

BALANCE SHEET

in accordance with IFRS as of March 31, 2012

in CZK Millions

	31. 3. 2012	31. 12. 2011
Assets		
Property, plant and equipment:		
Plant in service	313,274	313,006
Less accumulated provision for depreciation	(187,080)	(184,124)
Net plant in service	126,194	128,882
Nuclear fuel, at amortized cost	8,148	8,839
Construction work in progress	74,526	68,982
Total property, plant and equipment	208,868	206,703
Other non-current assets:		
Investments and other financial assets, net	191,888	192,428
Intangible assets, net	536	578
Total other non-current assets	192,424	193,006
Total non-current assets	401,292	399,709
Current assets:		
Cash and cash equivalents	15,956	15,930
Receivables, net	40,019	46,281
Income tax receivable	1,978	374
Materials and supplies, net	3,556	3,737
Fossil fuel stocks	1,264	1,359
Emission rights	6,901	5,007
Other financial assets, net	36,828	28,247
Other current assets	1,213	1,985
Assets classified as held for sale	1,031	1,031
Total current assets	108,746	103,951
Total assets	510,038	503,660
Equity and liabilities		
Equity:		
Stated capital	53,799	53,799
Treasury shares	(4,382)	(4,382)
Retained earnings and other reserves	157,929	143,183
Total equity	207,346	192,600
Long-term liabilities:		
Long-term debt, net of current portion	135,447	145,293
Accumulated provision for nuclear decommissioning and fuel storage	37,183	37,059
Other long-term liabilities	4,945	5,274
Total long-term liabilities	177,575	187,626
Deferred tax liability	12,343	8,798
Current liabilities:		
Short-term loans	6,498	3,624
Current portion of long-term debt	12,575	18,668
Trade and other payables	76,026	79,347
Accrued liabilities	17,675	12,997
Total current liabilities	112,774	114,636
Total equity and liabilities	510,038	503,660

STATEMENT OF INCOME

in accordance with IFRS as of March 31, 2012

in CZK Millions

	<u>1-3/2012</u>	<u>1-3/2011</u>
Revenues:		
Sales of electricity	22,661	23,434
Gains and losses from electricity, coal and gas derivative trading, net	4,460	3,135
Sales of gas, heat and other revenues	<u>4,733</u>	<u>2,299</u>
Total revenues	31,854	28,868
Operating expenses:		
Fuel	(4,286)	(4,288)
Purchased power and related services	(7,622)	(6,637)
Repairs and maintenance	(469)	(355)
Depreciation and amortization	(3,126)	(3,138)
Salaries and wages	(1,453)	(1,463)
Materials and supplies	(460)	(378)
Emission rights, net	(396)	1,070
Other operating expenses	<u>(1,430)</u>	<u>(1,591)</u>
Total expenses	<u>(19,242)</u>	<u>(16,780)</u>
Income before other income (expenses) and income taxes	12,612	12,088
Other income (expenses):		
Interest on debt, net of capitalized interest	(977)	(1,145)
Interest on nuclear and other provisions	(437)	(428)
Interest income	590	680
Foreign exchange rate gains (losses), net	169	279
Other income (expenses), net	<u>(1,576)</u>	<u>(1,266)</u>
Total other income (expenses)	<u>(2,231)</u>	<u>(1,880)</u>
Income before income taxes	10,381	10,208
Income taxes	<u>(2,047)</u>	<u>(2,170)</u>
Net income	<u><u>8,334</u></u>	<u><u>8,038</u></u>

ČEZ, a. s.

STATEMENT OF COMPREHENSIVE INCOME

in accordance with IFRS as of March 31, 2012

in CZK Millions

	<u>1-3/2012</u>	<u>1-3/2011</u>
Net income	8,334	8,038
Other comprehensive income:		
Change in fair value of cash flow hedges recognized in equity	7,658	47
Cash flow hedges removed from equity	202	229
Change in fair value of available-for-sale financial assets recognized in equity	28	(69)
Deferred tax relating to other comprehensive income	<u>(1,499)</u>	<u>(39)</u>
Other comprehensive income, net of tax	<u>6,389</u>	<u>168</u>
Total comprehensive income	<u><u>14,723</u></u>	<u><u>8,206</u></u>

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STATEMENT OF CHANGES IN EQUITY

in accordance with IFRS as of March 31, 2012

in CZK Millions

	Stated Capital	Treasury Shares	Cash flow hedge reserve	Available-for- sale and other reserves	Retained Earnings	Total Equity
December 31, 2010	53,799	(4,619)	3,008	656	136,644	189,488
Net income					8,038	8,038
Other comprehensive income			224	(56)		168
Total comprehensive income	-	-	224	(56)	8,038	8,206
Share options				19		19
March 31, 2011	53,799	(4,619)	3,232	619	144,682	197,713
December 31, 2011	53,799	(4,382)	(4,821)	715	147,290	192,601
Net income					8,334	8,334
Other comprehensive income			6,366	23		6,389
Total comprehensive income	-	-	6,366	23	8,334	14,723
Share options				22		22
Transfer of exercised and forfeited share options within equity				(169)	169	-
March 31, 2012	53,799	(4,382)	1,545	591	155,793	207,346

STATEMENT OF CASH FLOWS

in accordance with IFRS as of March 31, 2012

in CZK Millions

	1-3/2012	1-3/2011
Operating activities:		
Income before income taxes	10,381	10,208
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Depreciation, amortization and asset write-offs	3,126	3,138
Amortization of nuclear fuel	808	1,013
Loss (gain) on fixed assets retirements, net	(7)	(1)
Foreign exchange rate losses (gains), net	(169)	(279)
Interest expense, interest income and dividends income, net	285	464
Provision for nuclear decommissioning and fuel storage	6	(24)
Valuation allowances, other provisions and other adjustments	863	443
Changes in assets and liabilities:		
Receivables	4,302	357
Materials and supplies	181	(220)
Fossil fuel stocks	95	(28)
Other current assets	(9,007)	(30,899)
Trade and other payables	(2,288)	14,827
Accrued liabilities	3,129	4,603
Cash generated from operations	11,705	3,602
Income taxes paid	(1,605)	(2,501)
Interest paid, net of capitalized interest	(264)	(188)
Interest received	617	492
Dividends received	166	-
Net cash provided by operating activities	10,619	1,405
Investing activities:		
Acquisition of subsidiaries, associates and joint-ventures	(61)	(1,779)
Additions to property, plant and equipment and other non-current assets, including capitalized interest	(6,558)	(5,691)
Proceeds from sales of fixed assets	306	89
Loans made	(2,834)	(1,782)
Repayments of loans	3,142	1,165
Change in restricted financial assets	(56)	22
Total cash used in investing activities	(6,061)	(7,976)
Financing activities:		
Proceeds from borrowings	13,329	18,256
Payments of borrowings	(19,492)	(15,490)
Proceeds from other long-term liabilities	1	
Change in payables/receivables from group cashpooling	1,637	658
Dividends paid	(23)	(17)
Net cash provided by (used in) financing activities	(4,548)	3,407
Net effect of currency translation in cash	16	(198)
Net increase (decrease) in cash and cash equivalents	26	(3,362)
Cash and cash equivalents at beginning of period	15,930	16,142
Cash and cash equivalents at end of period	15,956	12,780
Supplementary cash flow information		
Total cash paid for interest	495	305