



PROPOSAL FOR THE DISTRIBUTION OF PROFIT OF ČEZ, a. s. FOR 2012

In the meaning of Article 14(7)(c.5) of the Articles of Association of ČEZ, a. s., the Board of Directors submits the proposal for distribution of the Company's profit for 2012 to the General Meeting of shareholders, following its discussion in the Company's bodies.

The Board of Directors proposes the distribution of the profit after tax reported for 2012, equal to CZK 35,335,720 thousand, as follows:

■ Dividends	CZK 21,519,590 thousand
■ Royalties to members of the Board of Directors and Supervisory Board	CZK 25,500 thousand
■ Retained profit from previous years	CZK 13,790,630 thousand

Allocation to the reserve fund is not proposed, because regardless of the impact of treasury shares its balance has already exceeded 20% of the registered capital entered in the Commercial Register in the past.

In accordance with the dividend policy declared by the Company, the Board of Directors proposes the payment of dividends to Company shareholders in the amount of CZK 40 per share before tax.

The said value of the dividend is calculated from the total number of issued shares, i.e. including treasury shares held by the Company, and accounts for 53.6% of the consolidated profit after tax. The Board of Directors proposes 25 June 2013 as the decisive day for exercising the right to dividends. Entities who are shareholders of the Company on the decisive day for exercising the right to dividends are eligible to dividends.

Dividends allocated to treasury shares held by the Company as of the decisive day will not be paid. The sum corresponding to the dividend allocated to treasury shares held by the Company as of the decisive day for application of the right to dividends will be transferred to the account of retained profit from previous years.

Dividend payments will be made through Česká spořitelna, a.s., ID 45244782, registered office Olbrachtova 1929/62, Prague 4, Postal Code 140 00 (hereinafter "Česká spořitelna").

Shareholders – legal entities that are not represented by administrators will have the dividend paid into their account opened with a bank in the Czech Republic based on a written request delivered to Česká spořitelna with the officially certified signature of the person/persons authorized to act on behalf of the legal entity. This written request will include an affidavit on the shareholder's tax residence and the account number and name of the bank at which this account is opened. Together with this written request, an extract from the Commercial Register (or an officially certified copy of such extract), applying to the shareholder and not older than six months, shall also be delivered to Česká spořitelna.

Dividends will be paid to administrators of shares and participants keeping follow-up records to their account at a bank in the Czech Republic, based on their written request delivered to Česká spořitelna with the officially certified signature of the person/persons authorized to act on behalf of the administrator or participant. This written request will include a collective affidavit on the tax residence of shareholders for whom the function of share administrator is performed or for whom the follow-up records are kept, with the account number and name of the bank at which this account is opened. Together with this written request, an extract from the Commercial Register (or an officially certified copy of such extract), applying to the administrator or participant and not older than six months, shall also be delivered to Česká spořitelna.

Shareholders – natural persons with permanent residence in the Czech Republic who are not represented by administrators of shares or their authorized representatives will be paid the dividend in cash upon submission of an identification document at any branch of Česká spořitelna in the Czech Republic, or, based upon their written request submitted to Česká spořitelna, have it paid into their account opened with a bank in the Czech Republic. This written request will include an affidavit on shareholder's tax residence and the account number and name of the bank at which this account is opened. The dividend will be paid to the shareholder's representative based on submission of an identification document and power of attorney signed by the shareholder

that includes an affidavit on the tax residence of the shareholder. The authenticity of the shareholder's signature on the request for a non-cash dividend transfer or on the power of attorney of the shareholder's representative must only be officially certified if the total gross value of the shareholder's dividend exceeds CZK 1,000.

Shareholders – natural persons with permanent residence in the Slovak Republic who are not represented by administrators or their authorized representatives will be paid the dividend in cash upon submission of an identification document and a document of NID assignment (substitute identification number assigned by the person administering securities records) at any branch of Česká spořitelna in the Czech Republic, or, based on their written request submitted to Česká spořitelna, have it deposited into their account opened with a bank in the Czech Republic. This written request will include an affidavit on the shareholder's tax residence and the account number and name of the bank at which this account is opened. The dividend will be paid to the shareholder's representative based on submission of an identification document and power of attorney signed by the shareholder that includes an affidavit on the tax residence of the shareholder and a document of NID assignment to the shareholder. The authenticity of the shareholder's signature on the request for a non-cash dividend transfer or on the power of attorney of the shareholder's representative must only be officially certified if the total gross value of the shareholder's dividend exceeds CZK 1,000.

Shareholders – natural persons with permanent residence outside of the Czech Republic and Slovak Republic who are not represented by administrators will, based on their written request with an officially certified signature delivered to Česká spořitelna, have the dividend paid into their account opened with a bank in the Czech Republic. This written request will include an affidavit on the shareholder's tax residence and the account number and name of the bank at which this account is opened.

Tax will be deducted under the terms and conditions established pursuant to Czech tax regulations (in particular, Act No. 586/1992 Coll., on income tax, as amended), or according to the respective agreements on the prevention of double taxation between the Czech Republic and the country in which the shareholder is a tax resident. For taxation purposes under these respective agreements on the prevention of double taxation, the shareholder is obliged to deliver, together with a written request, an up-to-date tax residence certificate to Česká spořitelna, and a translation thereof into Czech (if this tax residence certificate is issued in a language other than Czech or Slovak), whereby the shareholder will provide this translation (that does not have to be officially verified) at his/her own expense. The shareholder is also obliged to deliver to Česká spořitelna a declaration that he/she is the ultimate owner of this income.

Dividends are mature on 1 August 2013, whereupon the payment of dividends to shareholders to an account at a financial institution will be performed without undue delay once Česká spořitelna has received the shareholder's request as set out in the foregoing paragraphs. Payment of dividends ends 1 August 2017.

The Board of Directors proposes the payment of royalties to members of the Company's bodies in a total amount of CZK 25,500 thousand, and asks the General Meeting of shareholders to approve the rules for the distribution of royalties. It proposes the distribution of royalties evenly among members of the Board of Directors and Supervisory Board. The share of each member of the statutory or supervisory body will be determined in proportion to the period for which he/she has held their function in the respective body during the course of 2012. Members of the Supervisory Board are not eligible for royalties if such payments are prohibited by law.