

Internal Information

CEZ Group Earned CZK 11.2 Billion in H1, Up 45 Percent Year-on-Year

CEZ Group's H1 operating income before tax (EBITDA) was CZK 32.1 billion, up 19% year-on-year. Net income increased by 45% to CZK 11.2 billion. The increase is primarily due to increased realization prices of generated electricity and higher revenue from commodity trading. Net income adjusted for extraordinary effects was CZK 12.0 billion.

“Our financial performance in the first half of the year was in line with our ambitious estimates, especially thanks to additional revenue from commodity trading. We are also managing to gradually fulfill our development goals in energy services. CEZ Group's operating revenues were CZK 100 billion, increasing by CZK 13.8 billion year-on-year, ” says Daniel Beneš, Chairman of the Board of Directors and CEO of ČEZ.

Electricity generation in traditional facilities was 30.8 TWh, increasing by 4%, or 1.1 TWh, year-on-year. Generation at the Počerady CCGT plant increased thanks to favorable market conditions (+0.9 TWh). Nuclear plants generated 0.3 TWh more. Electricity generation by new energy facilities was 1.2 TWh, increasing by 19% year-on-year.

“Despite a decreased estimate of electricity generation, we confirm our ambitions at the level of financial performance for this whole year, estimating EBITDA at CZK 57 to 59 billion and net income adjusted for extraordinary effects at CZK 17 to 19 billion. CEZ Group generated operating cash flows of over CZK 27.9 billion in the first half of the year, 32% more year-on-year. Total net debt decreased by CZK 8.1 billion, ” says Martin Novák, Vice Chairman of the Board of Directors and Chief Finance Officer.

Investments in fixed assets increased by CZK 2.6 billion year-on-year to CZK 11.6 billion in the first half, with the highest sum, CZK 4.4 billion, invested in the distribution grid in Czechia. The highest year-on-year growth was in investments in traditional generating facilities, especially a greater amount of nuclear fuel procured, investments in additional environmental measures at the Mělník power plant, and investments in a project for the construction of a hot-water pipe from the Temelín Nuclear Power Plant to České Budějovice.

Electricity consumption in the distribution area of ČEZ Distribuce increased by 0.3% year-on-year; in temperature- and calendar-adjusted figures, this is 0.8%.

Following the approval of an update to CEZ Group's strategy at this June's shareholders' meeting, work on its implementation started virtually immediately. “The new strategy aims to increase our annual EBITDA by a total of CZK 10–12 billion in 2025, beyond the effect of higher prices of electricity and CO₂ emission allowances. Effective operation and development of our domestic generation portfolio, concurrent with CO₂ emission reduction, remains our top priority. Our main development priorities include modernization of our distribution grid and activities related to electricity and gas sales. Furthermore, they focus on investments in new renewables in Czechia and especially on development of energy services not only in Czechia and Germany, but also in Northern Italy, and Poland, ” sums up Pavel Cyrani, Chief Sales and Development Officer.