

Internal Information

ČEZ Group earned almost 17 billion crowns in the first half of the year

ČEZ Group's net profit grew by 21% year-on-year to CZK 16.7 bn. This was mainly due to the successful sale of MOL shares and the sale of residential properties in Prague. EBITDA reached CZK 31.3 billion. The year-on-year decline by CZK 1.8 billion is due to the lower realization prices of electricity produced. ČEZ Group increases its full-year outlook for EBITDA and adjusted net income.

Operating revenues in the first half reached CZK 100.9 billion and increased by 2% year-on-year, while the production of electricity from traditional sources was in the first half of the year similar to last year, i.e. about 31 TWh. Production in the new energy sector, where CEZ ranks in particularly wind, photovoltaic and small hydropower plants, increased by 20%, mainly due to the acquisition of wind power plants in Germany at the end of 2016, but also due to the increase in production in wind farms in Romania. ČEZ Group continues to thrive on the gas sales market to end customers, whose volume grew by 28% year-on-year.

“The current year has been exceptional for ČEZ Group, both in terms of income achieved for shareholders and in terms of three important acquisitions, thanks to which we meet the main development goals set out in our strategy. Through the acquisition of the successful German company Elevion, which is one of the largest providers of complex energy services in the country, we have acquired more than 1,800 professionals as well as a key base for our operations in the dynamically growing ESCO market in Germany,” Daniel Beneš, Chairman of the Board of Directors and CEO, says.

In the field of renewable energy, ČEZ Group entered the French market by acquiring wind farm development projects with the potential of construction up to 101.8 MW. The third acquisition was the wind farm operating in Lettweiler Höhe in Germany with a capacity of 35.4 MW, which will increase the capacity of ČEZ Group in German wind farms to almost 135 MW and to nearly 770 MW across Europe.

Following the successful first half of the year, ČEZ has made an upwards adjustment of this year's outlook for EBITDA and net income. *“We have raised the full-year outlook for EBITDA to CZK 53 billion, in particular due to higher gross margin from production and trade in the Czech Republic. We have raised the full-year outlook for adjusted net income up to CZK 19 billion,”* Martin Novák, Vice-Chairman of the Board of Directors and Chief Financial Officer, says. Two positive one-off effects contributed to the good results of the first half: the overall effect of ending the ownership of MOL shares in the net income was CZK 4.6 billion and the income from the sale of real estate in Prague amounted to CZK 1.1 billion.

Electricity consumption in the ČEZ Distribuce distribution area grew by 4.2% year-on-year in the first half of the year, which equates to 4.3% after the temperature and calendar adjustment. For large customers, the increase was by 5% and for households by 3.8%, thus reflecting the good condition of the Czech economy.