PRESENTATION ON CEZ GROUP FINANCIAL RESULTS

IN H1 2020

NON-AUDITED CONSOLIDATED RESULTS
PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

August 11, 2020

CONTENTS

CEZ GROUP

FINANCIAL AND OPERATING RESULTS

(CZK bn)	Q1 - Q2 2019	Q1 - Q2 2020	Change	%
Revenues	100.0	106.3	+6.2	+6%
EBITDA	34.8	38.7	+3.8	+11%
EBIT	19.8	22.0	+2.1	+11%
Net income	13.4	14.7	+1.3	+9%
Net income adjusted *	14.2	16.4	+2.2	+16%
Operating CF	27.9	31.1	+3.2	+11%
CAPEX	11.6	12.2	+0.6	+5%

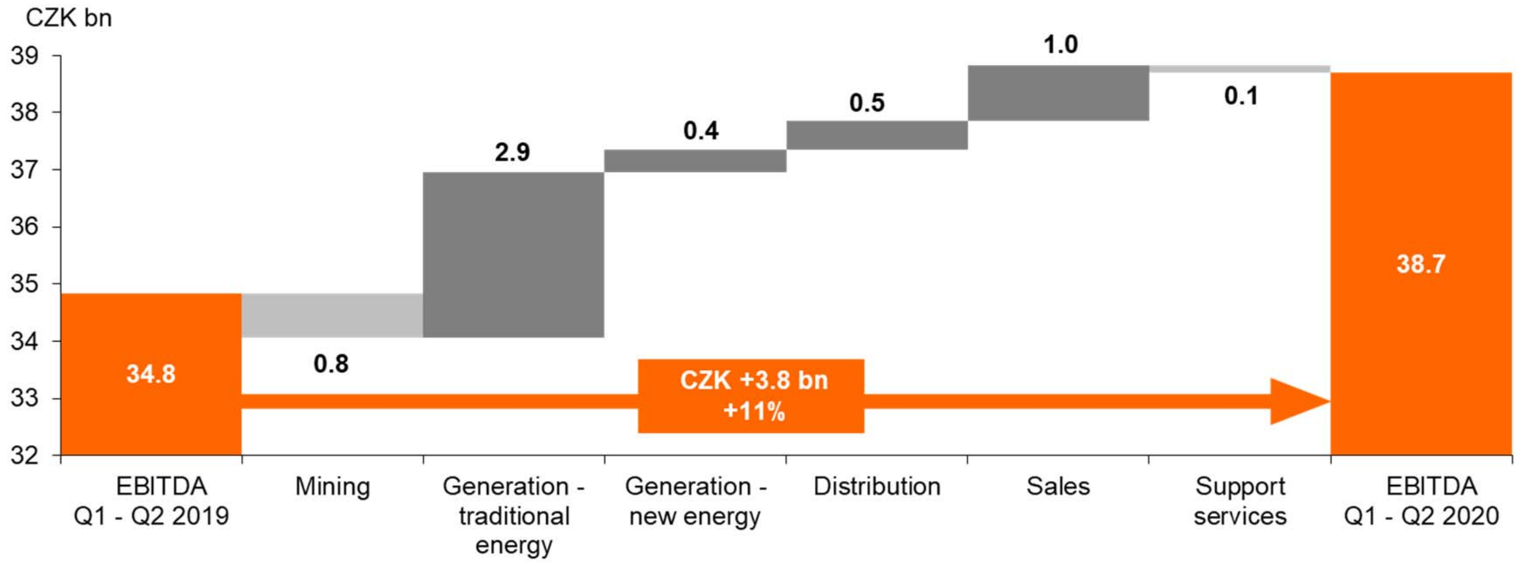
		Q1 - Q2 2019	Q1 - Q2 2020	Change	%
Installed capacity **	GW	14.9	13.9	-0.9	-6%
Mining	m tons	10.2	7.8	-2.4	-24%
Generation of electricity - segment traditional energy	TWh	30.8	28.5	-2.3	-8%
Generation of electricity - segments new energy and sales	TWh	1.2	1.3	+0.1	+5%
Electricity distribution to end customers	TWh	26.7	25.4	-1.3	-5%
Electricity sales to end customers	TWh	18.0	17.0	-1.0	-6%
Sales of natural gas to end customers	TWh	5.4	5.2	-0.2	-4%
Sales of heat	000´TJ	13.9	13.7	-0.2	-1%
Number of employees **	000´s	32.0	31.9	-0.2	-1%

* Adjusted net income = Net income adjusted for extraordinary effects that are generally unrelated to ordinary financial performance in a given period (such as fixed asset impairments and decrease in the goodwill value)

** On the last date of the period

Note: Data for the comparable period of H1 2019 were adjusted compared to the data published for H1 2019 due to accounting, which additionally specified the recognition of the effect of hedging the price risks of electricity sales on individual quarters of 2019.

YEAR-ON-YEAR CHANGE IN EBITDA BY SEGMENT



Main causes of year-on-year change in H1 EBITDA:

- Higher realization prices of generated electricity, incl. the effect of hedges in Czechia and commodity trading (CZK +5.8 bn)
- Additional profit (overhedge) in H1 2020 from German hedging contracts for generation supply in Czechia in the years 2020 to 2025 due to a significant increase in the difference between Czech and German market electricity prices (CZK +0.9 bn)
- Higher expenses on emission allowances for generation in Czechia (CZK -2.2 bn) due to increased purchase prices and lower allocation of free allowances
- Lower volume of electricity generation in Czechia of the segment Generation – Traditional Energy segment (CZK -1.8 bn)
- Higher gross margin from electricity sales in Czechia and Romania (CZK +0.8 bn); COVID-19 will negatively affect the performance of the Sales segment, especially in H2

Due to precise mathematical rounding, the sum of listed partial values can sometimes differ from the total value.

OTHER INCOME (EXPENSES)

(CZK bn)	Q1 - Q2 2019	Q1 - Q2 2020	Change	%
EBITDA	34.8	38.7	+3.8	+11%
Depreciation, amortization and impairments*	**-15.0**	**-16.7**	**-1.7**	**-12%**
Other income (expenses)	**-3.5**	**-3.7**	**-0.2**	**-7%**
Interest income (expenses)	-2.5	-2.6	-0.1	-4%
Interest on nuclear and other provisions	-0.9	-1.0	-0.0	-5%
Income (expenses) from investments and securities	0.1	-0.0	-0.2	-
Other	-0.2	-0.1	+0.1	+41%
Income taxes	**-2.9**	**-3.5**	**-0.6**	**-21%**
Net income	13.4	14.7	+1.3	+9%
Net income adjusted	**14.2**	**16.4**	**+2.2**	**+16%**

Depreciation, Amortization, and Impairments* (CZK -1.7 bn)

- higher impairments of fixed assets in Romania (CZK -0.6 bn) and a decrease in the goodwill value in Poland (CZK -0.4 bn)
- higher depreciation and amortization (CZK -0.7 bn), of which ČEZ Distribuce (CZK -0.2 bn), ČEZ (CZK -0.2 bn) and Romania (CZK -0.2 bn)

Net Income Adjustments

- In H1 2020 adjusted for the negative effect of impairments of fixed assets in Romania (CZK +0.7 bn) and Bulgaria (CZK +0.6 bn) and the negative impact of the decrease in the goodwill value in Poland (CZK +0.4 bn)
- In H1 2019 adjusted for the negative effect of impairments of fixed assets in Bulgaria (CZK +0.6 bn) and Romania (CZK +0.1 bn)

Note: Data for the comparable period of H1 2019 were adjusted compared to the data published for H1 2019 due to accounting, which additionally specified the recognition of the effect of hedging the price risks of electricity sales on individual quarters of 2019.

* Including profit/loss from sales of tangible and intangible fixed assets

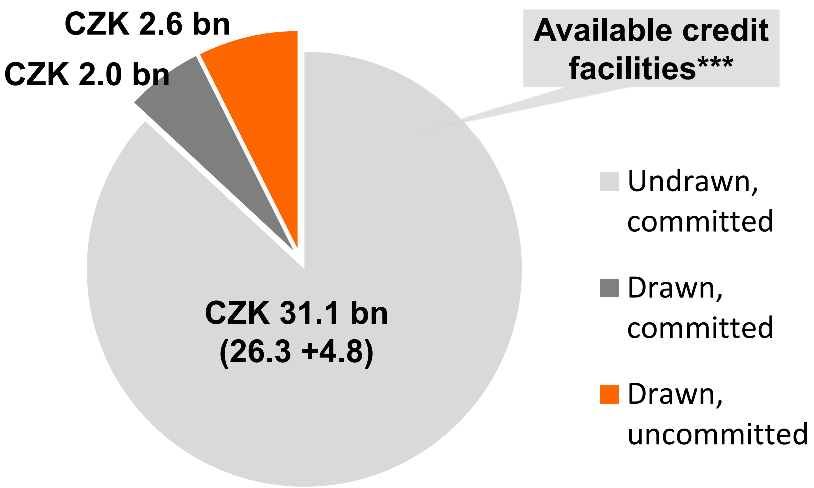
DEBT POSITION AND STRUCTURE

CEZ GROUP MAINTAINS A STRONG LIQUIDITY POSITION

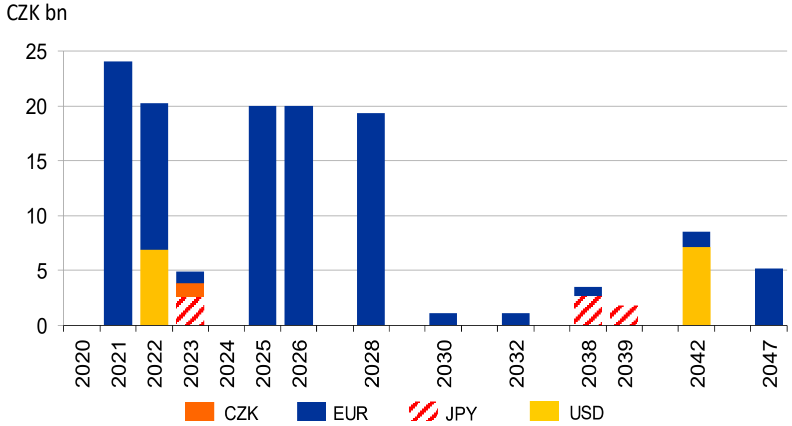
Debt Level*

		As at Jun 30, 2019	As at Jun 30, 2020
Debt and loans	CZK bn	154.3	164.2
Cash and fin. assets**	CZK bn	11.1	10.5
Net debt	CZK bn	143.3	153.7
Net debt/EBITDA		2.49	2.40

Utilization of short-term lines* and available committed credit facilities***
(as for June 30, 2020)



Bond Maturity Profile (as at Jun 30, 2020)



- On June 29, a bond issue in the amount of EUR 750 m was repaid.
- On June 29, EUR 150 m was drawn from a credit facility from the EIB. The total credit facility is EUR 330 m.
- Committed facilities are kept as a reserve for covering unexpected expenses and to fund short-term financial needs.
- CEZ Group has access to a total of CZK 33.1 bn in committed credit facilities, of which only CZK 2 bn were drawn as at June 30.
- The dividend payment for 2019 (CZK 18.3 bn) began on August 3.
- The dividend payment for 2015 was extended until December 31, 2020 in connection with COVID-19.

* Including data for Bulgarian assets held for sale ** Cash and cash equivalents & highly liquid financial assets. *** Available credit facilities including EUR 180 m of the undrawn portion of the long-term loan from the EIB, which is expected to be drawn down in full by the year-end.

THE ANNUAL GENERAL MEETING OF ČEZ, A. S., WAS HELD ON JUNE 29

SHAREHOLDERS’ MEETING DECISIONS

- Approved the 2019 financial statements of ČEZ, a. s., and consolidated financial statements of CEZ Group
- Decided on the distribution of ČEZ, a. s., profit, a dividend (or a share in the profit to be distributed among shareholders) in the total amount of CZK 18.3 bn was approved, which represents 97% of consolidated profit after tax for 2019 adjusted for extraordinary effects unrelated to ordinary financial performance
- Ernst & Young Audit has been appointed as the auditor to carry out the statutory audit for 2020
- Funds for the provision of donations in the amount of CZK 110 m for 2021 were approved; funds for the provision of donations for 2020 increased by CZK 30 m to a total of CZK 140 m; approved non-monetary donation in 2020 in the amount of CZK 50.8 m
- The contribution of a part of the Mělník Power Plant to the registered capital of Energotrans was approved
- Remuneration Policy of ČEZ, a. s., was approved
- Decided to amend the company's bylaws
- Lubomír Lízal was removed from the Supervisory Board of ČEZ, a. s., Vladimír Černý was elected a new member of the Supervisory Board of ČEZ
- Otakar Hora was elected to the Audit Committee of ČEZ, a. s

THE GOVERNMENT OF THE CZECH REPUBLIC APPROVED COOPERATION AGREEMENTS TO PREPARE THE PROJECT "NEW NUCLEAR FACILITY EDU II"

On July 27, 2020, the Government of the Czech Republic discussed the Act on Measures for Czechia's Transition to Low-Carbon Energy in order to **enable the state to order the construction of a nuclear power plant with a fixed date** of commissioning, **production volume and purchase price** and also to allow **for the provision of partial financing for the project**. The draft law was submitted by the government to the Parliament of the Czech Republic for discussion.

On July 28, 2020, the Government of the Czech Republic signed two agreements with ČEZ, a. s., and Elektrárna Dukovany II, a. s., regulating the framework conditions for the construction of a new nuclear power plant in Czechia in the Dukovany locality.

1) GENERAL AGREEMENT, not legally binding, covers overall cooperation in NNPP construction

2) IMPLEMENTING AGREEMENT FOR STAGE 1 OF THE CONSTRUCTION OF A NEW NUCLEAR FACILITY in Dukovany

Selected obligations of ČEZ during Stage 1:

- Ensure the issuance of a zoning decision, a permit for the location of a nuclear facility (application submitted to the SONS on March 25, 2020) and the necessary rights to real estate and land
- Select a contractor and enable the state to control the choice of contractor with regard to the security interests of Czechia
- Keep to the schedule and budget for Stage 1 and allow the Czech state to monitor performance
- Hand over fully functional company Elektrárna Dukovany II if the company is to be bought by the Czech state

Selected rights of ČEZ during Stage 1 if no agreement is reached on the next stage (e.g., due to regulatory conditions):

- Sell off Elektrárna Dukovany II to the Czech state
- Get compensation from the Czech state in the amount of costs incurred

The next stages of the project will be addressed by successive agreements, incl. definition of the main principles (the parameters of purchase prices of electricity from the new facility and conditions for the Czech state to partially finance the project, among other things).

SELECTED ACTIVITIES AND MILESTONES EXPECTED IN 2020

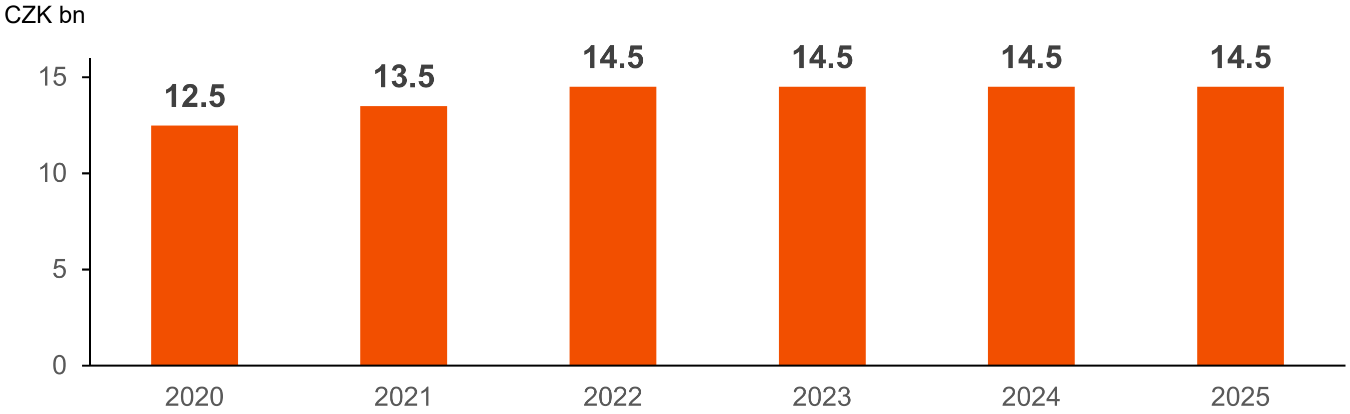
- Submission of a request for notification to the European Commission (responsibility of the Czech state)
- Launch a tender for a contractor

THE ENERGY REGULATORY OFFICE APPROVED THE PARAMETERS OF THE NEW REGULATORY PERIOD FOR ČEZ DISTRIBUCE

Summary of parameters for the 5th regulatory period, i.e. for the period of 2021–2025

- There will be a 100% adjustment of the regulatory asset base (RAB) to the total residual value of assets by the end of 2025 in a progressive manner (in 2020 the RAB value is CZK 106.6 bn and accounts for 82% of the residual value of assets, estimated to increase to 89% in 2021, to 95% in 2022, to 97% in 2023, to 98% in 2024 and to 100% in 2025).
- For a reasonable return on the RAB, a nominal pre-tax WACC of 6.54% was set.
- The investment plan assumes a gradual increase to CZK 14.5 bn from 2022.
- The lowest efficiency factor among regulated entities in Czechia was set (i.e. the pace of mandatory reduction of permitted costs in the future with regard to austerity measures of the regulated company in the past).

Expected investments by 2025 of over CZK 83 bn, of which CZK 23 bn for digitization



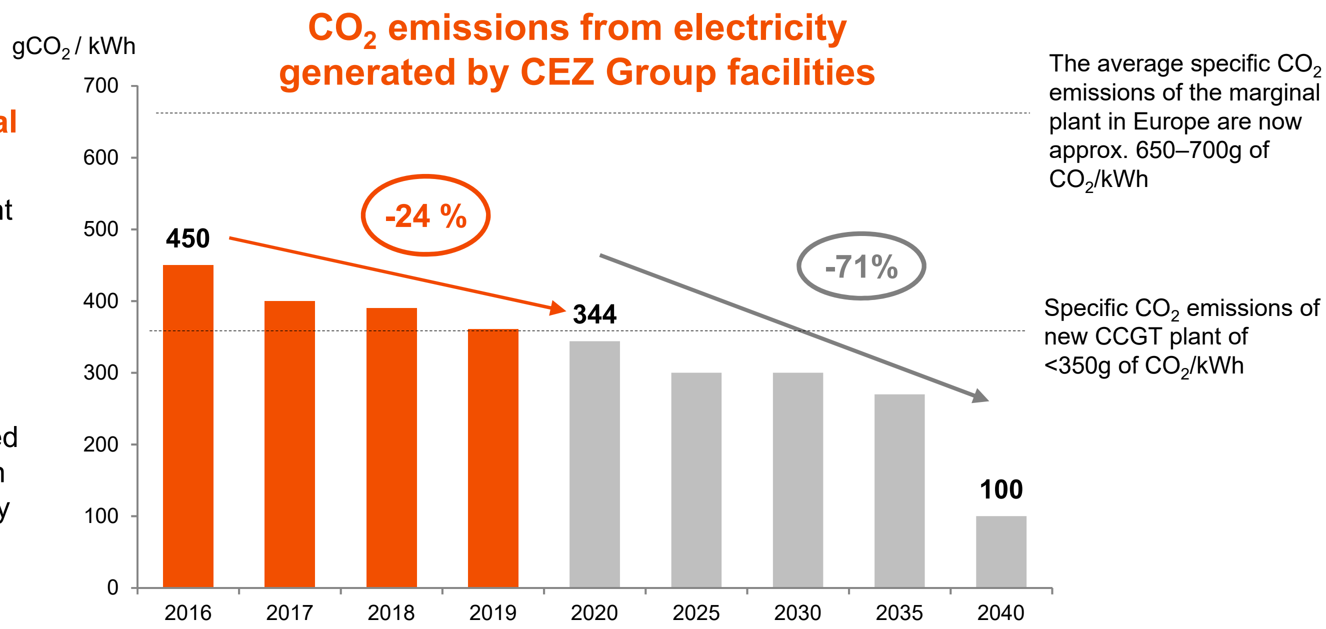
- Investments in the field of digital technologies will be directed to remotely controlled elements of the distribution system, elements of the distribution system monitoring, system for voltage control and regulation, to IT technologies, and to the field of electromobility.

WACC – Weighted Average Cost of Capital
RAB – base for determination of profit of regulated subject (Regulatory Asset Base)

CEZ GROUP STEADILY REDUCES ITS CARBON FOOTPRINT AND SPECIFIC EMISSIONS FROM THE PORTFOLIO

CEZ Group continues its strategy of gradually reducing electricity generation from coal

- On June 30 the operation of the Prunéřov 1 coal-fired power plant was terminated; it produced a total of 139 TWh of electricity, which is Czechia's 2-year consumption.
- The goal for 2030 is to reduce CO_2 emissions by 30% compared to 2018 and reduce the emission intensity to at least 300 g/kWh by a combination of closure of selected coal plants and development of renewables.



Work continued on securing greening measures in connection with the requirements of the BREF and BAT regulation for coal resources in Czechia

- Work continued on securing actions related to renewing the equipment and maximizing operational safety, efficiency and ecology of production, in particular actions that will allow further operation of resources even after 2020, when the new BREF limits will enter into force. Priority areas include the projects at the Tušimice power plant, where general repairs and expanding greening measures for the period of 2021 and 2022 are being prepared. It is also a greening measure to meet the BAT requirements (limits for solid pollutants, especially limits for mercury).
- Applications for exemptions from meeting the BAT requirements for coal facilities Prunéřov 2, Tušimice, the new facility Ledvice, Trmice, Počerady, and Energotrans were submitted so that heating plants and power plants could continue to operate after August 2021 and the necessary greening measures could be prepared and implemented.

The future development of the specific indicator of gCO2/kWh of generated electricity is based on the conservative assumption of constant volume of generation from the current nuclear and renewable sources (i.e. renewable development is not included).

DEVELOPMENT OF CEZ GROUP DIVESTMENT ACTIVITIES

ROMANIA

- On June 25, 2020, CEZ Group received binding offers for assets in Romania. Mainly the distribution and sales companies and the Fântânele and Cogealac wind power plants are subjects of the sale.
- The bids have been evaluated and negotiations are currently underway with the submitter of the most advantageous bid.

BULGARIA

- The agreement on the purchase of Bulgarian assets with Eurohold concluded on June 20, 2019 remains in force.
- On July 22, 2020, the Administrative Court in Sofia annulled the decision of the Bulgarian Commission for the Protection of Competition, which blocked the sale of ČEZ's local assets to the Bulgarian company Eurohold in October 2019.
- The Commission may appeal against the decision to the Bulgarian Supreme Court within 14 days. If it does not exercise its right of appeal, the Commission will have to rule on the matter again.

POLAND

- The sale of Polish wind projects in the development phase continues. The sale of the Krasin and Sakówko projects was completed in Q2 of this year; the sale of the remaining 4 projects is expected by the end of 2020.
- The launch of the sales process of Polish coal assets (Chorzów and Skawina power plants) and other Polish companies outside the ESCO projects is preliminarily planned for H2 2020. We do not anticipate a significant delay in connection with COVID-19 so far.

TURKEY

- We continuously monitor the interest of mostly local investors in our share in Akcez. No negotiation with an interested party has proceeded to the binding stage yet.

SELECTED EVENTS IN THE AREA OF CEZ GROUP'S DEVELOPMENT ACTIVITIES IN THE PAST QUARTER

ČEZ ESCO is a 100% owner of ČEZ Energo

- The remaining share of 49.9% was purchased from TEDOM as at June 30, 2020. The approval by the Antimonopoly Office took place on July 20, 2020.
- ČEZ Energo was established in 2011 through a partnership of ČEZ and TEDOM. Integrated since 2014 as a subsidiary of ČEZ ESCO.
- At present, ČEZ Energo operates 134 cogeneration units with a total installed electrical capacity of 112 MW_e.
- ČEZ Energo's revenues in 2019 reached CZK 1.2 bn, operating profit before depreciation (EBITDA) was CZK 354 m (according to IFRS).

INVEN CAPITAL sold a share in the Israeli company CyberX to Microsoft

- A minority share was sold to the American multinational company Microsoft, which bought the shares of all other investors. The original investment in CyberX was thus multiplied by Inven Capital in just 15 months.
- CyberX delivers bespoke solutions for corporate cyber security that can reduce the risk of potential production outages and prevent security failures, environmental incidents or theft of intellectual property.

Sunfire from the INVEN CAPITAL portfolio participates in a project that aims to replace aviation gasoline with clean hydrogen fuel and will contribute to a significant reduction in CO_2 emissions

- Sunfire is one of the four founders of the Norsk e-Fuel joint venture, which aims to replace aviation gasoline with pure hydrogen fuel. Sunfire will produce an electrolyser for hydrogen production.
- By 2026, Europe's first commercial plant should produce 100 million liters of renewable fuel a year, saving 250,000 tonnes of CO_2 emissions a year.

OTHER SELECTED EVENTS
IN THE PAST QUARTER

Nuclear energy

- Both ČEZ nuclear power plants defended the title of Safe Company. Audits of the OSH management system have helped ČEZ maintain a low rate of occupational injuries for employees and contractors in the long term.
- At the second unit of the Temelín NPP, the placement of both new 110-ton separators at positions in the turbine building in the non-nuclear part of the power plant was completed. According to the project, the new separators should increase the efficiency of electricity generation by more than 2 MW_e.
- ÚJV Řež has completed a project to support the safety assessment of a deep repository. The preparation project for the repository in Czechia will now continue with the next stage of safety assessment for four potential sites that have passed a narrowed selection.

As part of the transformation of support activities, the intention to merge ČEZ Korporátní služby into ČEZ, a. s., as at January 1, 2021 was approved.

- Following the transfer of accounting and personnel activities to ČEZ, a. s., (as at January 1, 2020), the transfers of the remaining activities in the Group as at January 1, 2021 were approved. Selected real estate will be transferred to ČEZ Distribuce, printing services to ČEZ ICT Services, and the remainder of ČEZ Korporátní služby (real estate, transportation, press and envelope center) will be mergered to ČEZ, a. s.
- At the same time, all processes are being transformed and optimized, including the preparation of outsourcing of selected activities, especially in the area of transport services.
- The total benefits of the transformation of ČEZ Korporátní služby's activities at the EBITDA level exceed CZK 100 m per year.

The project of the new Corporate Data Center in Tušimice was completed according to plan

- The new Corporate Data Center is equipped with state-of-the-art technologies and operating costs are 63% lower than the current operation of two centers in Prague and Pilsen, from which 634, resp. 275 information systems were transferred or attenuated.
- As at June 30, 2020, the migration of all data was completed and the existing data centers were abolished.

CONTENTS

SEGMENT: GENERATION–TRADITIONAL ENERGY

EBITDA (CZK bn)	Q1 - Q2 2019	Q1 - Q2 2020	Change	%
Czechia	16.4	19.3	+2.9	+18%
Poland	0.4	0.4	-0.0	-0%
Other states	0.0	0.0	-0.0	-75%
Generation - traditional energy	**16.9**	**19.7**	**+2.9**	**+17%**

Czechia (CZK +2.9 bn)

- Higher realization prices of generated electricity, including the effect of hedges and commodity trading (CZK +5.8 bn)
- Additional profit (overhedge) in H1 2020 from German hedge contracts for generation supplies in Czechia in the years 2020 to 2025 due to a significant increase in the difference between Czech and German market electricity prices (CZK +0.9 bn)
- Lower generation at nuclear power plants (CZK -1.0 bn), operation of other generating facilities (CZK -0.8 bn)
- Higher expenses on emission allowances for generation (CZK -2.2 bn) due to increased cost prices and lower allocation of free allowances
- Higher asset maintenance costs at nuclear power plants (CZK -0.3 bn)
- Higher revenue from heat sales (CZK +0.3 bn)
- Received compensation for 2018 damage of the steam generator at the Dukovany power plant (+CZK 0.2 bn)

Note: Data for the comparable period of H1 2019 were adjusted compared to the data published for H1 2019 due to accounting, which additionally specified the recognition of the effect of hedging the price risks of electricity sales on individual quarters of 2019.

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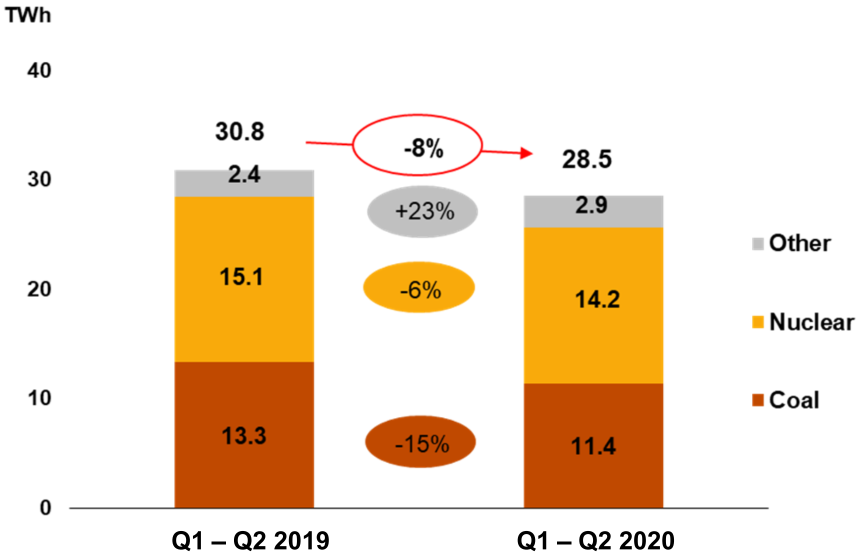
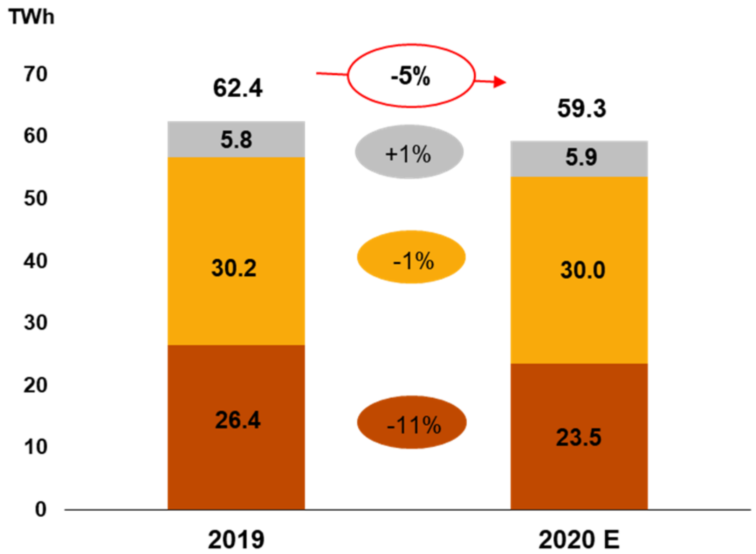
ELECTRICITY GENERATION

GENERATION—TRADITIONAL ENERGY SEGMENT





Nuclear Power Plants (-6%)
− different timing of regular outages during the year

Coal-Fired Power Plants (-15%)
Czechia (-16%)
− Lower production at the power plants Mělník 3, Prunéřov 1 and Tušimice 2 in connection with unfavorable development of market prices of electricity and emission allowance
− Longer outages at the Ledvice 4 power plant (new facility)
+ Shorter outages at Prunéřov 2 power plant
Poland (-3%)
− Impact of lower electricity prices, longer outages

Other (+23%)
+ Especially higher production in the Počerady CCGT power plant due to favorable market conditions, especially low prices of natural gas
+ Higher utilization of pumped-storage hydroelectric power plants

Nuclear Power Plants (-1%)
− The timing of normal outages and the impact of extending the scope of operational controls, the inclusion of investment actions and network effects

Coal-Fired Power Plants (-11%)
Czechia (-13%)
− Termination of the Prunéřov 1 power plant's operation as at June 30, 2020
− Lower production at power plants Mělník 3, Tušimice 2 and Počerady in connection with unfavorable development of electricity and emission allowance market prices
+ Shorter outages at the Ledvice 3 power plant
Poland (+5%)
+ Higher production (Skawina)

Other (+1%)
+ Higher utilization of pumped-storage hydroelectric power plants

 Due to precise mathematical rounding, the sum of listed partial values can sometimes differ from the total value.

SEGMENT: GENERATION–NEW ENERGY

EBITDA (CZK bn)	Q1 - Q2 2019	Q1 - Q2 2020	Change	%
Czechia	1.2	1.1	-0.0	-2%
Romania	0.9	1.3	+0.4	+43%
Germany	0.3	0.3	+0.1	+22%
Other states	-0.0	-0.1	-0.0	>200%
Generation - new energy	**2.3**	**2.7**	**+0.4**	**+17%**

Romania (CZK +0.4 bn)

- Higher gross margin from electricity due to higher volume produced and higher prices

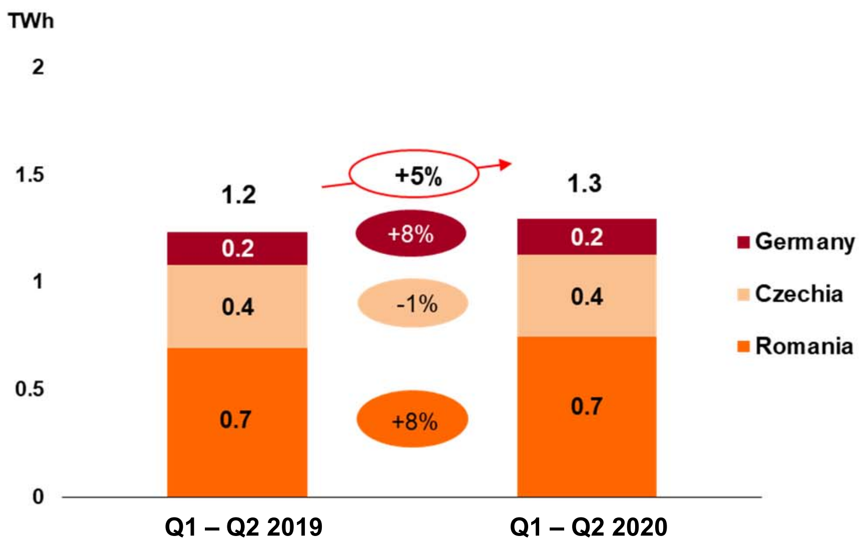
Germany (CZK +0.1 bn)

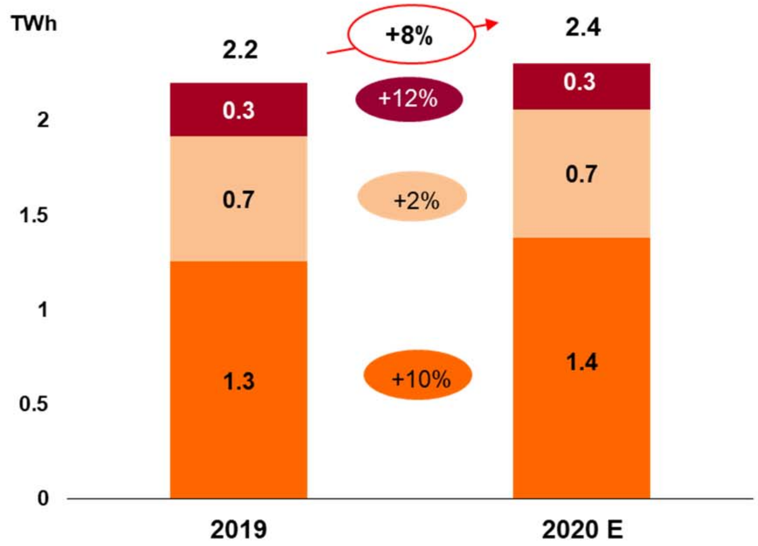
- Primarily higher amount of generated electricity

Due to precise mathematical rounding, the sum of listed partial values can sometimes differ from the total value.

ELECTRICITY GENERATION

GENERATION – NEW ENERGY & SALES SEGMENTS





Germany (+8%)
+ Better weather conditions

Czechia (-1%)
− Lower production at small hydro plants due to hydrometeorologic conditions
+ Higher production at ČEZ Energo due to the increase in the number of cogeneration units

Romania (+8%)
+ Better weather conditions

Germany (+12%)
+ Worse-than-average weather conditions in 2019

Czechia (+2%)
+ Higher production at ČEZ Energo

Romania (+10%)
+ Worse-than-average weather conditions in 2019

Due to precise mathematical rounding, the sum of listed partial values can sometimes differ from the total value.

SEGMENT: SALES

EBITDA (CZK bn)	Q1 - Q2 2019	Q1 - Q2 2020	Change	%
Czechia	1.4	1.9	+0.5	+35%
Germany	0.2	0.2	+0.0	+18%
Romania	0.1	0.4	+0.3	>200%
Bulgaria	0.2	0.3	+0.1	+45%
Other states	-0.0	0.1	+0.1	-
Sales	**1.9**	**2.9**	**+1.0**	**+52%**

Czechia (CZK +0.5 bn)
- Higher margin on commodity sales (CZK +0.5 bn)

Romania (CZK +0.3 bn)
- Higher gross margin mainly due to higher costs of purchasing electricity in 2019; higher margins from H1 2020 will be negatively compensated in H2 2020 in accordance with the regulation.

Bulgaria (CZK +0.1 bn)
- Higher gross margin on electricity sales

Other Countries (CZK +0.1 bn)
- of which Poland (+CZK 0.1 bn) due to the acquisition of Euroklimat in Q3 2019 and due to the merger of CEZ Trade Polska into CEZ Polska in Q4 2019

Note: COVID-19 will negatively affect the segment's performance especially in H2.

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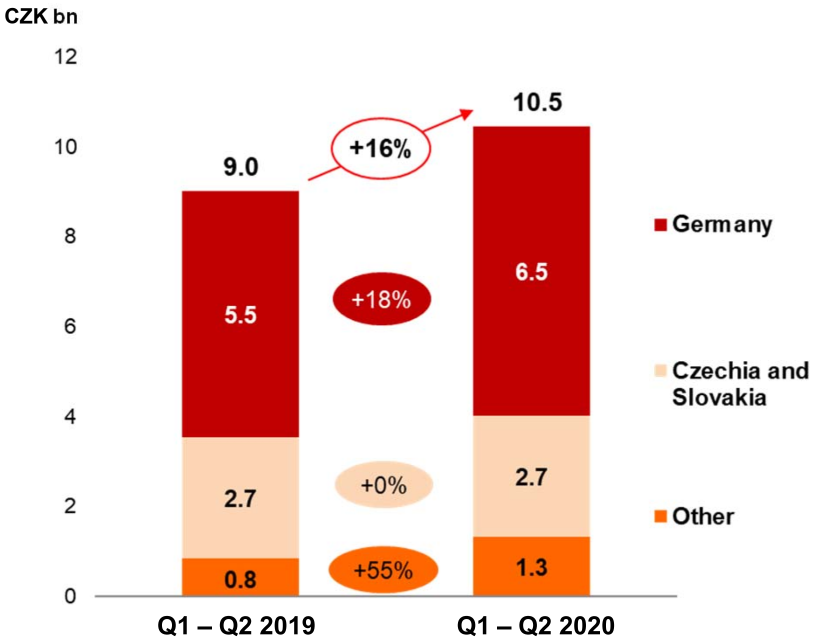
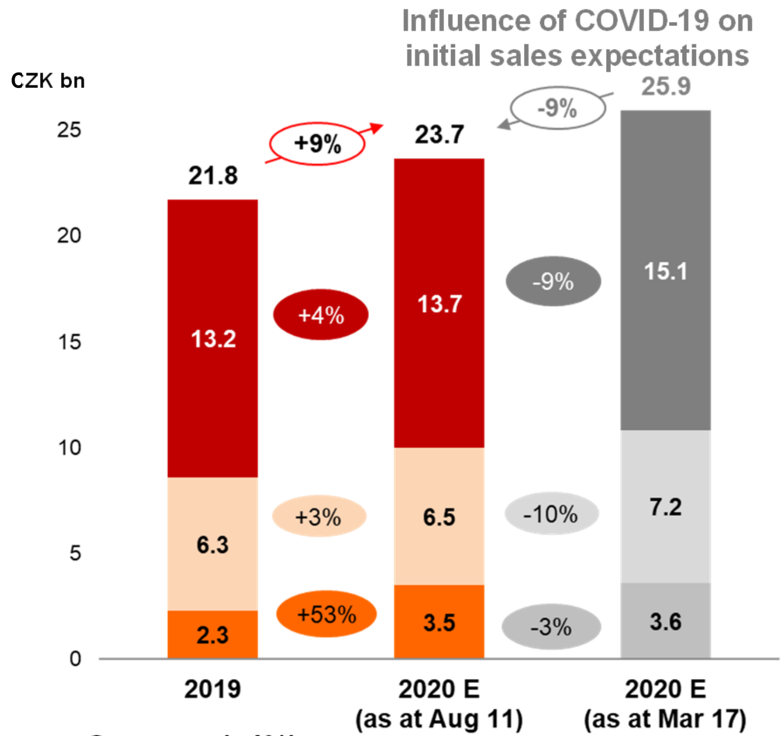
ESCO COMPANIES

SALES FOR H1 INCREASED YEAR-ON-YEAR BY 16%





Germany (+18%)
+ Organic growth, especially of En.plus and the Elevion group
+ Effect of acquisition of Hermos (consolidated May 15, 2019)
- Negative impact of COVID-19

Czechia & Slovakia (+0%)
+ Especially organic growth, negative impact of COVID-19

Other (+55%)
+ Organic growth, primarily of High-Tech Clima in Romania
+ Effect of acquisition of Euroklimat in Poland (consolidated Aug 30, 2019)
- Negative impact of COVID-19

Germany (+4%)
+ Organic growth and the impact of the Hermos acquisition

Czechia & Slovakia (+3%)
+ Organic growth and the impact of small acquisitions in 2019

Other (+53%)
+ Organic growth mainly in Poland and Romania
+ Impact of the Euroklimat acquisition in Poland

Due to precise mathematical rounding, the sum of listed partial values can sometimes differ from the total value.

SEGMENT: DISTRIBUTION

EBITDA (CZK bn)	Q1 - Q2 2019	Q1 - Q2 2020	Change	%
Czechia	9.1	8.9	-0.2	-2%
Romania	0.7	0.9	+0.2	+33%
Bulgaria	0.6	1.1	+0.4	+67%
Distribution	**10.4**	**10.9**	**+0.5**	**+5%**

Czechia (CZK -0.2 bn)

- Lower gross margin on electricity distribution (CZK -0.2 bn) due to COVID-19
- Higher fixed operating cost (CZK -0.1 bn)
- Higher revenue from activities to ensure input power and connection (CZK +0.1 bn)

Romania (CZK +0.2 bn)

- Higher revenues from electricity distribution and lower costs to cover losses in the network (CZK +0.2 bn)
- Higher revenues from the lease of poles and higher revenues from connections (CZK +0.1 bn)
- Influence of COVID-19 on the gross margin from electricity distribution (CZK -0.1 bn)

Bulgaria (CZK +0.4 bn)

- Lower costs to cover network losses and higher revenues from electricity distribution (CZK +0.5 bn)
- Influence of COVID-19 on the gross margin from electricity distribution (CZK -0.1 bn)

Due to precise mathematical rounding, the sum of listed partial values can sometimes differ from the total value.

MINING SEGMENT, SUPPORT SERVICES SEGMENT

EBITDA (CZK bn)	Q1 - Q2 2019	Q1 - Q2 2020	Change	%
Czechia	2.5	1.7	-0.8	-31%
Mining	**2.5**	**1.7**	**-0.8**	**-31%**

Czechia (CZK -0.8 bn)

- Decrease in revenues from coal sales to CEZ Group (CZK -0.5 billion), mainly due to the extended outage of the Ledvice 4 power plant (new facility) and the closure of the Prunéřov 1 power plant
- Decrease in revenues from coal sales to external customers (CZK -0.2 billion)

EBITDA (CZK bn)	Q1 - Q2 2019	Q1 - Q2 2020	Change	%
Czechia	0.8	0.7	-0.1	-14%
Other states	0.0	-0.0	-0.0	-
Support services	**0.9**	**0.7**	**-0.1**	**-16%**

Czechia (CZK -0.1 bn)

- Especially the effect of lower intra-group sales and margins

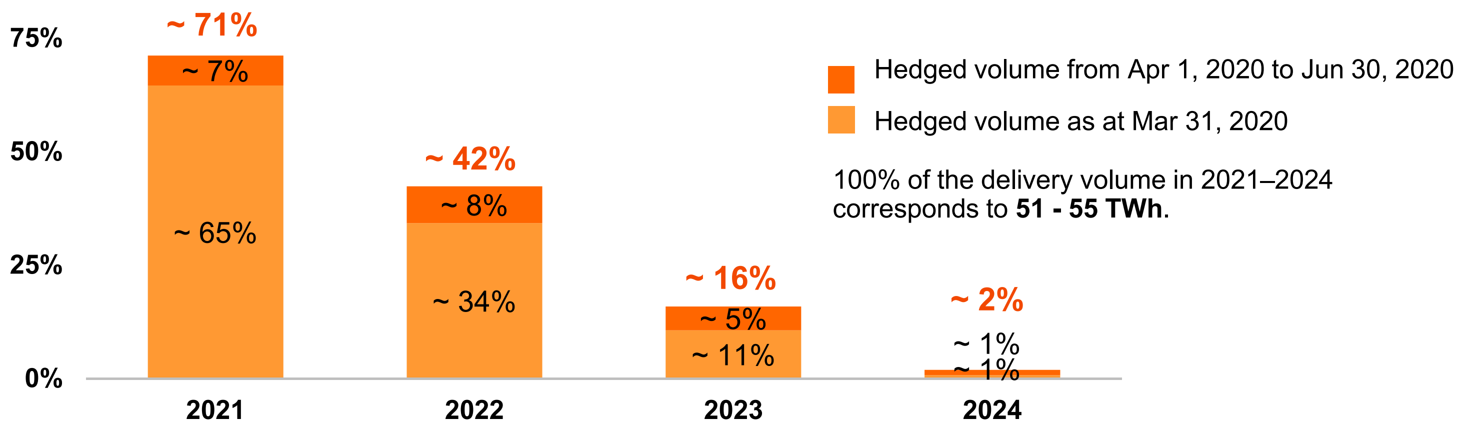
CONTENTS

ČEZ CONTINUES HEDGING ITS GENERATION REVENUES, 71% SOLD FOR 46 EUR/MWH FOR 2021

Forecast realization price of generation in Czechia in 2020 (estimated at August 11, 2020):

- The estimated average realization price of the generated electricity is **45.7 EUR/MWh**.
- The estimated average purchase price of emission allowances for production (incl. allocated in the derogation) is **15.1 EUR/MWh**.
- This results from hedges in past years, deals made in 2020, and the current market valuation of remaining, still unsold, generation in 2020 and valuation of not yet acquired emission allowances for expected generation in 2020.

Share of Hedged Production of ČEZ* Facilities in Czechia as at Jun 30, 2020



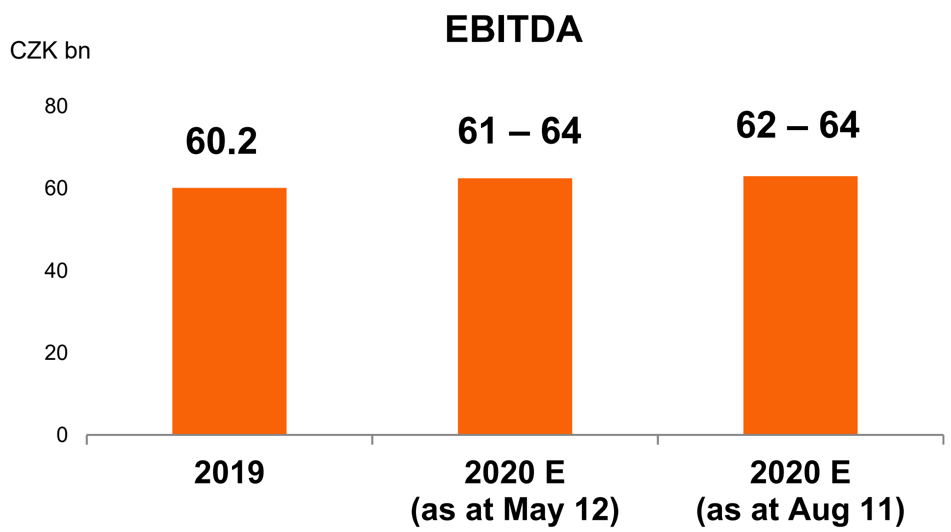
100% of the delivery volume in 2021–2024 corresponds to **51 - 55 TWh**.

Hedging prices of electricity and emission allowances for generation in Czechia as at June 30, 2020

	2021	2022	2023	2024
Electricity selling price (EUR/MWh)	€ 46.1	€ 47.6	€ 46.7	€ 47.4
EUA purchase price (EUR/t)	€ 19.5	€ 21.3	€ 21.8	€ 23.5

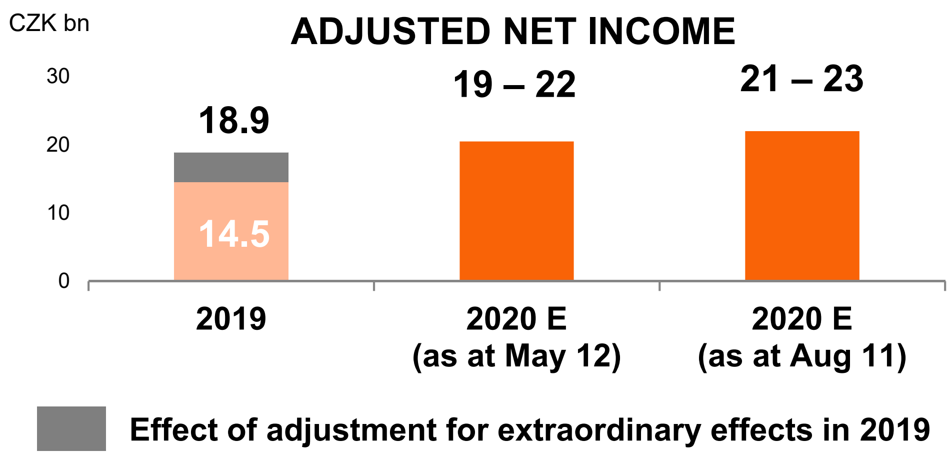
* ČEZ, a. s., including the Energotrans, Počerady, and Dětmarovice power plants

WE INCREASE THE FINANCIAL OUTLOOK FOR 2020, ESTIMATING EBITDA AT CZK 62 TO 64 BN, ADJUSTED NET INCOME AT CZK 21 TO 23 BN



Selected reasons for specifying the financial outlook compared to the outlook from May 12, 2020:

- Higher revenue from commodity trading
- Lower impact of COVID-19 on the segments of Distribution and Generation—Traditional Energy
- Lower fixed operating cost
- Estimated revenue of CZK 1.5 bn in H2 as a result of a court decision regarding ČEZ's right to interest on arrears in connection with the refund of part of the paid gift tax on emission allowances for 2011 and 2012 (impact only on net profit)

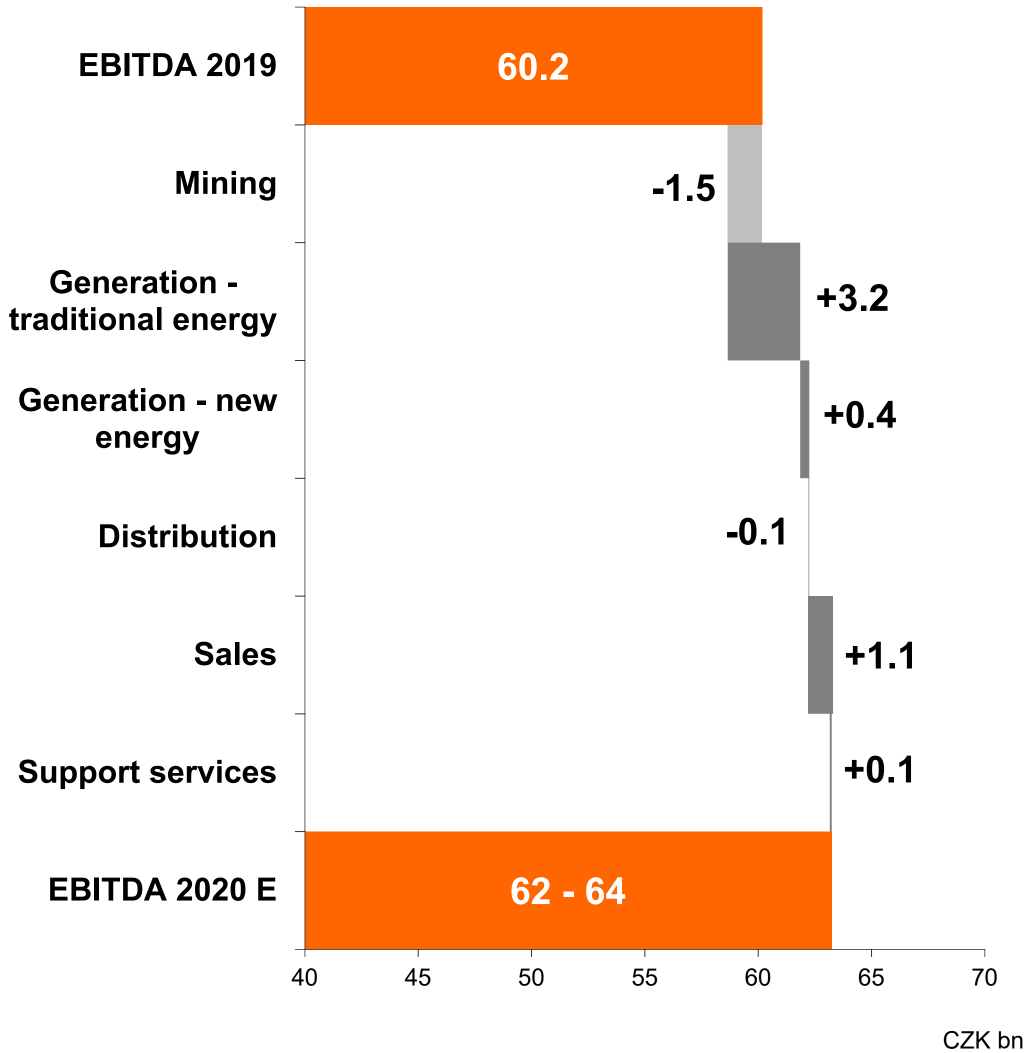


Selected forecast risks and opportunities (reasons for the interval):

- Availability of generating facilities
- Realization prices of generated electricity
- The impact of COVID-19 on commodity consumption and demand for services
- Profit from commodity trading and revenues from ancillary services of the generation portfolio in Czechia

The values of adjusted net income exclude extraordinary effects that are generally unrelated to ordinary financial performance in a given year (such as fixed asset impairments and goodwill depreciation); see the Annex for a detailed indicator definition and calculation method.

EXPECTED YEAR-ON-YEAR CHANGE IN EBITDA IN INDIVIDUAL BUSINESS SEGMENTS



Mining (CZK -1.3 to -1.7 bn)

- Lower coal sales for ČEZ power plants (due to rising emission allowance prices and lower electricity prices due to COVID-19 and outages) and due to lower customer demand outside CEZ Group

Generation—Traditional Energy (CZK +2.5 to +4.0 bn)

- Higher realization prices of generated electricity, including security
- Additional profit from German securing contracts for generation deliveries in Czechia in the years 2020 to 2025
- Higher expenses on emission allowances for generation
- Lower revenue from ancillary services
- Lower profit from commodity trading (compared to exceptionally good results in 2019)

Generation—New Energy (CZK +0.3 to +0.5 bn):

- Higher production volumes and higher electricity prices in Romania

Distribution (CZK -0.4 to +0.2 bn)

- Lower volume of distributed electricity (COVID-19)
- Lower costs to cover grid losses

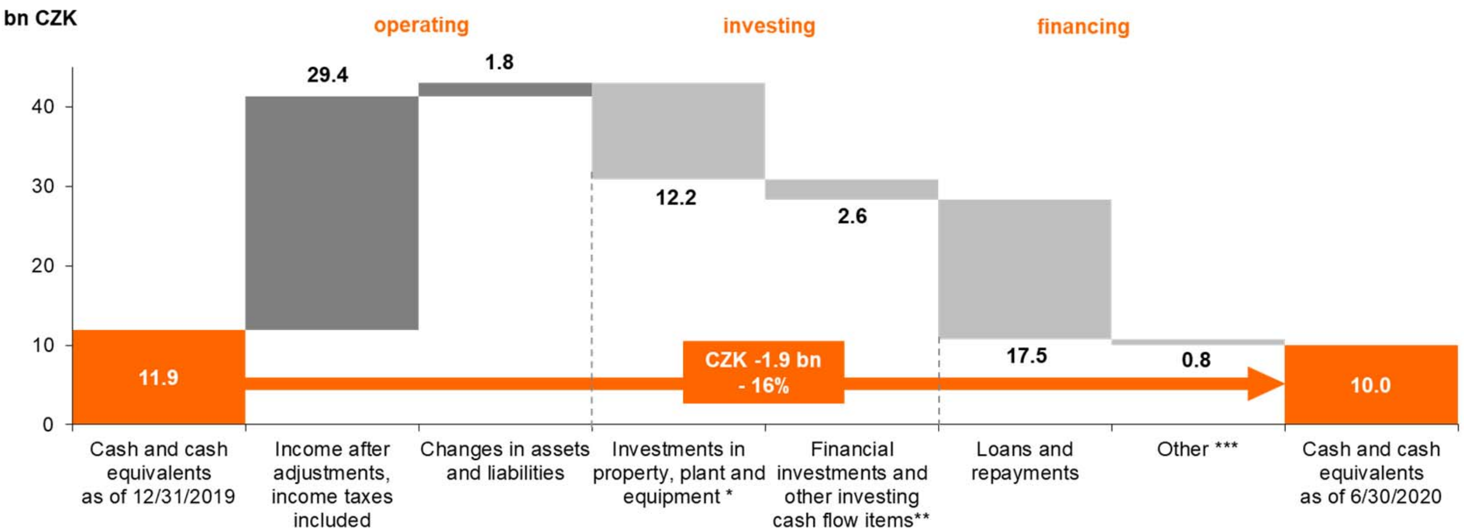
Sales (CZK +0.7 to +1.4 bn)

- Negative impact of the court decision on the results of 2019, on the basis of which the fulfillment of SŽDC's liability to ČEZ Prodej from 2010 was returned in 2019 (CZK +1.3 bn)
- Lower margins from sales of commodities to corporate customers (COVID-19)

ANNEXES

- Cash Flows
- EBITDA—Q2 Year-on-Year Comparison
- Net Income—Q2 Year-on-Year Comparison
- Capital Expenditures
- Balance Sheet Overview
- Electricity Consumption
- Currency Risk Hedging
- Market Developments
- Electricity Procured and Sold
- Definitions of Alternative Indicators according to ESMA

CASH FLOWS



Cash Flows from Operating Activities (CZK +31.1 bn)

- Profit after adjustments incl. income taxes (CZK +29.4 billion): profit before tax (CZK +18.2 bn); income tax paid (CZK -1.6 bn); interest paid with the exception of capitalized interest and interest received (CZK -3.1 bn); adjustments for non-cash transactions (CZK +15.8 bn), of which depreciation and amortization of nuclear fuel (CZK +16.9 bn); interest expense and income and dividends received (CZK +2.6 bn); impairments of tangible and intangible fixed assets (CZK +1.9 bn); revaluation of emission allowances to fair value (CZK -3.5 bn); change in provisions (CZK -2.0 bn)
- Change in assets and liabilities (CZK +1.8 bn): change in emission allowances without the effect of revaluation to fair value (CZK +3.2 bn), change in receivables and liabilities from derivatives, including options (CZK +3.1 bn); change in the balance of trade receivables and payables (CZK -3.4 bn) – mainly the effect of time arbitrage with allowances (CZK -5.5 bn); margin deposits and CSA collateral (CZK +3.1 bn); change in inventories of materials and fossil fuels (CZK -1.4 bn); change in other assets and liabilities (CZK -0.3 bn)

Cash Flows Used in Investing Activities (CZK -14.8 bn)

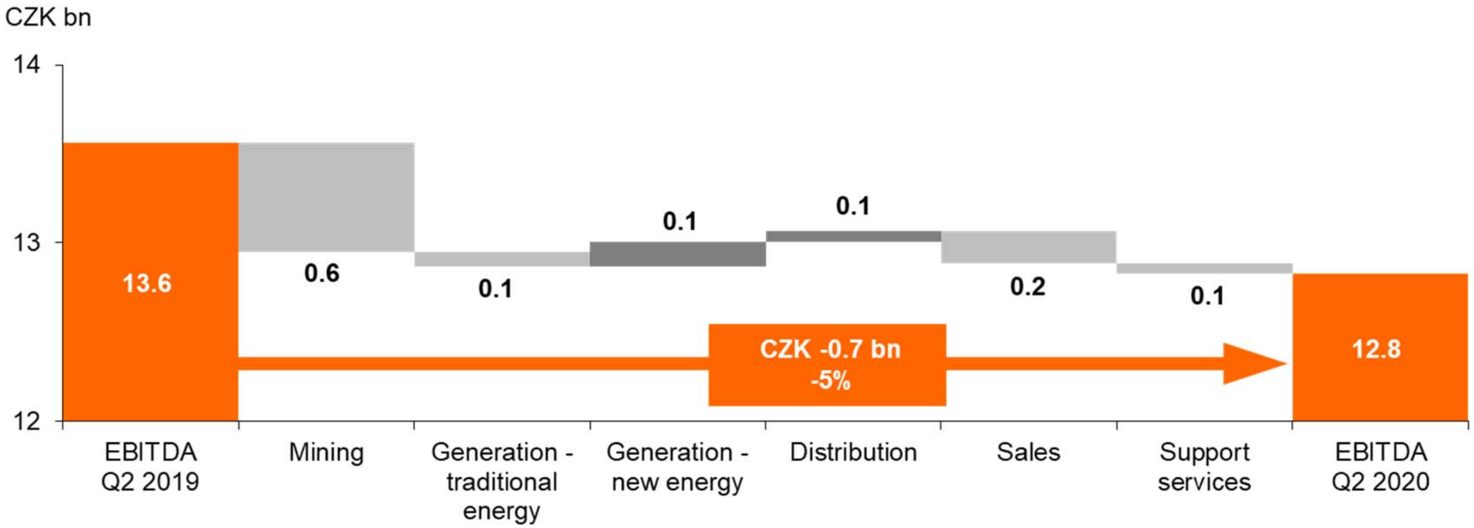
- Capital expenditure* (CZK -12.2 bn)
- Change in liabilities from acquisition of fixed assets (CZK -1.3 bn), change in financial assets with limited disposal (CZK -0.6 bn)
- Acquisition and sale of subsidiaries, associates and joint ventures (CZK -0.8 bn)

Cash Flows from Financing Activities (CZK -18.3 bn)***

- Balance of proceeds from and repayments of borrowings (CZK -17.5 bn); lease payments (CZK -0.4 bn); purchase of non-controlling interests (CZK -1.1 bn); the effect of exchange rate differences and impairments on amount of funds (CZK +0.6 bn)

* CAPEX; ** Including change in payables from the acquisition of fixed assets, balance of loans granted, divestments, and change of restricted funds;
***Including the net effect of currency translation and impairment in cash

EBITDA – Q2 YEAR-ON-YEAR COMPARISON



CEZ Group EBITDA (CZK -0.7 bn):

- **Mining (CZK -0.6 bn):** lower revenues from coal sales, mainly due to lower demand from CEZ Group
- **Generation – Traditional Energy (CZK -0.1 bn):** higher realization prices of produced electricity incl. impact of hedging transactions and commodity trading (CZK +1.9 bn); higher costs of emission allowances for production (CZK -0.7 bn); lower generation at nuclear power plants (CZK -0.5 bn); operation of other resources (CZK -0.5 bn); partial decrease in the value of profit from German hedging contracts for production supplies in the years 2020–2025 (overhedge), which arose in Q1 2020 due to a significant increase of the spread between Czech and German market electricity prices (CZK -0.5 bn); higher revenues from the sale of heat and from the sale of ancillary services (CZK +0.2 bn)
- **Generation—New Energy (CZK +0.1bn):** Romania (CZK +0.2 bn) higher production volume and higher electricity prices
- **Distribution (CZK +0.1 bn):** Czechia (CZK -0.2 bn): lower gross margin from electricity distribution in connection with COVID-19; Bulgaria (CZK +0.2 bn): higher gross margin from electricity distribution, especially price effect; Romania (CZK +0.1 bn): higher revenues from connection and rental of poles
- **Sales (CZK -0.2 bn):** lower revenues from commodity sales, especially a decrease in volume in connection with COVID-19

Due to precise mathematical rounding, the sum of listed partial values can sometimes differ from the total value.

NET INCOME – Q2 YEAR-ON-YEAR COMPARISON

(CZK bn)	Q2 2019	Q2 2020	Change	%
EBITDA	13.6	12.8	-0.7	-5%
Depreciation, amortization and impairments*	-7.5	-9.7	-2.2	-29%
Other income (expenses)	-1.9	-2.1	-0.2	-12%
Income taxes	-0.6	-0.5	+0.1	+20%
Net income	3.5	0.5	-3.0	-85%
Net income adjusted	**3.8**	**2.5**	**-1.3**	**-35%**

Depreciation, Amortization, and Impairments* (CZK -2.2 bn)

- Higher impairments of fixed assets in Romania (CZK -0.8 bn), Bulgaria (CZK -0.6 bn) and a decrease in the goodwill value in Poland (CZK -0.4 bn)
- Higher depreciation and amortization (CZK -0.3 bn), primarily at ČEZ and in Romania

Other costs and revenues (CZK -0.2 bn)

- Income and expenses from equity investments and securities (CZK -0.1 bn), especially lower dividends received
- Interest expenses and income (CZK -0.1 bn)

Net Income Adjustments

- Adjusted for the negative effect of impairments of fixed assets in Bulgaria (CZK +0.8 bn) and Romania (CZK +0.7 bn) in Q2 2020 and for the negative effect of decrease in the goodwill value in Poland (CZK +0.4 bn)
- Q2 2019 net income adjusted for the negative effect of impairments of fixed assets in Bulgaria (CZK +0.3 bn)

Note: Data for the comparable period of Q2 2019 were adjusted compared to the data published for Q2 2019 due to accounting, which additionally specified the recognition of the effect of hedging the price risks of electricity sales on individual quarters of 2019.

* Including profit/loss from sales of tangible and intangible fixed assets

CAPITAL EXPENDITURES
BROKEN DOWN BY SEGMENT

CZK bn	H1 2019	H1 2020
Generation—Traditional Energy	**3.8**	**4.1**
Of which: Nuclear fuel acquisition	1.6	1.1
Generation—New Energy	**0.5**	**0.2**
Mining	**0.8**	**0.9**
Distribution	**5.7**	**6.2**
Czechia	4.4	5.0
Romania	0.5	0.6
Bulgaria	0.7	0.5
Sales	**0.6**	**0.4**
Support Services*	**0.3**	**0.2**
Total	**11.6**	**12.2**

The main reasons for the year-on-year change in capital expenditures in individual segments:

- **Generation—Traditional Energy:** especially investments in conventional generation facilities (completion of projects to reduce emissions—DeNOx, DeSOx); acquisition of smaller quantities of nuclear fuel
- **Generation—Traditional Energy:** acquisition of RES projects in France in 2019
- **Distribution:** Czechia—Higher capital expenditures on the renovation of distribution grid facilities and capital expenditures initiated at customer requests

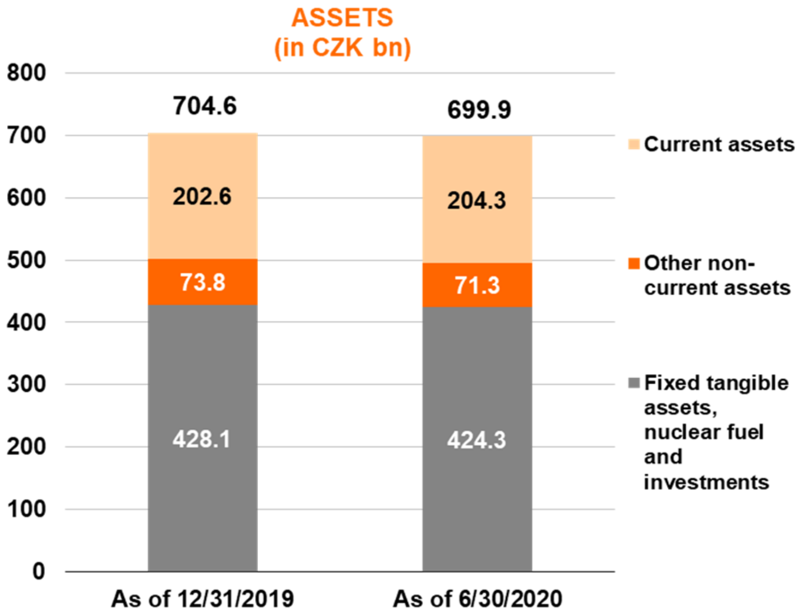
  Bulgaria—increased frequency of electricity meter replacements in 2019
- **Sale:** acquisition of real estate as part of the purchase of the German acquisition of Hermos in 2019

*Including the amount of intersegment eliminations; RES—renewable energy sources

BALANCE SHEET OVERVIEW

Property, plant, and equipment, nuclear fuel, and construction work in progress decreased by CZK 3.8 bn
- Property, plant, and equipment, gross and unfinished tangible investments CZK +11.7 billion, depreciation and allowance CZK -14.5 bn
- Nuclear fuel CZK -1.0 bn

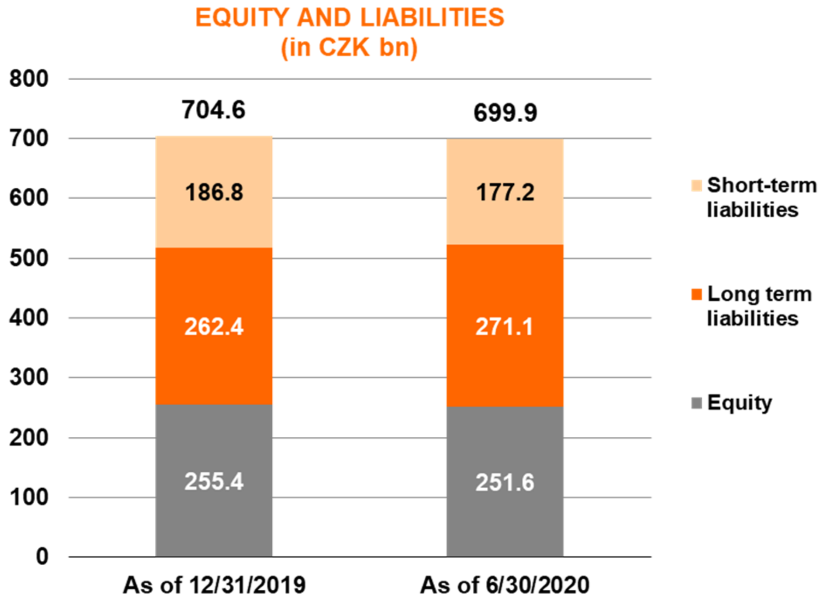
Other fixed assets decreased by CZK 2.5 bn
- Intangible fixed assets CZK -6.2 bn, mainly due to a decrease in long-term emission allowances of CZK -5.9 bn
- Long-term derivatives CZK +1.5 billion
- Restricted financial assets CZK +1.3 bn
- Investments in associates and joint ventures CZK +0.9 bn
- Deferred tax asset CZK -0.1 bn



Current assets increased by CZK 1.7 bn
- Emission allowances CZK +6.3 bn
- Receivables from derivatives, including options CZK +3.6 bn
- Other assets CZK +2.4 bn, mainly short-term contractual assets
- Income tax assets CZK +1.3 bn
- Material inventories CZK +1.6 billion
- Assets classified as held for sale CZK +0.7 bn
- Net trade receivables CZK -11.7 bn
- Cash and cash equivalents CZK -2.7 bn

Equity decreased by CZK 3.8 bn
- Dividends approved to shareholders CZK -18.2 billion
- Net income in the reporting period CZK +14.7 bn
- Other comprehensive income CZK +0.1 bn
- Other changes in equity CZK -0.4 bn

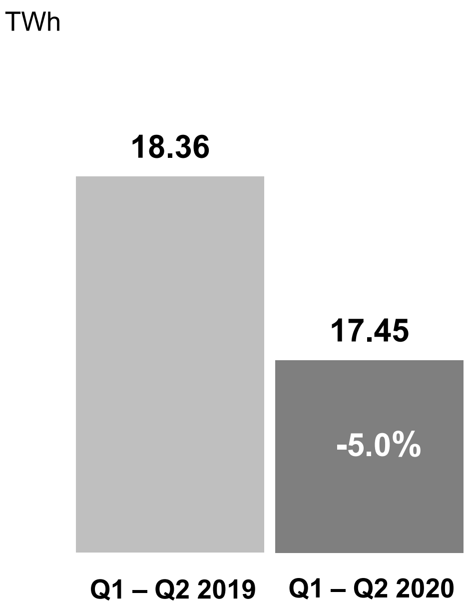
Noncurrent liabilities increased by CZK 8.7 bn
- Bonds issued and long-term bank loans CZK +7.2 bn
- Deferred tax liability CZK +2.6 bn
- Long-term provisions CZK +0.3 bn
- Other noncurrent liabilities CZK +0.3 bn
- Noncurrent liabilities from derivatives CZK -1.1 bn
- Liabilities attributable to capital expenditure CZK -0.5 bn



Current liabilities decreased by CZK 9.6 bn
- Current portion of long-term debts CZK -16.8 bn
- Trade payables CZK -14.1 bn
- Short-term reserves CZK -2.0 bn, in particular the settlement of reserves for emission allowances with regard to annual settlement with the registry
- Liabilities to shareholders in profit distribution CZK +18.2 billion
- Short-term derivative liabilities CZK +5.5 billion
- Liabilities associated with assets held for sale CZK -0.4 bn

ELECTRICITY CONSUMPTION
IN THE DISTRIBUTION AREA OF ČEZ DISTRIBUCE

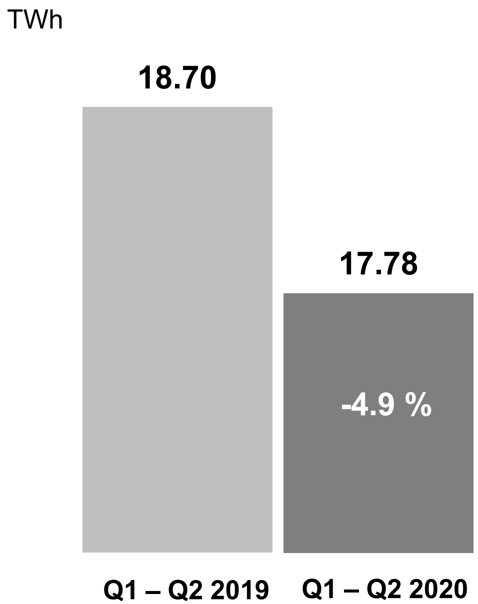
Consumption in the Distribution Area of ČEZ Distribuce



Changes in consumption (-5.0%) by segment:

- -9.7% large end-use customers
- +4.2% residential customers
- -3.1% commercial retail

Temperature- and Calendar-Adjusted Consumption*



- Consumption in Q2 reached 7.57 TWh and decreased year-on-year by 10.7%.
- Consumption in Q2, after climatic and calendar recalculation, reached 7.62 TWh and decreased year-on-year by 10.9%.

Note: Analysis based on CEZ Group's internal data. CEZ Group's distribution area covers around ⅝ of Czechia's territory, so the data are a good indicator of nationwide consumption trends.

 Acc. to data of ČEZ Distribuce, a. s.; * Adjustment as per ČEZ Distribuce, a. s., model

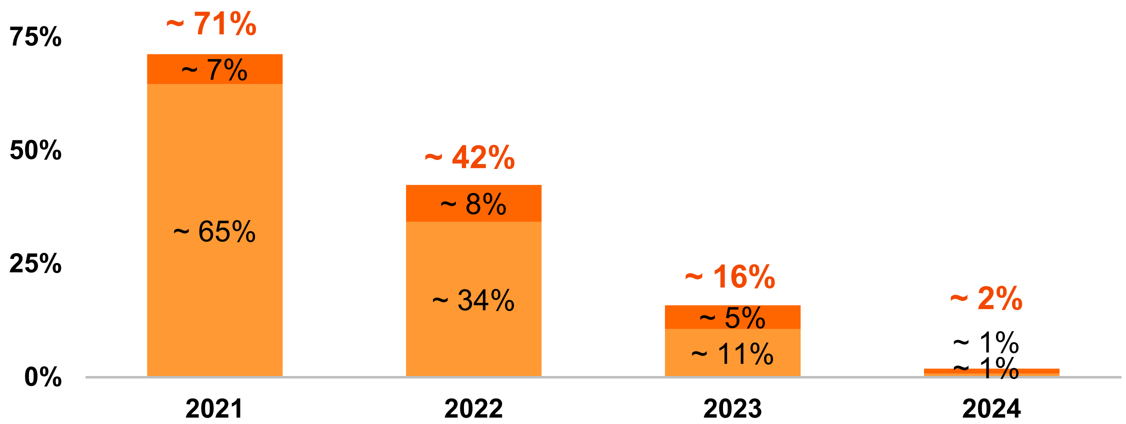
CURRENCY HEDGES FOR ESTIMATED ELECTRICITY GENERATION IN 2021–2024

Currency Hedges for Estimated Supplies of Generated Electricity as at June 30, 2020

2021	2022	2023	2024	
96%	**96%**	**87%**	**73%**	**Total currency hedges** (natural & transactional) as at Jun 30, 2020
81%	80%	79%	73%	Natural currency hedging (debts in EUR, capital and other expenditure and costs in EUR)

The foreign exchange position for 2021 is hedged at an average rate of CZK 26.9 / EUR, for the years 2022–2024 at a rate of CZK 25.8–26.2 / EUR.

Share of Hedged Production of ČEZ* Facilities in Czechia as at Jun 30, 2020

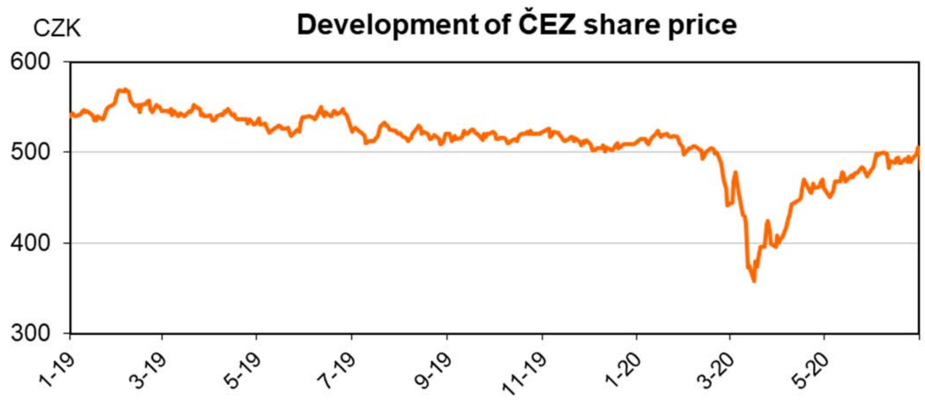


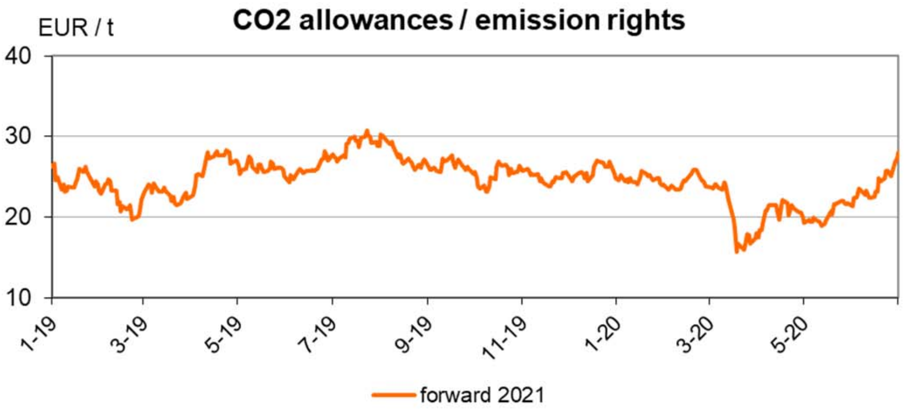
Hedged volume from Apr 1, 2020 to Jun 30, 2020
Hedged volume as at Mar 31, 2020

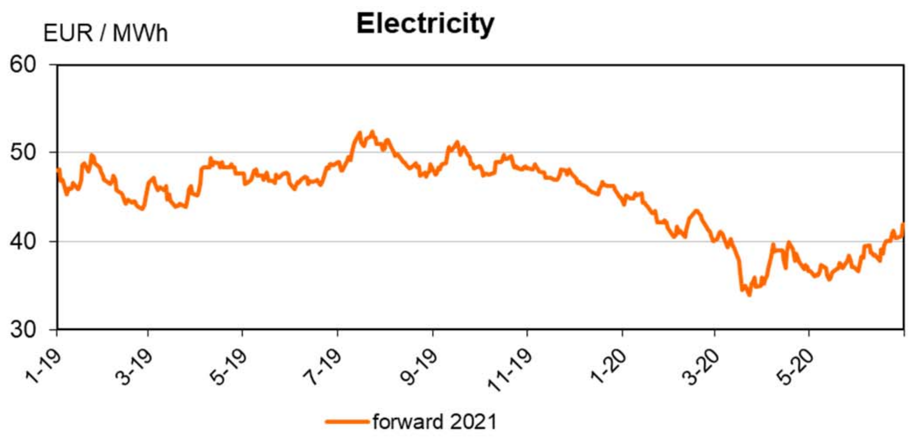
100% of the delivery volume in 2021–2024 corresponds to **51 - 55 TWh**.

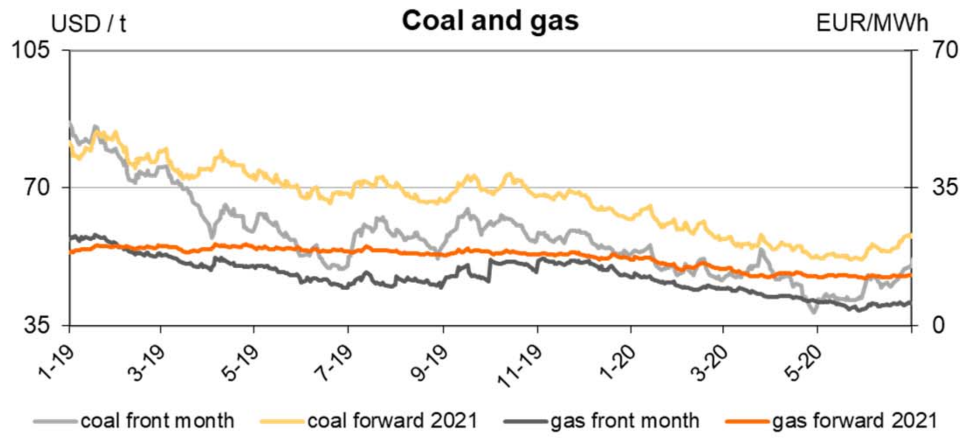
* ČEZ, a. s., including the Energotrans, Počerady, and Dětmarovice power plants

MARKET DEVELOPMENTS









Electricity balance (GWh)

	Q1 - Q2 2019	Q1 - Q2 2020	Index 2020/2019
Electricity procured	**29,005**	**26,783**	**-8%**
Generated in-house (gross)	32,075	29,805	-7%
In-house and other consumption, including pumping in pumped-storage plants	-3,071	-3,022	-2%
Sold to end customers	**-18,005**	**-16,984**	**-6%**
Sold in the wholesale market (net)	**-9,026**	**-7,926**	**-12%**
Sold in the wholesale market	-160,994	-134,682	-16%
Purchased in the wholesale market	151,968	126,755	-17%
Grid losses	**-1,974**	**-1,872**	**-5%**

Electricity generation by source (GWh)

Nuclear	15,115	14,233	-6%
Coal and lignite	12,892	10,828	-16%
Water	1,287	1,102	-14%
Biomass	468	532	+14%
Photovoltaic	77	75	-2%
Wind	802	871	+9%
Natural gas	1,433	2,162	+51%
Bio gas	1	1	+15%
Total	**32,075**	**29,805**	**-7%**

Sales of electricity to end customers (GWh)

Households	-6,791	-7,037	+4%
Commercial (low voltage)	-2,544	-2,341	-8%
Commercial and industrial (medium and high voltage)	-8,669	-7,606	-12%
Sold to end customers	**-18,005**	**-16,984**	**-6%**

Distribution of electricity (GWh)

	Q1 - Q2 2019	Q1 - Q2 2020	Index 2020/2019
Distribution of electricity to end customers	26,722	25,405	-5%

Electricity balance (GWh) by segment

Q1 - Q2 2020	Generation - traditional energy		Generation - new energy		Distribution		Sale		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Electricity procured	**25,504**	**-8%**	**1,101**	**+5%**	**0**	**-**	**178**	**+7%**	**0**	**-**	**26,783**	**-8%**
Generated in-house (gross)	28,510	-8%	1,110	+5%	0	-	184	+5%	0	-	29,805	-7%
In-house and other consumption, including pumping in pumped-storage plants	-3,006	-2%	-10	+6%	0	-	-6	-26%	0	-	-3,022	-2%
Sold to end customers	**-1,099**	**+4%**	**0**	**-**	**0**	**-**	**-16,593**	**-7%**	**849**	**-14%**	**-16,984**	**-6%**
Sold in the wholesale market (net)	**-24,405**	**-9%**	**-1,101**	**+5%**	**1,872**	**-5%**	**16,415**	**-8%**	**-849**	**-14%**	**-7,926**	**-12%**
Sold in the wholesale market	-143,331	-17%	-1,442	+4%	0	-	-2,681	+34%	12,894	-10%	-134,682	-16%
Purchased in the wholesale market	118,925	-18%	341	+2%	1,872	-5%	19,096	-3%	-13,743	-10%	126,755	-17%
Grid losses	**0**	**-**	**0**	**-**	**-1,872**	**-5%**	**0**	**-**	**0**	**-**	**-1,872**	**-5%**

Electricity generation by source (GWh) by segment

	Generation - traditional energy		Generation - new energy		Distribution		Sale		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Nuclear	14,233	-6%	0	-	0	-	0	-	0	-	14,233	-6%
Coal and lignite	10,828	-16%	0	-	0	-	0	-	0	-	10,828	-16%
Water	940	-15%	163	-9%	0	-	0	-	0	-	1,102	-14%
Biomass	532	+14%	0	-	0	-	0	-	0	-	532	+14%
Photovoltaic	0	-	75	-2%	0	-	0	-	0	-	75	-2%
Wind	0	-	871	+9%	0	-	0	-	0	-	871	+9%
Natural gas	1,977	+56%	0	-	0	-	184	+11%	0	-	2,162	+51%
Bio gas	0	-	1	+15%	0	-	0	-	0	-	1	+15%
Total	**28,510**	**-8%**	**1,110**	**+5%**	**0**	**-**	**184**	**+5%**	**0**	**-**	**29,805**	**-7%**

Sales of electricity to end customers (GWh) by segment

	Generation - traditional energy		Generation - new energy		Distribution		Sale		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Households	0	-	0	-	0	-	-7,037	+4%	0	-	-7,037	+4%
Commercial (low voltage)	0	-15%	0	-	0	-	-2,331	-8%	0	-	-2,341	-8%
Commercial and industrial (medium and high voltage)	-1,099	+4%	0	-	0	-	-7,224	-16%	849	-14%	-7,606	-12%
Sold to end customers	**-1,099**	**+4%**	**0**	**-**	**0**	**-**	**-16,593**	**-7%**	**849**	**-14%**	**-16,984**	**-6%**

Electricity balance (GWh) by country

Q1 - Q2 2020	Czechia		Poland		Romania		Bulgaria		Germany		Others		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Electricity procured	**24,887**	**-8%**	**995**	**-4%**	**731**	**+7%**	**3**	**+8%**	**166**	**+8%**	**0**	**-**	**0**	**-**	**26,783**	**-8%**
Generated in-house (gross)	27,746	-8%	1,149	-3%	741	+7%	3	+8%	166	+8%	0	-	0	-	29,805	-7%
In-house and other consumption, including pumping in pumped-storage plants	-2,859	-2%	-154	+0%	-10	+6%	0	-	0	-	0	-	0	-	-3,022	-2%
Sold to end customers	**-8,667**	**+3%**	**-142**	**-84%**	**-1,777**	**-5%**	**-5,530**	**+4%**	**0**	**-**	**-868**	**-40%**	**0**	**-**	**-16,984**	**-6%**
Sold in the wholesale market (net)	**-15,202**	**-14%**	**-853**	**>200%**	**1,494**	**-9%**	**5,933**	**+3%**	**-166**	**+8%**	**868**	**-40%**	**0**	**-**	**-7,926**	**-12%**
Sold in the wholesale market	-134,631	-17%	-1,181	-10%	-762	-24%	-217	-30%	-166	+8%	-55	-12%	2,329	-50%	-134,682	-16%
Purchased in the wholesale market	119,428	-18%	327	-73%	2,256	-15%	6,150	+1%	0	-	923	-39%	-2,329	-50%	126,755	-17%
Grid losses	**-1,018**	**-4%**	**0**	**-**	**-448**	**-1%**	**-406**	**-11%**	**0**	**-**	**0**	**-**	**0**	**-**	**-1,872**	**-5%**

Electricity generation by source (GWh) by country

	Czechia		Poland		Romania		Bulgaria		Germany		Others		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Nuclear	14,233	-6%	0	-	0	-	0	-	0	-	0	-	0	-	14,233	-6%
Coal and lignite	9,926	-16%	903	-10%	0	-	0	-	0	-	0	-	0	-	10,828	-16%
Water	1,058	-15%	4	+54%	40	-12%	0	-	0	-	0	-	0	-	1,102	-14%
Biomass	289	+0%	243	+36%	0	-	0	-	0	-	0	-	0	-	532	+14%
Photovoltaic	72	-2%	0	-	0	-	3	+8%	0	-	0	-	0	-	75	-2%
Wind	5	-11%	0	-	700	+9%	0	-	166	+8%	0	-	0	-	871	+9%
Natural gas	2,162	+51%	0	-	0	-	0	-	0	-	0	-	0	-	2,162	+51%
Bio gas	1	+15%	0	-	0	-	0	-	0	-	0	-	0	-	1	+15%
Total	**27,746**	**-8%**	**1,149**	**-3%**	**741**	**+7%**	**3**	**+8%**	**166**	**+8%**	**0**	**-**	**0**	**-**	**29,805**	**-7%**

Sales of electricity to end customers (GWh) by country

	Czechia		Poland		Romania		Bulgaria		Germany		Others		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Households	-3,703	+3%	0	-	-882	+2%	-2,452	+6%	0	-	0	-	0	-	-7,037	+4%
Commercial (low voltage)	-1,050	-4%	-9	-88%	-420	-16%	-793	-2%	0	-	-69	-9%	0	-	-2,341	-8%
Commercial and industrial (medium and high voltage)	-3,914	+4%	-133	-84%	-475	-6%	-2,285	+4%	0	-	-800	-42%	0	-	-7,606	-12%
Sold to end customers	**-8,667**	**+3%**	**-142**	**-84%**	**-1,777**	**-5%**	**-5,530**	**+4%**	**0**	**-**	**-868**	**-40%**	**0**	**-**	**-16,984**	**-6%**

Distribution of electricity (GWh) by country

Q1 - Q2 2020	Czechia		Poland		Romania		Bulgaria		Germany		Others		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Distribution of electricity to end customers	17,452	-5%	0	-	3,087	-10%	4,865	-1%	0	-	0	-	0	-	25,405	-5%

Methods Used to Calculate Indicators Unspecified in IFRS

In accordance with ESMA guidelines, ČEZ provides detailed information on indicators that are not reported as standard in IFRS financial reporting framework or the components of which are not directly available from standardized statements (from financial statements included in Financial Report and/or from accompanying notes). Such indicators represent supplementary information in respect of financial data, providing reports' users with additional information for their assessment of the financial position and performance of CEZ Group or ČEZ. In general, these indicators are also commonly used in other commercial companies, not only in the energy sector.

Indicator	
Net Debt	Purpose: The indicator shows the real level of a company's financial debt, i.e., the nominal amount of debt net of cash, cash equivalents, and highly liquid financial assets held by the company. The indicator is primarily used to assess the overall appropriateness of the company's debt, e.g., in comparison with selected corporate profit or balance sheet indicators. Definition: Long-Term Debt, Net of Current Portion + Current Portion of Long-Term Debt + Short-Term Loans – (Cash and Cash Equivalents + Highly Liquid Financial Assets). The components of the indicator, except for Highly Liquid Financial Assets, are reported individually on the balance sheet, with items related to assets held for sale are presented separately on the balance sheet.
Adjusted Net Income (After-Tax Income, Adjusted)	Purpose: This is a supporting indicator, intended primarily for investors, creditors, and shareholders, which allows interpreting achieved financial results with the exclusion of extraordinary, usually nonrecurring effects that are generally unrelated to ordinary financial performance and value creation in a given period. Definition: Net income (after-tax income) +/− additions to and reversals of impairments of property, plant, and equipment and intangible assets, including goodwill +/− additions to and reversals of impairments of developed projects +/− other extraordinary effects that are generally unrelated to ordinary financial performance in a given year and value creation in a given period +/− effects of the above on income tax.
Dividend per Share (Gross)	Purpose: The indicator expresses a shareholder's right to the payment of a share in a joint-stock company's profits (usually for the past year) corresponding to the holding of one share. The subsequent payment of the share in profits is usually subject to taxes, which may be different for different shareholders; therefore, the value before taxes is monitored. Definition: Dividend awarded in the given year, before taxes, per outstanding share.
Net Debt / EBITDA	Purpose: This indicates a company's capability to pay back its debt as well as its ability to take on additional debt to grow its business. CEZ Group uses this indicator primarily to assess the adequacy of its capital structure to the structure and stability of its expected cash flows. Definition: Net Debt / EBITDA. EBITDA is the running total for the past 12 months, i.e. EBITDA for the period from July 1 of previous year until June 30; Net Debt is the amount at the end of the period.

Most of the components used in the calculation of individual indicators are directly shown in financial statements. The components of calculations that are not included in the financial statements are usually shown directly in a company's books and are defined as follows:

Highly Liquid Financial Assets—component of Net Debt indicator (CZK millions):

	As at Dec 31, 2019	As at Jun 30, 2020
Current debt financial assets	403	504
Non-current debt financial assets	111	10
Current term deposits	3	2
Non-current term deposits	0	0
Short-term equity securities	0	0
Highly liquid financial assets, total	**517**	**517**

Adjusted Net Income indicator—individual components:

Adjusted Net Income (After-Tax Income, Adjusted)	Unit	Q1 – Q2 2019	Q1 – Q2 2020
Net income	CZK millions	13,441	14,701
Impairments of property, plant, and equipment and intangible assets	CZK millions	826	1,901
Impairments of developed projects*)	CZK millions	3	-
Impairments of property, plant, and equipment and intangible assets, including goodwill, at joint ventures**)	CZK millions	-	-
Effects of additions to or reversals of impairments on income tax***)	CZK millions	(95)	(193)
Other extraordinary effects	CZK millions	-	-
Adjusted net income	**CZK millions**	**14,175**	**16,409**

**) Included in the row Other operating expenses in the Consolidated Statement of Income*
***) Included in the row Share of profit (loss) from associates and joint-ventures in the Consolidated Statement of Income*
****) Included in the row Income taxes in the Consolidated Statement of Income*

Totals and subtotals can differ from the sum of partial values due to rounding.