

**Energy industry and translation CEZ
GROUP in Central and Southeastern Europe**

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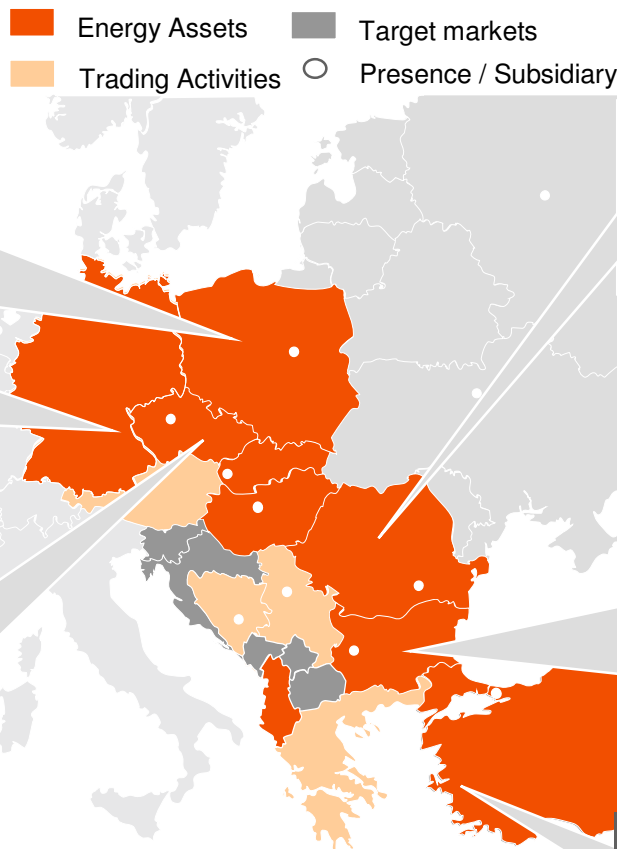


CEZ GROUP IS A STABLE INTERNATIONAL UTILITY ACTIVE IN MORE THAN 10 COUNTRIES OF CSEE

CEZ Group in Poland (99.91% stake in Skawina, 89% in Elcho)	
Electricity generation, net (TWh)	3.6
Market share	2.5%
Installed capacity (MW)	728
Market share	2.4%
Number of employees	652
Sales (EUR million)	193

CEZ Group in Germany (50% stake in MIBRAG)	
Annual coal extraction (m t)	19.0
Lignite reserves (m t)	530

CEZ Group in the Czech Republic	
Electricity sales, net (TWh)	68.2
Number of connection points (million)	3.5
Market share	45%
Installed capacity (MW)	12,303
Market share	70%
Number of employees	21,319
Sales (EUR million)	4,960



CEZ Group in Romania (51% stake in EDC Oltenia)	
Electricity sales, net (TWh)	4.3
Number of connection points (million)	1.37
Market share	16%
Number of employees	3,246
Sales (EUR million)	448

CEZ Group in Bulgaria (67% stake in 3 EDCs, 100% in TPP Varna)	
Electricity sales, net (TWh)	8.3
Number of connection points (million)	1.97
Market share	43%
Installed capacity (MW)	1,260
Market share	11.6%
Number of employees	4,872
Sales (EUR million)	605

CEZ Group in Turkey (50% stake in SEDAS through AkCez)	
Electricity sales, net (TWh)	8
Number of connection points (million)	1.3

Notes: CSSE – Central and Southeastern Europe, IFRS 2007,
Exchange rate CZK/EUR = 27.762



CEZ GROUP ENTERED BULGARIA AT THE END OF 2004 AND ACTIVELY WORKS AT THE BULGARIAN MARKET SINCE FEBRUARY 2005

- **CEZ Bulgaria** was established in the mid of year 2005 to represent CEZ Group in Bulgarian market and to coordinate the activities of all CEZ-owned companies.
- **CEZ Group** entered Bulgaria at the end of 2004 through acquisition of the three electricity distribution companies - “Sofia” EDC, “Sofia Oblast” EDC, and “Pleven” EDC

Number of customers: **1.9 million**

Total annual electricity sales: **7.8 TWh**

Number of employees in EDCs: **4 000**

In 2006 CEZ Group purchased 100% shares of
TPP Varna - **1260 MW, 700 employees.**

Acquisition of distribution in Bulgaria: 67% in three EDCs



■ Territory, covered by the distribution companies, owned by CEZ GROUP



„SOFT“ TASKS SOLVED FROM THE BEGINNING

- Overall change of the company culture
- Project management (project definitions and setting up teams)
- New motivation system
- Process management (strategy planning, customer-oriented procedures)
- Employee training and education (responsibility takeover and customer focus)



CHALLENGES

- New acquisitions
- EE market opening and liberalization, new EE market model
- Investment/technical standard in MV/LV network, reliability and quality increase
- Customer relations improvement (confidence & trust)
- Step-by-step reduction of expatriate presence (professional growth opportunity for local experts and managers)



HOW TO UNDERSTAND EACH OTHER

- To identify a really good interpreter (individual search or cooperation with associations)
- To find colleagues speaking Czech or English language (there are some former Czech university graduates)
- To study local language
- To learn about the local culture, understand country basics
- Foreign expert selection



PITFALLS TO AVOID

- Special terminology knowledge requirements (it is very different to translate history or technology)
- There are many similar words with totally different sense in various languages (direction, motion, etc.)
- There are differences between verbal and non verbal communication (YES/NO)
- Different level of knowledge and understanding of the same problem
- Different perception of the work speed and results delivery requirements



HOW TO OVERCOME PROBLEMS

- Very carefully and in detail explain or ask about the problem
- When interpreter doesn't understand/know the subject, you can't achieve good results
- Keep basic rules during translation (speak slowly and clearly, use simple language and short sentences)
- Use appropriate technical aids (presentations, projections, real life examples)
- Continuous control of the communication process
- Reach as good as possible level of the local language knowledge early on



Thank you!

NEXT