

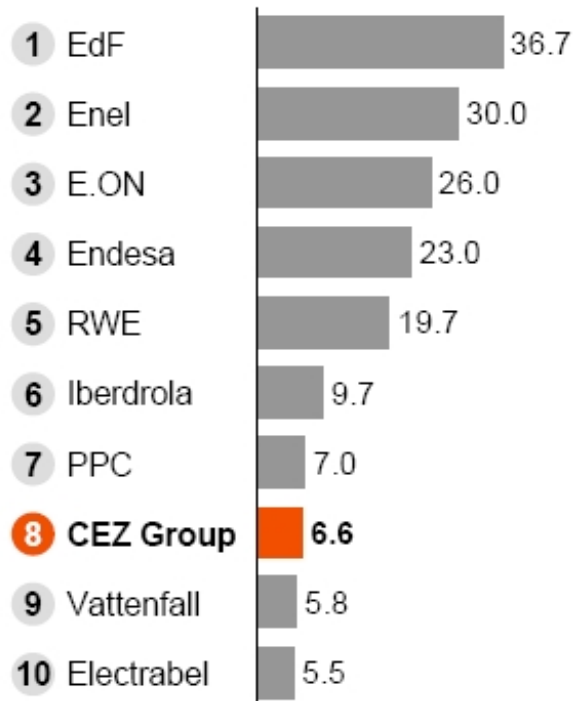
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CEZ IS AMONG TOP 10 EUROPEAN POWER UTILITIES BY SIZE

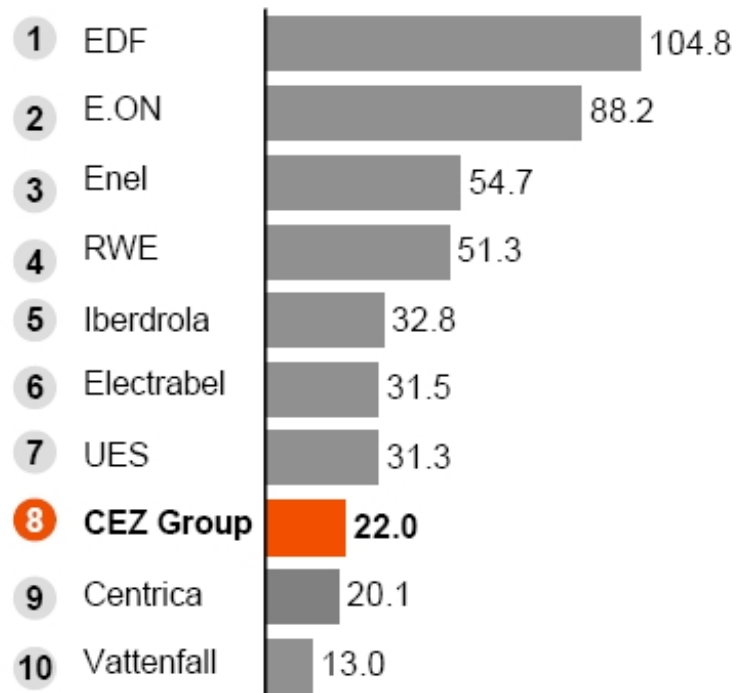
Top 10 European power utilities

Number of customers in Europe, million



Top 10 European power utilities

Market capitalization, USD bn, as of August 24, 2006

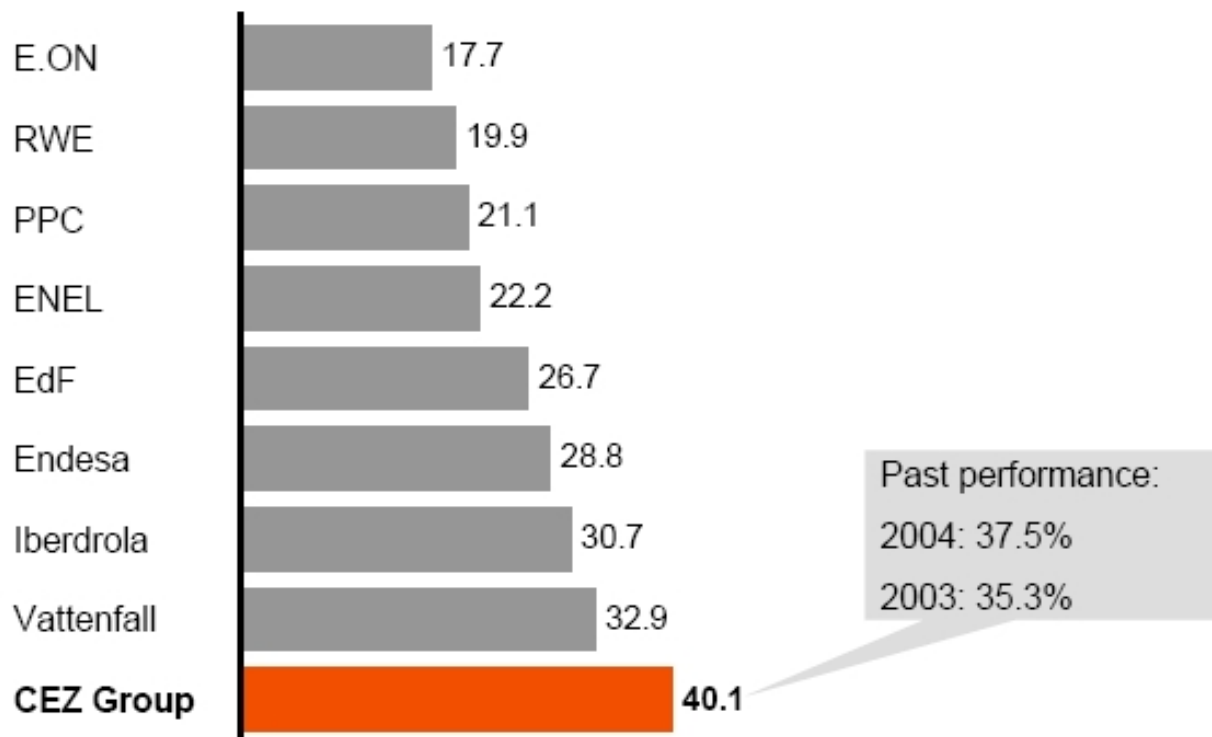


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... AND IS THE MOST PROFITABLE UTILITY IN EUROPE
MEASURED BY EBITDA MARGIN

EBITDA margin, 2005
Percent



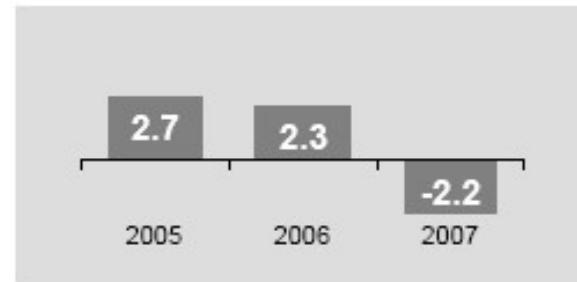
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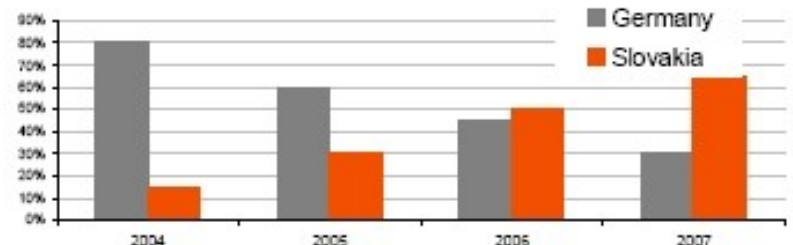
CEZ WILL MOVE MOST OF ITS EXPORTS TO SLOVAKIA AND HUNGARY



Slovak import / export power balance



CEZ's power export structure in %



Export TWh

20

16

14

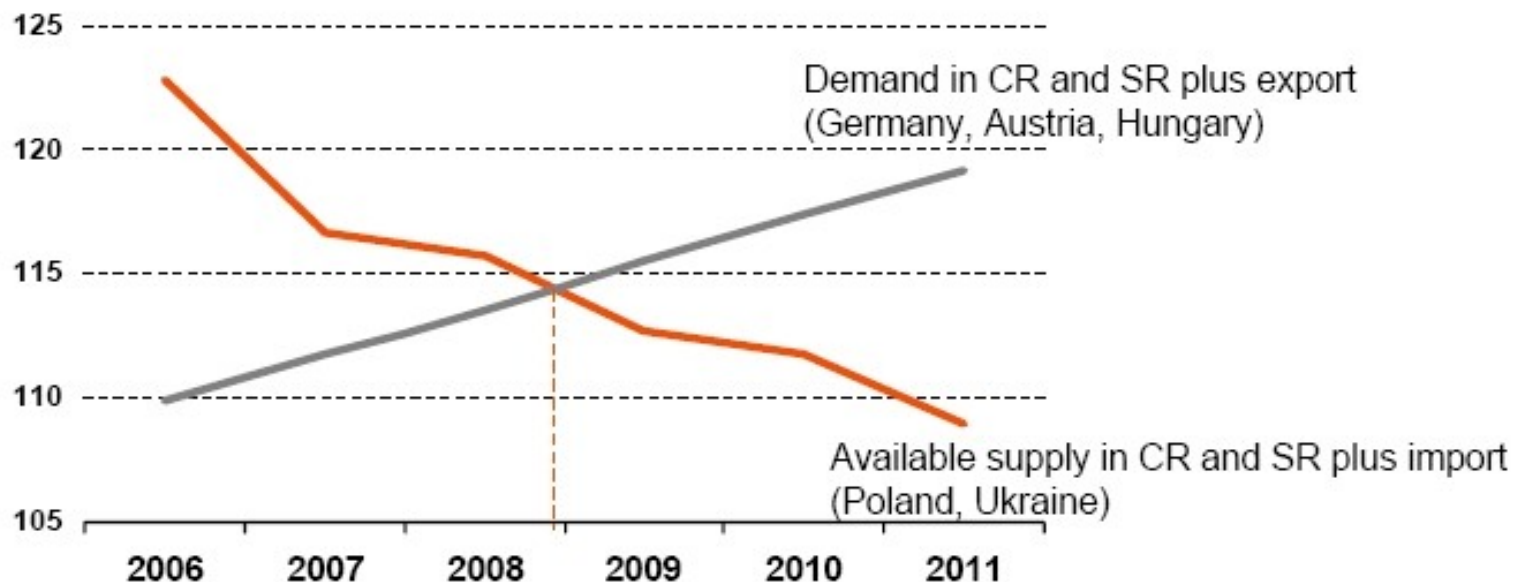
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THE REGIONAL CAPACITY SURPLUS WILL DISAPPEAR IN 2008 – 2009 AND MARKETS OF WESTERN AND CENTRAL EUROPE WILL CONVERGE TO ONE PRICE

Czech and Slovak power market balance
TWh



- Starting 2008/9 Czech export capacities will not be fully utilized due to lack of available electricity
- Prices will converge to one level determined by EEX

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Renewed Focus on Nuclear Energy

- Increased pressures on CO2 emission
- Increased geopolitical risks on fossil fuels
- Physical and technical constraints on development of wind, hydro and other renewables
- Continuous technological advancements in nuclear safety systems

- Acquisition of four nuclear units in Slovakia – Bohunice & Mochovce
- Investment analysis for the completion of two additional reactors at Mochovce
- Negotiated participation with EDF in the Flamanville EPR project
- Actively pursuing other nuclear investment opportunities across Europe
- Investing in Nuclear expertise development in EPC and O&M

**“Our aim is a balanced mix of energy sources, roughly equally split between coal, nuclear and renewables.
Nuclear energy is cheap and environmentally friendly”**

Fulvio Conti, CEO Enel, April 2006

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Enel vision for Slovenské Elektrárne

**2 Bn € (~ 78 Bn Skk)
investments to restore SE as
one of the most competitive
generators in Eastern Europe**

- Completion of EMO 3 4
- Uprate of EMO 1 2 and EBO 3 4
- Construction of Small Hydro
- Development of wind
- Reconstruction of Novaky FK2

Grow SE beyond Slovakia

- Hub for Central & Eastern Europe power trading
- Centre of excellence for nuclear within Enel Group
- Hub for future expansion in region

A central role within Enel's expansion in Central and Eastern Europe

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Scope of the Feasibility Study

- Define in detail all technical, economic, financial, legal and authorization aspects of EMO 34 completion in order to provide SE with all the necessary information for a final decision on EMO 3&4
- Review and update detailed safety criteria and basic design
- Include all design and permitting activities required for re-start of construction (zero delay concept, should a positive decision be made about completion of EMO 3 4)
- Assess preservation status of existing components and structures
- Define detailed financing structure
- Commence pre-qualification process and complete preparatory works for construction tenders
- Over 800.000 manhours expected in 12 months

From scheduling viewpoint, Feasibility Study is one step forward to EMO 3 4 completion and does not impact commercial operation date

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	<i>Mechanism</i>	<i>Total estimated value</i>	<i>Status</i>
1.	Serious under-funding of the Nuclear Decommissioning Fund (nuclear operator contributes only fraction of real costs)	1 - 2 billion € between 26.4 and 60.9 million € every year, accumulated over 35 y.	Approved and effective
2.	Special “Nuclear Levy” imposed on all electricity consumers in Slovakia	400 – 660 million €	Approved and pending to be implemented
3.	Slovak government signed its obligation to provide a six years dividend holidays for SE	over 290 million €	Contracted and pending to be implemented
4.	Slovak government agreed to covering part of the losses from disadvantageous long-term contracts of SE	13 million €	Approved and implemented according to media, but no direct evidence available
5.	Ten years tax holiday for Mochovce 3 and 4 nuclear power plant	over 130 million €	Reported by media to be negotiated during privatization, but current status is unknown
6.	Faster writing-off the investment into Mochovce 3 and 4, from 30 to 10 years	about 80 million €	Reported by media to be negotiated during privatization