

CEZ GROUP**Consolidated Balance Sheet**

in accordance with IFRS

(in CZK Millions)

	31.12.2007	31.12.2008	30.9.2009
Assets			
Property, plant and equipment:			
Plant in service	479,091	488,956	498,603
Less accumulated provision for depreciation	234,297	252,330	265,649
Net plant in service	244,794	236,626	232,954
Nuclear fuel, at amortized cost	6,983	6,287	5,687
Construction work in progress	25,388	47,913	68,899
Total property, plant and equipment	277,165	290,826	307,540
Other non-current assets:			
Investment in associates and joint-ventures	248	1,907	8,513
Investments and other financial assets, net	16,465	34,614	37,833
Intangible assets, net	19,060	18,074	19,856
Deferred tax assets	482	816	496
Total other non-current assets	36,255	55,411	66,698
Total non-current assets	313,420	346,237	374,238
Current assets:			
Cash and cash equivalents	12,429	17,303	18,206
Receivables, net	23,880	41,729	36,670
Income tax receivable	79	140	9,048
Materials and supplies, net	4,484	4,914	5,220
Fossil fuel stocks	857	2,959	2,776
Emission rights	355	1,523	660
Other financial assets, net	10,246	56,237	36,983
Other current assets	5,192	2,133	2,475
Total current assets	57,522	126,938	112,038
Total assets	370,942	473,175	486,276
Equity and liabilities			
Equity:			
Equity attributable to equity holders of the parent:			
Stated capital	59,221	59,221	53,799
Treasury shares	(55,972)	(66,910)	(5,371)
Retained earnings and other reserves	168,103	180,941	142,602
Total equity attributable to equity holders of the parent	171,352	173,252	191,030
Minority interests	12,874	12,158	8,512
Total equity	184,226	185,410	199,542
Long-term liabilities:			
Long-term debt, net of current portion	51,984	66,526	77,179
Accumulated provision for nuclear decommissioning and fuel storage	39,191	35,631	35,940
Other long-term liabilities	16,370	19,631	19,549
Total long-term liabilities	107,545	121,788	132,668
Deferred tax liability	17,153	14,421	25,997
Current liabilities:			
Short-term loans	18,048	35,001	40,451
Current portion of long-term debt	3,226	4,874	6,566
Trade and other payables	25,737	93,646	68,158
Income tax payable	5,969	3,910	4
Accrued liabilities	9,038	14,125	12,890
Total current liabilities	62,018	151,556	128,069
Total equity and liabilities	370,942	473,175	486,276

CEZ GROUP**Consolidated Statement of Income**

in accordance with IFRS

(in CZK Millions)

	1-9/2008	7-9/2008	1-9/2009	7-9/2009
Revenues:				
Sales of electricity	117,111	37,950	126,909	39,417
Gains and losses from electricity, coal and gas derivative trading, net	5,402	807	3,298	1,222
Heat sales and other revenues	9,308	2,643	8,394	2,347
Total revenues	131,821	41,400	138,601	42,986
Operating expenses:				
Fuel	(11,879)	(4,413)	(10,955)	(2,950)
Purchased power and related services	(26,869)	(8,331)	(33,858)	(11,447)
Repairs and maintenance	(3,040)	(1,349)	(3,789)	(1,578)
Depreciation and amortization	(15,618)	(4,812)	(16,521)	(5,550)
Salaries and wages	(11,505)	(3,798)	(12,053)	(4,304)
Materials and supplies	(3,336)	(1,046)	(3,284)	(1,111)
Emission rights, net	1,341	999	1,247	6
Other operating expenses	(6,600)	(2,312)	(4,901)	(2,421)
Total expenses	(77,506)	(25,062)	(84,114)	(29,355)
Income before other income (expenses) and income taxes	54,315	16,338	54,487	13,631
Other income (expenses):				
Interest on debt, net of capitalized interest	(2,193)	(841)	(2,338)	(806)
Interest on nuclear and other provisions	(1,536)	(511)	(1,568)	(522)
Interest income	1,264	451	1,765	688
Foreign exchange rate gains (losses), net	(1,429)	(773)	245	584
Gain (Loss) on sale of subsidiaries and associates	333	-	(2)	4
Other income (expenses), net	1,796	1,126	1,843	925
Income from associates and joint-ventures	3	(4)	478	461
Total other income (expenses)	(1,762)	(552)	423	1,334
Income before income taxes	52,553	15,786	54,910	14,965
Income taxes	(11,086)	(3,277)	(10,725)	(2,780)
Net income	41,467	12,509	44,185	12,185
Net income attributable to:				
Equity holders of the parent	40,885	12,302	43,721	12,080
Minority interests	582	207	464	105

CEZ GROUP**Consolidated Statement of Comprehensive Income**
in accordance with IFRS

(in CZK Millions)

	1-9/2008	7-9/2008	1-9/2009	7-9/2009
Net income	41,467	12,509	44,185	12,185
Other comprehensive income:				
Change in fair value of cash flow hedges recognized in equity	5,342	(2,776)	8,319	3,300
Cash flow hedges removed from equity	(2,469)	(1,081)	(486)	(42)
Change in fair value of available-for-sale financial assets recognized in equity	220	472	(518)	577
Available-for-sale financial assets removed from equity	6	(1)	17	1
Translation differences	(3,970)	546	(6,718)	(1,986)
Share on equity movements of associates and joint-ventures	(1)	-	(12)	(76)
Deferred tax relating to other comprehensive income	(566)	702	(1,428)	(657)
Other movements	7	(12)	-	-
Other comprehensive income, net of tax	(1,431)	(2,150)	(826)	1,117
Total comprehensive income	40,036	10,359	43,359	13,302
Total comprehensive income attributable to:				
Equity holders of the parent	40,589	9,996	44,265	13,749
Minority interests	(553)	363	(906)	(447)

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

(in CZK Millions)

	Attributable to Equity Holders of the Parent					Total	Minority Interests	Total Equity
	Stated Capital	Treasury Shares	Translation Differences	Fair Value and Other Reserves	Retained Earnings			
December 31, 2007	59,221	(55,972)	(2,296)	3,225	167,174	171,352	12,874	184,226
Total comprehensive income			(2,848)	2,535	40,902	40,589	(553)	40,036
Dividends					(21,321)	(21,321)	(3)	(21,324)
Acquisition of treasury shares		(13,098)				(13,098)		(13,098)
Sale of treasury shares		2,160			(1,596)	564		564
Share options				83		83		83
Transfer of exercised and forfeited share options within equity				(204)	204			
Other transfers within equity				(10)	10			
Change in minority due to acquisitions							(873)	(873)
September 30, 2008	59,221	(66,910)	(5,144)	5,629	185,373	178,169	11,445	189,614
December 31, 2008	59,221	(66,910)	(5,025)	(5,128)	191,094	173,252	12,158	185,410
Total comprehensive income			(5,394)	5,812	43,847	44,265	(906)	43,359
Dividends					(26,638)	(26,638)	(3)	(26,641)
Reduction of the stated capital	(5,422)	61,313			(55,891)			
Sale of treasury shares		226			(156)	70		70
Share options				81		81		81
Transfer of exercised and forfeited share options within equity				(34)	34			
Change in minority due to acquisitions							(2,737)	(2,737)
September 30, 2009	53,799	(5,371)	(10,419)	731	152,290	191,030	8,512	199,542

Consolidated Statement of Cash Flows
in accordance with IFRS

(in CZK Millions)

	1-9/2008	1-9/2009
Operating activities:		
Income before income taxes	52,553	54,910
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Depreciation, amortization and asset write-offs	15,626	16,538
Amortization of nuclear fuel	2,176	1,924
(Gain) loss on fixed assets retirements, net	(442)	(13)
Foreign exchange rate losses (gains), net	1,429	(245)
Interest expense, interest income and dividends income, net	879	544
Provision for nuclear decommissioning and fuel storage	291	123
Valuation allowances, other provisions and other adjustments	(1,746)	2,892
Income from associates and joint-ventures	(3)	(478)
Changes in assets and liabilities:		
Receivables	(2,347)	8,108
Materials and supplies	(490)	(448)
Fossil fuel stocks	(1,332)	69
Other current assets	(22,971)	22,229
Trade and other payables	22,751	(21,642)
Accrued liabilities	100	(2,132)
Cash generated from operations	66,474	82,379
Income taxes paid	(13,290)	(12,927)
Interest paid, net of capitalized interest	(835)	(1,204)
Interest received	752	1,044
Dividends received	60	22
Net cash provided by operating activities	53,161	69,314
Investing activities:		
Acquisition of subsidiaries, associates and joint-ventures, net of cash acquired	(890)	(17,762)
Proceeds from disposal of subsidiaries and associates, net of cash disposed of	1,501	1,270
Additions to property, plant and equipment and other non-current assets, including capitalized interest	(33,672)	(36,871)
Loans made	(15,305)	(10,606)
Proceeds from sales of fixed assets	554	1,488
Repayments of loans	747	767
Change in decommissioning and other restricted funds	(1,323)	(323)
Total cash used in investing activities	(48,388)	(62,037)
Financing activities:		
Proceeds from borrowings	269,280	207,185
Payments of borrowings	(240,977)	(185,046)
Proceeds from other long-term liabilities	679	68
Payments of other long-term liabilities	(371)	(308)
Dividends paid to Company's shareholders	(21,117)	(26,457)
Dividends paid to minority interests / Contributions received from minority interests, net	(3)	(3)
(Acquisition) sale of treasury shares, net	(12,535)	70
Total cash provided by (used in) financing activities	(5,044)	(4,491)
Net effect of currency translation in cash	(568)	(1,883)
Net increase (decrease) in cash and cash equivalents	(839)	903
Cash and cash equivalents at beginning of period	12,429	17,303
Cash and cash equivalents at end of period	11,590	18,206
Supplementary cash flow information		
Total cash paid for interest	1,695	2,543

Structure of the consolidation unit CEZ Group as of September 30, 2009

Company	Reg. number	Country of incorporation
Parent company:		
ČEZ, a. s.	45274649	Czech Republic
Subsidiaries:		
CEZ Albania Sh.A.	-	Albania
CEZ Bosna i Hercegovina d.o.o.	-	Bosnia and Herzegovina
CEZ Bulgaria EAD	-	Bulgaria
CEZ Ciepło Polska sp. z o.o.	-	Poland
CEZ Deutschland GmbH	-	Germany
CEZ Distributie S.A.	-	Romania
CEZ Elektro Bulgaria AD	-	Bulgaria
CEZ Elektroproizvodstvo Bulgaria AD	-	Bulgaria
CEZ FINANCE B.V.	-	Netherlands
CEZ Finance Ireland Ltd.	-	Ireland
CEZ Hungary Ltd.	-	Hungary
CEZ Chorzow B.V.	-	Netherlands
CEZ International Finance B.V.	-	Netherlands
CEZ Laboratories Bulgaria EOOD	-	Bulgaria
CEZ MH B.V.	-	Netherlands
CEZ Nowa Skawina S.A.	-	Poland
CEZ Poland Distribution B.V.	-	Netherlands
CEZ Polska sp. z o.o.	-	Poland
CEZ Produkty Energetyczne Polska sp. z o.o.	-	Poland
CEZ Razpredelenie Bulgaria AD	-	Bulgaria
CEZ Romania S.R.L.	-	Romania
CEZ Rus ooo	-	Russia
CEZ Servicii S.A.	-	Romania
CEZ Silesia B.V.	-	Netherlands
CEZ Slovensko, s.r.o.	-	Slovakia
CEZ Srbija d.o.o.	-	Serbia
CEZ Trade Albania Sh.P.K.	-	Albania
CEZ Trade Bulgaria EAD	-	Bulgaria
CEZ Trade Polska sp. z o.o.	-	Poland
CEZ Trade Romania S.R.L.	-	Romania
CEZ Ukraine CJSC	-	Ukraine
CEZ Vanzare S.A.	-	Romania
CZECH HEAT a.s.	27587991	Czech Republic
ČEZ Bohunice a.s.	28861736	Czech Republic
ČEZ Distribuce, a. s.	27232425	Czech Republic
ČEZ Distribuční služby, s.r.o.	26871823	Czech Republic
ČEZ Distribuční zařízení, a.s.	28922727	Czech Republic
ČEZ Energetické produkty, s.r.o.	28255933	Czech Republic
ČEZ Energetické služby, s.r.o.	27804721	Czech Republic
ČEZ ICT Services, a. s.	26470411	Czech Republic
ČEZ Logistika, s.r.o.	26840065	Czech Republic
ČEZ Měření, s.r.o.	25938878	Czech Republic
ČEZ Obnovitelné zdroje, s.r.o.	25938924	Czech Republic
ČEZ Prodej, s.r.o.	27232433	Czech Republic
ČEZ Správa majetku, s.r.o.	26206803	Czech Republic
ČEZ Teplárenská, a.s.	27309941	Czech Republic
ČEZ Zákaznické služby, s.r.o.	26376547	Czech Republic
Elektrociepłownia Chorzów ELCHO sp. z o.o.	-	Poland
Elektrownia Skawina S.A.	-	Poland

Company	Reg. number	Country of incorporation
Energetické centrum s.r.o.	26051818	Czech Republic
M.W. Team Invest S.R.L.	-	Romania
MARTIA a.s.	25006754	Czech Republic
NERS d.o.o.	-	Bosnia and Herzegovina
New Kosovo Energy L.L.C.	-	Kosovo
Operatori i Sistemit te Shperndarjes Sh.A.	-	Albania
Ovidiu Development S.R.L.	-	Romania
PPC Úžín, a.s.	27198367	Czech Republic
PRODECO, a.s.	25020790	Czech Republic
SD - 1.strojírenská, a.s.	25437127	Czech Republic
SD - Autodoprava, a.s.	25028197	Czech Republic
SD - Kolejová doprava, a.s.	25438107	Czech Republic
SD - KOMES, a.s.	28666674	Czech Republic
SD - Rekultivace, a.s.	27329011	Czech Republic
Severočeské doly a.s.	49901982	Czech Republic
STE - obchodní služby spol. s r.o. v likvidaci	49826182	Czech Republic
ŠKODA PRAHA a.s.	00128201	Czech Republic
ŠKODA PRAHA Invest s.r.o.	27257517	Czech Republic
TEC Varna EAD	-	Bulgaria
Tomis Team S.R.L.	-	Romania
Ústav jaderného výzkumu Řež a.s.	46356088	Czech Republic
Associates and joint-ventures:		
Akcez Enerji A.S.	-	Turkey
Akenerji Elektrik Üretim A.S.	-	Turkey
Akkur Enerji Üretim A.S.	-	Turkey
CM European Power International B.V.	-	Netherlands
CM European Power International s.r.o.	-	Slovakia
Coal Energy, a.s. v likvidaci	26485079	Czech Republic
Egemer Elektrik Üretim A.S.	-	Turkey
JTSD - Braunkohlebergbau GmbH	-	Germany
LOMY MOŘINA spol. s r.o.	61465569	Czech Republic
Mibrag B.V.	-	Netherlands
Mitteldeutsche Braunkohlengesellschaft mbH	-	Germany
MOL - CEZ European Power Hungary Ltd.	-	Hungary
Sakarya Elektrik Dagitim A.S.	-	Turkey

Methods of consolidation

Parent company and subsidiaries:

Full consolidation

Associates and joint-ventures:

Equity method