

**BALANCE SHEET**

in accordance with IFRS as of March 31, 2011

in CZK Millions

	31. 3. 2011	31. 12. 2010
<b>Assets</b>		
Property, plant and equipment:		
Plant in service	305,786	305,523
Less accumulated provision for depreciation	(175,335)	(172,285)
Net plant in service	130,451	133,238
Nuclear fuel, at amortized cost	6,109	7,005
Construction work in progress	59,358	54,929
Total property, plant and equipment	195,918	195,172
Other non-current assets:		
Investments and other financial assets, net	197,391	181,973
Intangible assets, net	655	706
Total other non-current assets	198,046	182,679
Total non-current assets	393,964	377,851
Current assets:		
Cash and cash equivalents	12,780	16,142
Receivables, net	33,648	48,205
Income tax receivable	3,957	1,457
Materials and supplies, net	3,438	3,217
Fossil fuel stocks	911	883
Emission rights	5,809	2,152
Other financial assets, net	42,352	15,472
Other current assets	1,115	1,043
Assets classified as held for sale	2,739	2,739
Total current assets	106,749	91,310
<b>Total assets</b>	<b>500,713</b>	<b>469,161</b>
<b>Equity and liabilities</b>		
Equity:		
Stated capital	53,799	53,799
Treasury shares	(4,619)	(4,619)
Retained earnings and other reserves	148,533	140,308
Total equity	197,713	189,488
Long-term liabilities:		
Long-term debt, net of current portion	135,242	135,097
Accumulated provision for nuclear decommissioning and fuel storage	36,712	36,619
Other long-term liabilities	3,601	4,292
Total long-term liabilities	175,555	176,008
Deferred tax liability	12,739	10,533
Current liabilities:		
Short-term loans	5,909	6,455
Current portion of long-term debt	12,143	12,298
Trade and other payables	82,186	65,722
Income tax payable	2	
Accrued liabilities	14,466	8,657
Total current liabilities	114,706	93,132
<b>Total equity and liabilities</b>	<b>500,713</b>	<b>469,161</b>

**STATEMENT OF INCOME**

in accordance with IFRS as of March 31, 2011

in CZK Millions

	<u>1-3/2011</u>	<u>1-3/2010</u>
<b>Revenues:</b>		
Sales of electricity	23,434	23,401
Gains and losses from electricity, coal and gas derivative trading, net	3,135	4,245
Heat sales and other revenues	<u>2,299</u>	<u>1,615</u>
Total revenues	28,868	29,261
<b>Operating expenses:</b>		
Fuel	(4,288)	(5,148)
Purchased power and related services	(6,637)	(3,313)
Repairs and maintenance	(355)	(534)
Depreciation and amortization	(3,138)	(3,098)
Salaries and wages	(1,463)	(1,453)
Materials and supplies	(378)	(403)
Emission rights, net	1,070	839
Other operating expenses	<u>(1,591)</u>	<u>(1,581)</u>
Total expenses	<u>(16,780)</u>	<u>(14,691)</u>
<b>Income before other income (expenses) and income taxes</b>	12,088	14,570
<b>Other income (expenses):</b>		
Interest on debt, net of capitalized interest	(1,145)	(932)
Interest on nuclear and other provisions	(428)	(435)
Interest income	680	599
Foreign exchange rate gains (losses), net	279	(681)
Other income (expenses), net	<u>(1,266)</u>	<u>536</u>
Total other income (expenses)	<u>(1,880)</u>	<u>(913)</u>
<b>Income before income taxes</b>	10,208	13,657
Income taxes	<u>(2,170)</u>	<u>(2,598)</u>
<b>Net income</b>	<u><u>8,038</u></u>	<u><u>11,059</u></u>

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**STATEMENT OF COMPREHENSIVE INCOME**  
in accordance with IFRS as of March 31, 2011  
in CZK Millions

	<u>1-3/2011</u>	<u>1-3/2010</u>
<b>Net income</b>	8,038	11,059
<b>Other comprehensive income:</b>		
Change in fair value of cash flow hedges recognized in equity	47	5,244
Cash flow hedges removed from equity	229	(393)
Change in fair value of available-for-sale financial assets recognized in equity	(69)	72
Deferred tax relating to other comprehensive income	<u>(39)</u>	<u>(935)</u>
Other comprehensive income, net of tax	<u>168</u>	<u>3,988</u>
<b>Total comprehensive income</b>	<u><u>8,206</u></u>	<u><u>15,047</u></u>

**STATEMENT OF CHANGES IN EQUITY**  
in accordance with IFRS as of March 31, 2011  
in CZK Millions

	Stated Capital	Treasury Shares	Cash flow hedge reserve	Available-for- sale and other reserves	Retained Earnings	Total Equity
December 31, 2009	53,799	(5,151)	(2,155)	520	130,447	177,460
Effect of change in accounting policies					(244)	(244)
January 1, 2010, as restated	53,799	(5,151)	(2,155)	520	130,203	177,216
Net income					11,059	11,059
Other comprehensive income			3,929	59		3,988
Total comprehensive income	-	-	3,929	59	11,059	15,047
Sale of treasury shares		429			(159)	270
Share options				28		28
Transfer of exercised and forfeited share options within equity				(81)	81	-
March 31, 2010	53,799	(4,722)	1,774	526	141,184	192,561
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

**STATEMENT OF CASH FLOWS**

in accordance with IFRS as of March 31, 2011

in CZK Millions

	1-3/2011	1-3/2010
<b>Operating activities:</b>		
Income before income taxes	10,208	13,657
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Depreciation, amortization and asset write-offs	3,138	3,105
Amortization of nuclear fuel	1,013	979
(Gain) loss on fixed assets retirements, net	(1)	4
Foreign exchange rate losses (gains), net	(279)	681
Interest expense, interest income and dividends income, net	464	333
Provision for nuclear decommissioning and fuel storage	(24)	14
Valuation allowances, other provisions and other adjustments	443	(1,239)
Changes in assets and liabilities:		
Receivables	357	6,575
Materials and supplies	(220)	(125)
Fossil fuel stocks	(28)	633
Other current assets	(30,899)	(4,973)
Trade and other payables	14,827	(6,771)
Accrued liabilities	4,603	2,169
Cash generated from operations	3,602	15,042
Income taxes paid	(2,501)	(2,662)
Interest paid, net of capitalized interest	(188)	(299)
Interest received	492	283
Net cash provided by operating activities	1,405	12,364
<b>Investing activities:</b>		
Acquisition of subsidiaries, associates and joint-ventures	(1,779)	(429)
Proceeds (refunds) from disposal of subsidiaries, associates and joint-ventures		-
Additions to property, plant and equipment and other non-current assets, including capitalized interest	(5,691)	(8,698)
Proceeds from sales of fixed assets	89	183
Loans made	(1,782)	(15,552)
Repayments of loans	1,165	1,237
Change in decommissioning and other restricted funds	22	(145)
Total cash used in investing activities	(7,976)	(23,404)
<b>Financing activities:</b>		
Proceeds from borrowings	18,256	58,510
Payments of borrowings	(15,490)	(53,319)
Change in payables/receivables from group cashpooling	658	9,015
Dividends paid	(17)	(20)
(Acquisition) sale of treasury shares		271
Total cash provided by (used in) financing activities	3,407	14,457
Net effect of currency translation in cash	(198)	(375)
<b>Net increase (decrease) in cash and cash equivalents</b>	(3,362)	3,042
<b>Cash and cash equivalents at beginning of period</b>	16,142	14,567
<b>Cash and cash equivalents at end of period</b>	12,780	17,609
<b>Supplementary cash flow information</b>		
Total cash paid for interest	305	423