,794	247,487 234,918
Nuclear fuel, at amortized cost	6,983	6,269
Construction work in progress	25,388	48,173
Total property, plant and equipment	277,165	289,360
Other non-current assets:		
Investment in associates	248	335
Investments and other financial assets, net	16,126	33,353
Intangible assets, net Deferred tax assets	19,060 482	18,351 450
Total other non-current assets	35,916	52,489
Total non-current assets	313,081	341,849
Current assets:	313,001	341,043
Cash and cash equivalents	12 /20	11,590
Receivables, net	12,429 23,880	23,943
Income tax receivable	79	7,134
Materials and supplies, net	4,484	4,960
Fossil fuel stocks	857	2,171
Emission rights Other financial assets, net	355 10,585	306
Other financial assets, het Other current assets	5,192	31,087 11,567
Total current assets	57,861	92,758
Total assets	370,942	434,607
Equity and liabilities		
Equity:		
Equity attributable to equity holders of the parent:		
Stated capital	59,221	59,221
Treasury shares	(55,972)	(66,910)
Retained earnings and other reserves	168,103	185,858
Total equity attributable to equity holders		
of the parent	171,352	178,169
Minority interests	12,874	11,445
Total equity	184,226	189,614
Long-term liabilities:		
Long-term debt, net of current portion Accumulated provision for nuclear decommissioning	51,984	61,546
and fuel storage	39,191	39,720
Other long-term liabilities	16,369	17,912
Total long-term liabilities	107,544	119,178
Deferred tax liability	17,153	28,345
Current liabilities:		
Short-term loans	18,048	33,807
Current portion of long-term debt	3,226	4,756
Trade and other payables Income tax payable	25,738	50,080
Accrued liabilities	5,969 9,038	27 8,800
Total current liabilities	62,019	97,470
Total equity and liabilities	370,942	434,607
=	310,344	434,007

CEZ GROUP

Consolidated Statement of Income in accordance with IFRS (in CZK Millions)

	1-9/2007	7-9/2007	1-9/2008	7-9/2008
Revenues:				
Sales of electricity Gains and losses from electricity, coal and gas	114,448	37,138	117,111	37,950
derivative trading, net	1,584	619	5,402	807
Heat sales and other revenues	7,464	2,577	9,308	2,643
Total revenues	123,496	40,334	131,821	41,400
Operating expenses:				
Fuel	(12,201)	(4,345)	(11,879)	(4,413)
Purchased power and related services	(33,125)	(10,414)	(26,869)	(8,331)
Repairs and maintenance	(3,124)	(1,196)	(3,040)	(1,349)
Depreciation and amortization	(16,198)	(5,367)	(15,618)	(4,812)
Salaries and wages	(10,942)	(3,951)	(11,505)	(3,798)
Materials and supplies	(4,452)	(1,567)	(3,336)	(1,046)
Emission rights, net	304	(246)	225	113
Other operating expenses	(4,819)	(1,632)	(6,599)	(2,311)
Total expenses	(84,557)	(28,718)	(78,621)	(25,947)
Income before other income (expenses) and				
income taxes	38,939	11,616	53,200	15,453
Other income (expenses):				
Interest on debt, net of capitalized interest	(1,773)	(593)	(2,193)	(841)
Interest on nuclear and other provisions	(1,442)	(480)	(1,536)	(511)
Interest income	1,045	`335 [´]	1,264	451
Foreign exchange rate gains (losses), net Gain (Loss) on sale of subsidiaries and	(100)	(68)	(1,429)	(773)
associates	129	4	333	-
Negative goodwill write-off		<u>-</u>		_
Other income (expenses), net	1,716	576	2,911	2,011
Income from associates	30	2	3	(4)
Total other income (expenses)	(395)	(224)	(647)	333_
Income before income taxes	38,544	11,392	52,553	15,786
Income taxes	(8,860)	(2,719)	(11,086)	(3,277)
Net income	29,684	8,673	41,467	12,509
Net income attributable to:				
Equity holders of the parent	28,913	8,418	40,885	12,302
Minority interests	771	255	582	207
		200	30 <u>2</u>	201

Consolidated Statement of Changes in Equity in accordance with IFRS

(in CZK Millions)

Treasury Translation Fair Value and Shares Differences Other Reserves Earnings (1,943) (1,301) 1,381 137,579 (61) (61) (61) 270 244 34 270 (53) 28,931 - 270 (53) 28,891 (11,783) 368 322 (14,783) 368 322 (14,783) 368 322 167,174 270 (5,948) (2,848) 2,535 40,902 - (2,848) 2,535 40,902 - (2,848) 2,535 40,902 - (2,848) 2,535 40,902 - (2,848) 2,535 40,902 - (2,848) 2,535 40,902 - (2,848) 2,535 40,902 - (2,848) 2,535 40,902 - (2,848) 2,535 40,902 - (2,848) 2,535 40,902 - (2,848) 2,535 40,902 - (2,848) 2,535 40,902 - (2,848) 2,535 40,902 - (2,848) 2,435 40,902 - (3,321) (13,098) (1,596) 83 (1,596)	•		Attrib	utable to Equity	Attributable to Equity Holders of the Parent	rent			
weed ses (570) (1,943) (1,301) 1,381 137,579 194,8 oved es 270 (61) (61) (71) states 101) (71) states 102 (21) (71) states 103,200) (1,031) 1,270 164,533 174,4 ses 103,200) (1,031) 1,270 164,533 174,4 ses 690 90 114,783 (11,783) (11,714 1171,783 (11,783) (11,714 1171,783 (11,783) (11,714 1171,783 (11,714) (1,714) (1,714) ses 101 (13,098) (2,469) (2,2469) (2,2469) (2,2469) (101) (101) (101) (101) (101) (101) (101) ses 102,409 (2,469) (2,2469) (2,2469) (2,2469) (103,098) (13,098) (13,098) (13,098) ses 103,098 (13,098) (13,098) (13,098) (13,098) ses 104,092 (13,098) (100) (100) (100) (100) (100) (100) ses 105,004 (100) (100) (100) (100) (100) (100) (100) (100) ses 107,004 (100) (10		Stated Capital	Treasury Shares	Translation Differences	Fair Value and Other Reserves	Retained Earnings	Total	Minority Interests	Total Equity
(61) (770) (81) (821) (921) (931) (932) (932) (932) (932) (932) (932) (933) (934) (934) (935) (935) (935) (936) (936) (937,625) (938) (939) (930) (11,783) (11,784) (11,78	December 31, 2006 Change in fair value of available for cale	59,221	(1,943)	(1,301)		137,579	194,937	12,716	207,653
es 244 y	Orango in tall value or available to said				(61)		(61)		(61)
re options res (270 244 244 247 270 (21) (1) (1) (1) (21) (1) (21) (1) (Available-tor-sale financial assets removed				(010)		(010)		Ĉ
244 34 270 34 34 270 (21) (1) (1) (1) (2) (3) (37,625) (30 (30) (40) (40) (40) (40) (40) (50) (1,031) (1	nom equity Change in fair value of cash flow hedges				(2/0)		(2/0)		(270)
The positions of the position of the positions of the pos	recognized in equity				244		244		244
tre options 10	Cash flow hedges removed from equity				34		%		, 4°
10 10 10 10 10 10 10 10	Translation differences			270			270	59	329
tre options The options of the options The options of the options T	Share on equity movements of associates					(21)	(21)		(21)
re options	Other movements					(1)	(1)	(1)	(2)
re options The options options options The options options options The options options options options The options options options options options The options	Gain and loss recorded directly to equity Net Income	•	1	270	(53)	(22) 28.913	195 28.913	58 771	253 29 684
rice options rice options rice options rice options rice options rice o	Total gains and losses	1	1	270	(53)	28,891	29,108	829	29,937
re options (24,48) (1,031) (1,031) (1,031) (1,031) (1,031) (1,031) (1,031) (1,031) (1,031) (1,031) (1,031) (1,041)	Dividends					(11,783)	(11,783)	(3)	(11,786)
re options (2448) (1,031) (1,031) (2,296) (2,296) (2,296) (2,296) (2,296) (2,296) (2,296) (2,296) (2,296) (2,296) (2,296) (2,296) (2,342) (2,469) (2,469) (2,848) (2,848) (2,848) (2,848) (2,848) (2,848) (2,848) (2,848) (2,848) (1,596) (1,596) (1,596) (10) (10) (10) (10) (204) (Acquisition of treasury shares		(37,625)			Ş	(37,625)		(37,625)
re options (90) 90 (90) 90 (1,031) 1,270 154,533 11 (2,296) 3,225 167,174 11 (2,200) 1,270 154,533 11 (2,48) 2,342 (3,42) (2,48) (2,48) (4,66) (13,098) (13,098) (1,596) (13,098) (15,144) 5,529 185,373 11 (10) 10	Sale Of deasury States Share outlone		300		ç	(244)	124		124
(90) 90 (90) 90 (90) 90 (1,031) 1,270 154,533 1 (2,296) 3,225 167,174 1 (2,206) 3,225 167,174 1 (2,469) (2,469) (2,469) (2,469) (2,666) (2,848) 2,535 40,902 (1,3098) (1,596) (1,596) (2,044) 204 (10) 10 (204) 204 (10) 185,373 14	Strate options Transfer of exercised and forfeited share ontions				32		32		32
F9,221 (39,200) (1,031) 1,270 154,533 1 S9,221 (55,972) (2,296) 3,225 167,174 1 coved es es formula in the series in the se	within equity				(06)	06	1		,
F9,221 (39,200) (1,031) 1,270 154,533 17 F9,221 (55,972) (2,296) 3,225 167,174 17 coved es es formula in the coptions formula in the coptions F9,221 (55,972) (2,296) 3,225 167,174 17 C2,296) 3,225 167,174 17 C2,296) 3,225 167,174 17 C3,469) (6,691) (1,031) (1,	Change in minority due to acquisitions				(2)	3	ı	(275)	(275)
re options 10 10 10 10 10 10 10 10 10 1	September 30, 2007	59,221	(39,200)	(1,031)		154,533	174,793	13,267	188,060
re options 220 220 6 6 6 7,342 7,469 7,469 7,469 7,469 7,469 7,469 7,469 7,469 7,469 7,469 7,469 7,469 7,469 7,469 7,469 7,1098 7,1098 7,1098 7,1098 7,1098 7,1098 7,1098 7,1098 7,1098 7,1098 7,1099	December 31, 2007	59,221	(55,972)	(2,296)		167,174	171,352	12,874	184,226
boved es es final display final d	Change in fair value of available-for-sale								
es 5,342 (2,469) (2,666) (2,848) (2,848) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1	financial assets recognized in equity				220		220		220
es 5,342 (2,469) (566) (2,848) (2,848) (1) (1) (1) (1,3098) (1,596) (2,044) (1,596) (2,044) (1,596) (2,1321) (1,596) (2,1321) (1,596)	Available-101-sale financial assets removed from courie.				((
5,342 (2,469) (2,469) (566) (2,848) 10 11 11 12 18 17 17 17 17 17 17 17 17 17	ironi equity Change in fair value of cash flow hedges				٥		œ		9
y (2,469) (566) (1) (1) (2,848) (566) (1) (1) (1) (1) (1) (1) (1) (1) (1) (1	recognized in equity				5 342		5 342		F 340
ty	Cash flow hedges removed from equity				(2.469)		(2,469)		2,342
ty (2,848) (1) ty (2,848) 2,535 17 (2,848) 2,535 40,802 (2,848) 2,535 40,902 (13,098) (13,098) (1,596) 83 (1,596) 83 (204) 204 (10) 10	Deffered tax recognized in equity				(566)		(566)		(566)
ty (2,848) 2,535 17 17 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Translation differences			(2,848)			(2,848)	(1,122)	(3.970)
ty (2,848) 2,535 17 17 (2,848) 2,535 17 17 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Share on equity movements of associates					Ð	E	•	Έ
ry - (2,848) 2,535 17 17 - (2,848) 2,535 40,885 - 40,885 - (2,848) 2,535 40,902 (21,321) (13,098) 2,160 83 (1,596) 83 (1,596) 10 (10) 10 (10) 10	Office of the contract of the					18	20	(13)	7
re options (2,848) 2,535 40,902 (21,321) (13,098) (1,596) 83 (1,596) 83 (204) 204 (10) (5144) 5,629 185,373	Gain and loss recorded directly to equity Net Income	1	ı	(2,848)		17	(296)	(1,135)	(1,431)
(13,098) (21,321) (21,321) (21,321) (21,321) (21,321) (1,596) 83 (1,596) 83 (204) 204 (10) (10) 10	Total gains and losses	1		(2,848)		40,885	40,885	582	41,467
(13,098) 2,160 83 (1,596) 83 (204) 204 (10) 10 59,221 (66,910) (5,144) 5,629 185,373	Dividends			(5,040)		40,302	40,009	(ccc)	40,036
, 2,160 83 (1,596) Ire options (204) 204 (10) 10 (10) 10	Acquisition of treasury shares		(13.098)			(1.50,12)	(13 098)	(c)	(41,324)
83	Sale of treasury shares		2,160			(1,596)	564		564
(204) 204 (10) (10) 10 (10) 10 (10) (5.144) 56.29 185.373	Share options				83		83		83
(204) 204 (10) (10) 10 59.221 (66.910) (5.144) 5.629 185.373	I ranster of exercised and torteited share options				(100)				
(10) (10) (10) (10) (10) (10) (10) (10)	Other transfers within equity				(204)	204	1		ı
59.221 (66.940) (5.144) 5.629 185.373	Change in minority due to acquisitions				(01)	0	г 1	(873)	(873)
2000 (11.0)	September 30, 2008	59,221	(66,910)	(5.144)	5.629	185.373	178 169	11 445	189 614

CEZ GROUP

Consolidated Statement of Cash Flows in accordance with IFRS

(in CZK Millions)

Total cash paid for interest

	1-9/2007	1-9/2008
Operating activities:		
Income before income taxes	38,544	52,553
Adjustments to reconcile income before income taxes		
to net cash provided by operating activities:	40.004	4 = 000
Depreciation, amortization and asset write-offs	16,204	15,626
Amortization of nuclear fuel	2,061	2,176
(Gain) loss on fixed assets retirements, net	(381)	(442)
Foreign exchange rate losses (gains), net	100	1,429
Interest expense, interest income and dividends income, net	638	879
Provision for nuclear decommissioning and fuel storage	306	291
Valuation allowances, other provisions and other adjustments Income from associates	(1,317)	(1,746)
	(30)	(3)
Changes in assets and liabilities:	(4.070)	(0.0.(=)
Receivables	(4,972)	(2,347)
Materials and supplies	(1,008)	(490)
Fossil fuel stocks	(240)	(1,332)
Other current assets	283	(22,971)
Trade and other payables	2,509	22,751
Accrued liabilities	1,201	100
Cash generated from operations	53,898	66,474
Income taxes paid	(10,004)	(13,290)
Interest paid, net of capitalized interest	(1,318)	(835)
Interest received	1,043	752
Dividends received	105	60
Net cash provided by operating activities	43,724	53,161
Investing activities:		
Acquisition of subsidiaries and associates, net of cash		
acquired	(2,429)	(890)
Proceeds from disposal of subsidiaries and associates,	()	(555)
net of cash disposed of	574	1,501
Additions to property, plant and equipment and other		•
non-current assets, including capitalized interest	(21,502)	(33,672)
Loans made	(2)	(15,305)
Proceeds from sales of fixed assets	1,674	554
Change in decommissioning and other restricted funds	(3,232)	(1,323)
Repayments of loans	115	747
Total cash used in investing activities	(24,802)	(48,388)
Financing activities:		
-	24.000	000 000
Proceeds from borrowings Payments of borrowings	31,296	269,280
Proceeds from other long-term liabilities	(21,190)	(240,977)
Payments of other long-term liabilities	207	679 (374)
Dividends paid to Company's shareholders	(228)	(371)
Dividends paid to company's snareholders Dividends paid to minority interests / Contributions received	(11,658)	(21,117)
from minority interests, net	18	(3)
(Acquisition) sale of treasury shares, net	(37,501)	(12,535)
Total cash provided by (used in) financing activities	(39,056)	(5,044)
Net effect of currency translation in cash	195	(568)
<u> </u>		
Net increase (decrease) in cash and cash equivalents	(19,939)	(839)
Cash and cash equivalents at beginning of period	30,932	12,429
Cash and cash equivalents at end of period	10,993	11,590
Supplementary cash flow information		
Total cash paid for interest	1 002	1 605

1,893

1,695