

**INDEPENDENT AUDITORS' REPORT
ON REVIEW OF THE CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD
FROM 1 JANUARY 2013 TO 31 MARCH 2013**



KPMG Audyt
Spółka z ograniczoną
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INDEPENDENT AUDITORS' REPORT
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FINANCIAL STATEMENTS
FOR THE PERIOD
FROM 1 JANUARY 2013 TO 31 MARCH 2013

To the Management Board of ENERGA SA

Introduction

We have reviewed the accompanying 31 March 2013 condensed consolidated interim financial statements of ENERGA SA Group's, with its parent company's registered office in Gdańsk Al. Grunwaldzka 472 ("the condensed consolidated interim financial statements"), which comprise:

- the condensed consolidated interim income statement for the three-month period ended 31 March 2013,
- the condensed consolidated interim statements of comprehensive income for the three-month period ended 31 March 2013,
- the condensed consolidated interim statement of financial position as at 31 March 2013,
- the condensed consolidated interim statements of changes in equity for three-month period ended 31 March 2013,
- the condensed consolidated interim statements of cash flows for three-month period ended 31 March 2013, and
- notes to the condensed consolidated interim financial statements.

Management of the Parent Entity is responsible for the preparation and presentation of this condensed consolidated interim financial statements in accordance with the IAS 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed consolidated interim financial statements, based on our review.

Scope of Review

We conducted our review in accordance with the National Standard on Auditing no. 3 *General principles of review of the financial statements/condensed financial statements and conducting of other assurance services* issued by the National Council of Certified Auditors and the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with national standards on auditing and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2013 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.

On behalf of KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k.
registration number 3546
ul. Chłodna 51, 00-867 Warsaw

.....
Zbigniew Libera
Key Certified Auditor
Registration No. 90047
Limited Liability Partner with power of attorney

April 26, 2013

FINANCIAL STATEMENTS



Energa

ENERGA SA Group

**Condensed Interim Consolidated Financial Statements prepared in accordance with IAS 34
for the 3-month period ended 31 March 2013**

TABLE OF CONTENTS

CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT	3
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	4
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION	5
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	7
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS	9
1. General information	10
2. Entities included in the Group.....	11
3. Basis for preparation of the financial statements.....	15
4. Estimates	16
5. New standards and interpretations already published, but not yet effective	16
6. Explanations regarding the seasonality and cyclicity of operations in the period under review	17
7. Significant accounting policies.....	17
8. Operating segments	18
9. Property, plant and equipment	21
10. Impairment tests for property, plant and equipment	21
11. Cash and cash equivalents	22
12. Earnings per share	22
13. Dividend.....	22
14. Provisions	23
15. Investment commitments.....	24
16. Related party transactions.....	25
17. Financial instruments.....	26
18. Contingent assets and liabilities	28
19. Information on significant events having taken place after the balance sheet date	28
20. Other information significantly affecting the assessment of assets, financial position and the financial result of the Group.....	29

CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT

	Three-month period ended 31 March 2013 (unaudited)	Three-month period ended 31 March 2012 (unaudited) (restated)
Continuing operations		
Sales of products and goods for resale including excise tax	2 038 598 689,41	2 023 984 953,49
<i>Excise tax</i>	<i>(74 952 653,42)</i>	<i>(84 884 997,79)</i>
Sales of products and goods for resale	1 963 646 035,99	1 939 099 955,70
Sales of services	957 228 347,15	954 015 578,25
Rental income	12 939 744,24	12 384 159,07
Revenue	2 933 814 127,38	2 905 499 693,02
Cost of sales	2 492 976 439,72	2 389 231 571,92
Gross profit	440 837 687,66	516 268 121,10
Other operating income	23 439 320,77	19 393 901,73
Selling and distribution expenses	70 422 243,33	62 982 243,73
General and administrative expenses	93 500 119,35	95 795 259,45
Other operating expenses	17 869 250,89	20 164 323,03
Financial income	29 373 784,52	30 976 957,39
Financial costs	68 254 655,09	50 265 257,12
Share of profit (loss) of associates	(508 906,76)	(8 799,73)
Profit before tax	243 095 617,53	337 423 097,16
Income tax	60 674 541,45	68 072 248,06
Net profit on continuing operations	182 421 076,08	269 350 849,10
Discontinued operations & non-current assets classified as held for sale		
Net loss on discontinued operations	(1 613 234,62)	-
Net profit on disposal of non-current assets classified as held for sale	-	15 198 274,34
Net profit for the period	180 807 841,46	284 549 123,44
Attributable to:		
Equity holders of the parent company	192 362 248,25	284 273 901,42
Non-controlling interests	(11 554 406,79)	275 222,02
Earnings per share (in PLN)		
- basic	0,04	0,06
- diluted	0,04	0,06

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three-month period ended 31 March 2013 (unaudited)	Three-month period ended 31 March 2012 (unaudited) (restated)
Net profit for the period	180 807 841,46	284 549 123,44
<i>Items not to be reclassified to profit or loss</i>	<i>(320 916,26)</i>	<i>(460 510,35)</i>
Actuarial gains and losses on defined benefit plans	(396 192,91)	(568 531,30)
Income tax actuarial gains and losses	75 276,65	108 020,95
<i>Items to be reclassified to profit or loss</i>	<i>138 888,40</i>	<i>(177 456,94)</i>
Foreign exchange gains / (losses) arising on translation of foreign operations	138 888,40	(177 456,94)
Net other comprehensive income	(182 027,86)	(637 967,29)
Total comprehensive income	180 625 813,60	283 911 156,15
Attributable to:		
Equity holders of the parent company	192 180 220,39	283 635 934,13
Non-controlling interests	(11 554 406,79)	275 222,02

Director of the Consolidated
Reporting Department

Marek Pertkiewicz



(date and signature)

Director of the Finance
Management Center

Aleksandra Gajda – Gryber



(date and signature)

President of the Management
Board

Mirosław Bieliński



(date and signature)

Executive Vice-President
of the Management Board
Chief Financial Officer

Roman Szyszko



(date and signature)

Executive Vice-President
of the Management Board
Strategy and Investments

Wojciech Topolnicki



(date and signature)

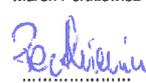
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 March 2013 (unaudited)	As at 31 December 2012
ASSETS		
Non-current assets		
Property, plant and equipment	9 976 061 724,41	10 000 916 278,54
Investment property	16 489 736,14	17 059 989,82
Intangible assets	371 561 727,60	378 562 656,81
Goodwill	28 264 217,47	28 627 373,91
Investments in associates and joint ventures accounted for under the equity method	2 245 384,85	2 580 465,79
Other investments	979 752,87	979 752,87
Deferred tax assets	220 951 744,54	209 870 367,02
Other non-current assets	59 344 572,27	58 799 100,22
	10 675 898 860,15	10 697 395 984,98
Current assets		
Inventories	279 159 240,06	376 927 918,39
Current tax assets	41 661 721,16	37 493 479,39
Trade receivables and other financial receivables	1 524 947 849,08	1 524 079 632,97
Other investments	10 556 400,00	11 381 200,00
Deposits	5 131 382,15	26 783 927,04
Other financial assets	-	3 969 018,10
Cash and cash equivalents	4 248 174 645,45	2 069 058 235,48
Other current assets	280 149 044,84	155 515 557,95
	6 389 780 282,74	4 205 208 969,32
Assets classified as held for sale	9 077 483,35	10 167 784,37
TOTAL ASSETS	17 074 756 626,24	14 912 772 738,67

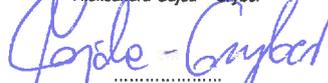
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	As at 31 March 2013 (unaudited)	As at 31 December 2012
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Parent		
Share capital	4 968 805 368,00	4 968 805 368,00
Foreign exchange gains / (losses) arising on translation	186 056,95	47 168,55
Reserve capital	471 235 040,86	471 235 040,86
Retained earnings	2 417 659 692,74	2 231 139 472,11
Non-controlling interests	38 050 216,83	47 295 416,25
Total equity	7 895 936 375,38	7 718 522 465,77
Non-current liabilities		
Loans and borrowings	1 958 933 937,47	2 026 137 871,20
Bonds issued	3 141 809 599,98	1 079 219 213,53
Non-current provisions	722 871 488,26	710 785 797,70
Deferred tax liabilities	527 846 948,34	519 686 227,18
Deferred income and non-current government grants	454 422 804,58	456 009 751,82
Trade and other non-current financial liabilities	328 744,65	1 716 671,65
Finance lease liabilities	4 111 819,12	7 293 035,79
Other non-current liabilities	1 643 969,93	612 677,83
	6 811 969 312,33	4 801 461 246,70
Current liabilities		
Trade and other financial liabilities	866 434 744,90	880 270 916,59
Current loans and borrowings	257 056 255,91	389 638 937,15
Bonds issued	17 680 811,60	-
Income tax liability	12 817 146,58	34 661 674,59
Deferred income and government grants	30 683 639,56	28 932 720,91
Accruals	68 401 381,64	117 765 024,23
Provisions	521 287 590,58	555 345 320,17
Other current liabilities	592 489 367,76	386 174 432,56
	2 366 850 938,53	2 392 789 026,20
Total liabilities	9 178 820 250,86	7 194 250 272,90
TOTAL EQUITY AND LIABILITIES	17 074 756 626,24	14 912 772 738,67

Director of the Consolidated
Reporting Department
Marek Pertkiewicz


(date and signature)

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Aleksandra Gajda – Gryber

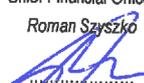

(date and signature)

President of the Management
Board

Miroslaw Bialinski


(date and signature)

Executive Vice-President
of the Management Board
Chief Financial Officer
Roman Szyszko


(date and signature)

Executive Vice-President
of the Management Board
Strategy and Investments
Wojciech Topolnicki


(date and signature)

Condensed Interim Consolidated Financial Statements
as at and for the period ended 31 March 2013 (in PLN)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to equity holders of the parent company					Non-controlling interests	Total equity
	Share capital	Foreign exchange gains / (losses) arising on translation	Reserve capital	Retained earnings	Total		
As at 1 January 2013	4 968 805 368,00	47 168,55	471 235 040,86	2 231 139 472,11	7 671 227 049,52	47 295 416,25	7 718 522 465,77
Actuarial gains and losses on defined benefit plans	-	-	-	(320 916,26)	(320 916,26)	-	(320 916,26)
Foreign exchange gains / (losses) arising on translation	-	138 888,40	-	-	138 888,40	-	138 888,40
Profit for the period	-	-	-	192 362 248,25	192 362 248,25	(11 554 406,79)	180 807 841,46
Total comprehensive income for the period	-	138 888,40	-	192 041 331,99	192 180 220,39	(11 554 406,79)	180 625 813,60
Retained earnings distribution	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(1 755 096,60)	(1 755 096,60)
Purchase and disposal of shares in subsidiaries	-	-	-	(5 521 111,36)	(5 521 111,36)	4 064 303,97	(1 456 807,39)
As at 31 March 2013 (unaudited)	4 968 805 368,00	186 056,95	471 235 040,86	2 417 659 692,74	7 857 886 158,55	38 050 216,83	7 895 936 375,38

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Equity attributable to equity holders of the parent company					Non-controlling interests	Total equity
	Share capital	Foreign exchange gains / (losses) arising on translation	Reserve capital	Retained earnings	Total		
As at 1 January 2012 (restated)	4 968 805 368,00	283 467,20	362 500 154,89	2 494 195 354,73	7 825 784 344,82	59 726 065,92	7 885 510 410,74
Actuarial gains and losses on defined benefit plans	-	-	-	(460 510,35)	(460 510,35)	-	(460 510,35)
Foreign exchange gains / (losses) arising on translation	-	(177 456,94)	-	-	(177 456,94)	-	(177 456,94)
Profit for the period	-	-	-	284 273 901,42	284 273 901,42	275 222,02	284 549 123,44
Total comprehensive income for the period	-	(177 456,94)	-	283 813 391,07	283 635 934,13	275 222,02	283 911 156,15
Purchase of shares in subsidiaries	-	-	-	-	-	35 000,00	35 000,00
As at 31 March 2012 (unaudited, restated)	4 968 805 368,00	106 010,26	362 500 154,89	2 778 008 745,80	8 109 420 278,95	60 036 287,94	8 169 456 566,89

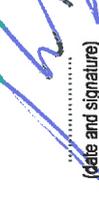
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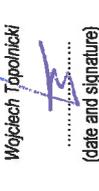
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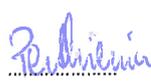
Executive Vice-President of the Management Board
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.....
(date and signature)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Three-month period ended 31 March 2013 (unaudited)	Three-month period ended 31 March 2012 (unaudited) (restated)
Cash flows from operating activities		
Profit before tax	243 095 617,53	337 423 097,16
Adjustments for:	550 319 404,31	(225 616 660,15)
Profits from investments in associates and joint ventures accounted for under the equity method	508 906,76	8 799,73
Foreign currency gains/(losses)	138 888,40	(177 456,94)
Amortisation and depreciation	189 550 388,67	174 515 268,04
Net interest and dividends	29 936 995,12	27 042 751,22
(Profit)/Loss on investing activities	125 179 464,28	938 803,89
Change in receivables	75 105 719,25	2 430 763,21
Change in inventories	92 518 557,10	59 370 822,59
Change in payables excluding loans and borrowings	293 148 886,79	(230 087 483,22)
Change in prepayments and accruals	(231 862 212,15)	(210 053 784,92)
Change in provisions	(21 972 039,03)	(49 036 612,45)
Other	(1 934 150,88)	(568 531,30)
Income tax paid	(89 607 967,58)	(31 391 634,70)
Net cash from operating activities	703 807 054,26	80 414 802,31
Cash flows from investing activities		
Disposal of property, plant and equipment and intangible assets	6 277 817,10	3 045 646,55
Purchase of property, plant and equipment and intangible assets	(346 475 468,37)	(496 968 001,70)
Disposal of shares in associates	-	8 067 360,00
Disposal of other financial assets	25 624 915,82	11 225 370,00
Acquisition of other investments	-	(57 064,41)
Disposal of subsidiary	1 450 000,00	-
Acquisition of subsidiary, net of cash acquired	(10 750 000,00)	-
Interest received	738 707,90	23 701,05
Net cash used in investing activities	(323 134 027,55)	(474 662 988,51)
Cash flows from financing activities		
Proceeds from bonds issued	2 088 700 000,00	-
Payment of finance lease liabilities	(4 368 622,80)	(346 139,24)
Proceeds from loans and borrowings	863 443,68	186 571 334,23
Repayment of loans and borrowings	(203 027 524,73)	(1 399 890,60)
Dividends paid	(793 825,44)	(20 571,57)
Interest paid	(48 043 540,88)	(34 303 976,06)
Other	(3 082 208,25)	(180 351,13)
Net cash from financing activities	1 830 247 721,58	150 320 405,63
Net increase /(decrease) in cash and cash equivalents	2 210 920 748,29	(243 927 780,57)
Cash and cash equivalents at the beginning of the period	2 029 373 489,48	1 755 541 116,52
Cash and cash equivalents at the end of the period	4 240 294 237,77	1 511 613 335,95

Director of the Consolidated
Reporting Department
Marek Pertkiewicz


(date and signature)

Director of the Finance
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Aleksandra Gajda - Gryber


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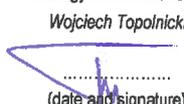
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Strategy and Investments
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(date and signature)

ACCOUNTING PRINCIPLES (POLICIES) AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

ENERGA SA Group (the "Group") consists of ENERGA Spółka Akcyjna (the "Parent Company", the "Company") and its subsidiaries (see Note 2). These condensed interim consolidated financial statements cover the period from 1 January to 31 March 2013 and include comparative information for the year ended 31 December 2012 for the condensed interim statement of financial position and for the period from 1 January to 31 March 2012 for the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity.

The Parent Company is entered in the Register of Entrepreneurs of the National Court Register held by the District Court Gdańsk-Północ, 7th Commercial Division of the National Court Register under number KRS 0000271591.

The Parent Company's statistical number is REGON 220353024.

The primary activities of the Group companies are as follows:

1. distribution and sales of electricity and heat,
2. production of electricity and heat,
3. trade in electricity,
4. street and road lighting.

As at 31 March 2013, the Polish State Treasury is the Company's parent.

2. Entities included in the Group

As at 31 March 2013, the Group consists of ENERGA Spółka Akcyjna and the following companies:

a) Subsidiaries:

No.	Company name	Registered office	Scope of operations	The company's share capital	Share of ENERGA SA	Share of ENERGA SA Group	Share of ENERGA SA Group
				[PLN]	in the share capital [%]	in the share capital [%]	in the total number of votes [%]
1	ENERGA – OPERATOR SA	Gdańsk	energy distribution	603,301,400.00	99.75	99.75	99.75
2	ENERGA Elektrownie Ostrołęka SA	Ostrołęka	energy production	223,000,000.00	89.38	89.38	89.38
3	ENERGA Kogeneracja Sp. z o.o. ¹⁾	Elbląg	energy production	141,977,500.00	78.07	97.67	100.00 ²⁾
4	ENERGA – OBRÓT SA	Gdańsk	electric energy trade	368,160,239.00	100.00	100.00	100.00
5	ENERGA Invest SA	Gdańsk	investment project management	3,250,000.00	100.00	100.00	100.00
6	ENERGA Obsługa i Sprzedaż Sp. z o.o.	Gdańsk	customer service	811,000.00	-	100.00	100.00
7	ENERGA Centrum Usług Wspólnych Sp. z o.o.	Gdańsk	accounting and payroll services	4,052,000.00	100.00	100.00	100.00
8	ENERGA Hydro Sp. z o.o. ⁹⁾	Straszyn	energy production	265,039,500.00	100.00	100.00	100.00
9	ENERGA Oświetlenie Sp. z o.o.	Sopot	lighting services	191,621,500.00	-	100.00	100.00
10	Międzynarodowe Centrum Szkolenia Energetyki Sp. z o.o. in liquidation	Straszyn	hotel and training services	31,966,000.00	100.00	100.00	100.00
11	ENERGA Elektrociepłownia Kalisz S.A.	Kalisz	energy production	16,456,000.00	-	100.00	100.00
12	Energetyka Kaliska – Usługi Techniczne Sp. z o.o.	Kalisz	contracting and designing	1,712,000.00	-	99.75	100.00 ²⁾
13	ENERGA – OPERATOR Produkcja Sp. z o.o.	Kalisz	manufacture of power equipment	813,000.00	-	99.75	100.00 ²⁾
14	Multiserwis Sp. z o.o. in liquidation	Kalisz	transport and real estate management	914,000.00	-	96.04	96.28 ²⁾
15	Zakład Budownictwa Energetycznego Sp. z o.o.	Koszalin	contracting and designing	27,980,000.00	-	99.75	100.00 ²⁾
16	Zakład Transportu Energetyki Sp. z o.o. in liquidation	Koszalin	renting and servicing of vehicles	2,178,000.00	-	99.75	100.00 ²⁾
17	ENERGA – OPERATOR Techniczna Obsługa Odbiorców Sp. z o.o.	Koszalin	technical customer service	220,000.00	-	99.75	100.00 ²⁾

ENERGA SA Group

Condensed Interim Consolidated Financial Statements
as at and for the period ended 31 March 2013 (in PLN)



No.	Company name	Registered office	Scope of operations	The company's share capital	Share of ENERGA SA in the share capital	Share of ENERGA SA Group in the share capital	Share of ENERGA SA Group in the total number of votes
				[PLN]	[%]	[%]	[%]
18	Zakład Energetyczny Plock - Dystrybucja Zachód Sp. z o.o. in liquidation	Sierpc	network operation and investment projects	757,500.00	-	99.75	100.00 ²⁾
19	ENERGA – OPERATOR Eksploatacja i Inwestycje Plock Sp. z o.o.	Plock	network operation and investment projects	909,500.00	-	99.75	100.00 ²⁾
20	ENERGA Bio Sp. z o.o. ³⁾	Pruszcz Gdański	investment project management	14,125,000.00	100.00	100.00	100.00
21	ZEP - Centrum Wykonawstwa Specjalistycznego Sp. z o.o.	Plock	contracting and designing	456,500.00	-	99.75	100.00 ²⁾
22	ZEP - MOT Sp. z o.o.	Plock	sale and repair of motor vehicles	5,292,000.00	100.00	100.00	100.00
23	Zakład Energetyczny Plock - Centrum Handlowe Sp. z o.o.	Plock	procurement	1,075,500.00	-	99.75	100.00 ²⁾
24	ENERGA – OPERATOR Projektowanie Sp. z o.o.	Plock	contracting and designing	381,500.00	-	99.75	100.00 ²⁾
25	Przedsiębiorstwo Wielobranżowe Energetyki „ELEKTROINSTAL” Sp. z o.o.	Raciąż	contracting and designing	244,000.00	-	99.75	100.00 ²⁾
26	KONGRES Sp. z o.o. in liquidation	Nowe Rumunki	hotel and training services	550,000.00	100.00	100.00	100.00
27	ZEP - AUTO Sp. z o.o.	Plock	sale and repair of motor vehicles	50,000.00	-	100.00	100.00
28	ENERGETYK Sp. z o.o. in liquidation	Żychlin	contracting and designing	220,000.00	-	99.75	100.00 ²⁾
29	Przedsiębiorstwo Budownictwa Elektroenergetycznego ENBUD Słupsk Sp. z o.o.	Słupsk	contracting and designing	300,000.00	-	99.75	100.00 ²⁾
30	Zakład Transportu Energetyki ENTRANS Słupsk Sp. z o.o. in liquidation	Słupsk	sale of motor vehicles	2,500,000.00	-	99.75	100.00 ²⁾
31	Zakład Energetyczny Toruń - ENERGOHANDEL Sp. z o.o.	Toruń	procurement	8,010,000.00	-	99.75	100.00 ²⁾
32	Elektrownia Wodna we Włocławku Sp. z o.o. in liquidation ³⁾	Włocławek	energy production	-	-	-	-
33	ENERGA SLOVAKIA s.r.o.	Bratislava	electric energy trade	EUR 339,833.00	-	100.00	100.00

No.	Company name	Registered office	Scope of operations	The company's share capital	Share of ENERGA SA in the share capital	Share of ENERGA SA Group in the share capital	Share of ENERGA SA Group in the total number of votes
				[PLN]	[%]	[%]	[%]
34	ENERGA OPEC Sp. z o.o.	Ostrołęka	heat and energy distribution	13,919,000.00	-	99.91	99.91
35	Ekologiczne Materiały Grzewcze Sp. z o.o.	Gdańsk	biomass production	6,330,000.00	100.00	100.00	100.00
36	Elektrownia Ostrołęka SA	Ostrołęka	contracting and designing	395,100,000.00	100.00	100.00	100.00
37	ENERGA Innowacje Sp. z o.o. ⁴⁾	Gdańsk	organisation and management of innovative power project developments	10,002,000.00	50.01	99.94	100.00 ²⁾
38	ENERGA Serwis Sp. z o.o.	Ostrołęka	repairs and maintenance services	14,200,000.00	14.08	94.64	100.00 ²⁾
39	ENERGA Informatyka i Technologie Sp. z o.o.	Gdańsk	ICT	35,343,500.00	100.00	100.00	100.00
40	ENERGA Agregator Sp. z o.o.	Gdańsk	electric energy trade	5,000,000.00	-	100.00	100.00
41	ENERGA – OPERATOR Eksploatacja i Inwestycje Słupsk Sp. z o.o.	Słupsk	network operation and investment projects	6,900,000.00	-	99.75	100.00 ²⁾
42	ENERGA – OPERATOR Eksploatacja i Inwestycje Kalisz Sp. z o.o.	Kalisz	network operation and investment projects	5,600,000.00	-	99.75	100.00 ²⁾
43	ENERGA – OPERATOR Eksploatacja i Inwestycje Toruń Sp. z o.o.	Toruń	network operation and investment projects	6,100,000.00	-	99.75	100.00 ²⁾
44	ENERGA – OPERATOR Eksploatacja i Inwestycje Elbląg Sp. z o.o. ⁵⁾	Elbląg	network operation and investment projects	7,900,000.00	-	99.75	100.00 ²⁾
45	ENERGA – OPERATOR Eksploatacja i Inwestycje Gdańsk Sp. z o.o.	Gdańsk	network operation and investment projects	7,100,000.00	-	99.75	100.00 ²⁾
46	AEGIR 1 Sp. z o.o.	Gdańsk	energy production	50,000.00	-	100.00	100.00
47	AEGIR 2 Sp. z o.o.	Gdańsk	energy production	50,000.00	-	100.00	100.00
48	AEGIR 3 Sp. z o.o.	Gdańsk	energy production	50,000.00	-	100.00	100.00
49	AEGIR 4 Sp. z o.o.	Gdańsk	energy production	50,000.00	-	100.00	100.00

No.	Company name	Registered office	Scope of operations	The company's share capital	Share of ENERGA SA in the share capital	Share of ENERGA SA Group in the share capital	Share of ENERGA SA Group in the total number of votes
				[PLN]	[%]	[%]	[%]
50	AEGIR 5 Sp. z o.o. ⁶⁾	Gdańsk	energy production	7,550,000.00	99.34	100.00	100.00
51	ENERGA Finance AB ⁷⁾	Stockholm	financing activities	EUR 2,000,000.00	100.00	100.00	100.00
52	RGK Sp. z o.o.	Gdańsk	financing activities	5,000.00	100.00	100.00	100.00
53	Breva Sp. z o.o. ⁸⁾	Szczecin	energy production	1,350,000.00	100.00	100.00	100.00
54	Zakład Energetyki Ciepłej w Żychlinie Sp. z o.o.	Żychlin	heat and energy distribution	2,458,300.00	-	97.67	100.00 ²⁾
55	Elektrownia CCGT Gdańsk Sp. z o.o.	Gdańsk	energy production	19,500,000.00	100.00	100.00	100.00
56	Elektrownia CCGT Grudziądz Sp. z o.o.	Grudziądz	energy production	18,000,000.00	100.00	100.00	100.00

1) The share capital increase by PLN 48.5 million, in return for the in-kind contribution in the form of shares of ENERGA Elektrociepłownia Kalisz S.A and ENERGA OPEC Sp. z o.o. and cash contribution by ENERGA SA and ENERGA Elektrownie Ostrołęka SA was not registered in the National Court Register as at the balance sheet date.

2) The Group's share in the total number of votes is greater than its share in equity due to indirect shareholdings.

3) On 27 February 2013 the company was deregistered from the National Court Register.

4) On 27 March 2013 the share capital increase of PLN 5 million was registered in the National Court Register. The newly created shares were subscribed for by ENERGA SA.

5) On 26 March 2013 the share capital increase of PLN 7.85 m was registered in the National Court Register. The newly created shares were subscribed for by ENERGA – OPERATOR SA.

6) On 5 March 2013 the share capital increase by PLN 7.5 million in return for a cash contribution by ENERGA SA was registered in the National Court Register.

7) On 13 February 2013 the share capital increase by EUR 235,000.00 was registered. In addition, on 27 March 2013 the share capital increase of EUR 1.7 million was registered. The newly created shares were subscribed for by ENERGA SA.

8) On 16 April 2013 the share capital increase of PLN 1.3 million was registered in the National Court Register. The new shares were subscribed for by ENERGA SA.

9) On 4 April 2013 the merger of ENERGA Bio and ENERGA Hydro was registered in the National Court Register.

b) associated entities accounted for under the equity method

No.	Company name	Registered office	Scope of operations	The company's share capital	Share of ENERGA SA in the share capital	Share of ENERGA SA Group in the share capital	Share of ENERGA SA Group in the total number of votes
				[PLN]	[%]	[%]	[%]
1	Oświetlenie Uliczne i Drogowe Sp. z o.o.	Kalisz	lighting services	73,010,000.00	42.20	42.20	42.20
2	SOEN Sp. z o.o.	Grudziądz	hotel and administration services	1,000,000.00	48.50	48.50	48.50
3	Słupskie Towarzystwo Koszykówki Sportowa S.A.	Słupsk	sports activities	513,500.00	0.00	40.90	40.90
4	Bio - Power Sp. z o.o.	Międzyrzec Podlaski	energy production	2,139,900.00	0.00	25.00	25.00

Disposals of shares

On 4 January 2013 the subsidiary, ENERGA Bio Sp. z o.o., sold all its shares in Biogazownia Starogard Sp. z o.o. constituting 90% of the share capital of that company.

Liquidation

On 27 February 2013 Elektrownia Wodna we Włocławku Sp. z o.o. in liquidation was deregistered from the National Court Register which completed the process of its liquidation.

3. Basis for preparation of the financial statements

These condensed interim consolidated financial statements have been prepared on the historical cost basis except for financial instruments measured at fair value through profit or loss.

These condensed interim consolidated financial statements are presented in zloty ("PLN"), and all amounts are stated in PLN, unless otherwise indicated.

These condensed interim consolidated financial statements have been prepared based on the assumption that the Group will continue as a going concern in the foreseeable future. As at the date of approval of these financial statements there is no evidence indicating that the continuation of the Group's business activities as a going concern may be at risk.

3.1. Statement of compliance

These condensed interim consolidated financial statements of ENERGA SA Group have been prepared in accordance with the International Accounting Standard 34 "Interim financial reporting", as adopted by the European Union.

3.2. Functional and presentation currency

The functional currency of the Parent and other companies covered by these condensed interim consolidated financial statements and the presentation currency of these condensed interim consolidated financial statements is the Polish zloty. For ENERGA SLOVAKIA s.r.o. and ENERGA Finance AB the presentation currency of their individual financial statements is euro. For the purpose of these financial statements, the underlying accounts of the above-mentioned companies have been translated into PLN at the following rates: assets and liabilities, except capitals - exchange rates at the reporting date; equity - exchange rates at the date of transaction, and income and expenses - average exchange rates for the given financial period.

The following exchange rates were used for statement of financial position valuation purposes:

Exchange rate on the last day of the period		
Currency	31 March 2013	31 December 2012
EURO	4,1774	4,0882

The weighted average exchange rates for each individual reporting periods are as follows:

Average exchange rate in the period		
Currency	1 January - 31 March 2013	1 January - 31 March 2012
EURO	4,1738	4,1750

4. Estimates

During the periods covered by these condensed interim consolidated financial statements no changes in the methods used in determining significant estimates occurred. Changes of estimates resulted from events that occurred during the reporting periods.

The preparation of the condensed interim consolidated consolidated financial statements in accordance with the International Accounting Standard 34 "Interim financial reporting", as adopted by the European Union requires the Management Board to adopt certain assumptions and estimates that affect the application of accounting policies and the amounts reported in these condensed interim consolidated financial statements and notes thereto. The assumptions and estimates are based on the Management Board's best knowledge of current and future activities and events. However, actual results may differ from those anticipated. After 31 December 2012 there were no significant events that would result in the estimates as at 31 December 2012 being inappropriate or distorted.

5. New standards and interpretations already published, but not yet effective

The following standards and interpretations were already published by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee, but did not yet become effective until the date of approval of these financial statements (were not adopted by the EU):

- IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2015),
- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" - mandatory effective date and transitional provisions,
- Amendments to IFRS 10 "Consolidated Financial Statements", IFRS 12 "Disclosure of Interests in Other Entities" and IAS 27 "Separate Financial Statements" - investment entities (effective for annual periods beginning on or after 1 January 2014),

When approving these financial statements the Group did not apply the following standards, amendments to standards and interpretations that were published and adopted by the EU but did not yet become effective:

- Amendments to IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities" - explanations on transitional provisions (effective for annual periods beginning on or after 1 January 2013),
- IFRS 10 "Consolidated Financial Statements", adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014),
- IFRS 11 "Joint Arrangements", adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014),
- IFRS 12 "Disclosure of Interests in Other Entities", adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014),
- IAS 27 (revised in 2011) "Separate Financial Statements", adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014),
- IAS 28 (revised in 2011) "Investments in Associates and Joint Ventures", adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014),

- Amendments to IAS 32 "Financial Instruments: Presentation" - Offsetting financial assets and financial liabilities, adopted by the EU on 13 December 2012 (effective for annual periods beginning on or after 1 January 2014).

The Management Board does not expect the aforementioned standards and interpretations to have a material impact on the financial statements.

6. Explanations regarding the seasonality and cyclicity of operations in the period under review

Sales of electric energy and heat during the year are subject to seasonal fluctuations. Energy sales rise during the winter months and fall in the summer months. It depends on the ambient temperature and length of the day. The extent of fluctuations is determined by low temperatures and shorter days in winter and higher temperatures and longer days in summer. The seasonal nature of electric energy sales applies to a much greater extent to small individual customers than to industrial sector clients. Observations from previous years indicate that, mainly due to weather conditions as well as market conditions associated with the contracting processes, ENERGA SA Group usually produces better results in the first half of the year.

7. Significant accounting policies

When preparing these condensed interim consolidated financial statements the same generally accepted accounting principles were applied as the ones used when compiling the annual consolidated financial statements for the year ended 31 December 2012, except for amendments to standards and interpretations adopted by the EU which are effective for accounting periods beginning on or after 1 January 2013.

For annual periods beginning on or after 1 January 2013, the following new standards and interpretations apply, as adopted by the EU, and the Group took them into account in the preparation of these condensed interim consolidated financial statements:

- Amendments to IAS 1 "Presentation of Financial Statements" - Presentation of items of other comprehensive income, adopted by the EU on 5 June 2012 (effective for annual periods beginning on or after 1 July 2012),
- Amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards" - Government loans, adopted by the EU on 4 March 2013 (effective for annual periods beginning on or after 1 January 2013),
- Amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards" - Strong hyperinflation and removal of fixed dates for first-time adopters, adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2013),
- Amendments to IFRS 7 "Financial Instruments: Disclosures" - Offsetting financial assets and financial liabilities, adopted by the EU on 13 December 2012 (effective for annual periods beginning on or after 1 January 2013),
- Amendments to IAS 12 "Income Taxes" - Deferred tax: recovery of underlying assets, adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2013),
- IFRS 13 "Fair Value Measurement", adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2013),
- IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine", adopted by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2013).

The application of these changes had no significant effect on the financial position or operating results of the Group, or on the scope of information presented in these condensed interim consolidated financial statements of the Group.

The Group has not early adopted any standard, interpretation or amendment that was issued but is not effective.

8. Operating segments

The Group's internal and external reporting system is essentially based on industry segments. The Group's organisation and management are divided into segments, taking into account the nature of the products and services.

The Group distinguishes the following business segments: distribution of electricity, renewable energy sources, baseload power plants, CHP, sales, services and others.

In the sales segment, the Group changed the presentation of revenues and expenses related to the sale of electricity distribution services to end users. In the previous year, the Group presented expenses and revenues of the sales segment in relation to such services on a gross basis whereas since 2013 they are set off. In accordance with this change, revenues of the distribution segment from the sale of electricity distribution to the sales segment were accounted for as sales to external customers and the value of eliminated sales revenues between segments was adjusted.

EBITDA is calculated as sum of: profit/(loss) on continuing operations before tax and finance income/expense, depreciation and amortization.

The tables below show the breakdown of revenues and expenses for the period from 1 January to 31 March 2013 and the assets and liabilities as at 31 March 2013 assigned to individual segments, together with comparative data restated according to the new presentation policy, as described above.

Condensed Interim Consolidated Financial Statements
as at and for the period ended 31 March 2013 (in PLN)

	Three-month period ended 31 March 2013		Distribution of electricity	Sales	CHP	System power plants	Renewable energy sources	Services	Other	Total	Consolidation and adjustments		Total activity
	or as at 31 March 2013 (unaudited)	or as at 31 March 2013 (unaudited)									eliminations and adjustments	adjustments	
Revenue													
Sales to external clients	918 040 908,62	1 727 788 219,90		52 458 868,05		165 659 247,17	48 986 959,07	15 205 218,58	5 674 705,99	2 933 814 127,38			2 933 814 127,38
Inter-shipment sales	17 222 799,37	125 557 795,61		9 469 948,14		46 011 280,13	55 980 858,05	124 980 978,43	12 748 104,93	391 981 764,66		(391 981 764,66)	
Total segment revenues	935 263 707,99	1 853 346 015,51		61 928 816,19		211 670 527,30	104 977 817,12	140 186 197,01	18 422 810,92	3 325 795 892,04		(391 981 764,66)	2 933 814 127,38
EBITDA	400 292 316,85	100 959 051,29		11 771 712,97		(122 719 054,78)	89 540 870,24	9 381 505,94	(15 689 573,91)	479 105 628,60		(1 180 845,07)	478 025 783,53
Profit/(loss) on continuing operations before tax and finance income/expense	239 337 610,89	94 039 295,06		9 444 298,33		(138 872 141,37)	82 802 335,88	5 401 508,41	(18 306 925,44)	275 645 979,56		8 839 415,30	282 485 394,86
Net finance income/expense	(39 487 000,33)	11 659 407,34		307 862,20		(2 291 615,92)	(488 764,78)	(35 346,48)	600 867 764,58	570 542 306,61		(609 423 177,18)	(38 880 870,57)
Share of profit/(loss) of associates													(508 506,76)
Profit/(loss) before tax	189 850 610,56	105 708 702,40		9 752 160,53		(139 163 757,29)	82 113 570,90	5 366 159,93	592 580 839,14	848 188 286,17		(603 932 668,64)	243 085 617,53
Income tax	51 059 740,84	16 960 027,87		1 427 200,98		(23 734 487,54)	15 433 378,56	1 851 633,31	199 812,85	59 197 296,87		771 244,58	60 674 541,45
Net loss on discontinued operations and disposal of assets classified as held for sale									(1 613 234,62)	(1 613 234,62)			(1 613 234,62)
Net profit/(loss) for the period	148 790 869,72	89 048 674,53		8 324 959,55		(112 429 258,75)	66 680 192,34	3 514 526,62	580 747 791,67	764 677 754,88		(603 932 668,64)	160 807 841,48
Assets and liabilities													
Cash and cash equivalents	769 574 252,86	380 128 859,03		80 000 749,90		55 656 752,25	61 948 834,76	60 067 445,98	2 840 805 987,91	4 249 183 912,69		(9 267,24)	4 248 174 645,45
Total assets	11 019 399 289,27	2 341 535 972,75		458 423 274,32		843 008 250,95	801 892 338,80	321 988 698,90	11 459 287 134,68	27 045 784 857,47		(9 971 008 331,23)	17 074 756 628,24
Financial liabilities	3 014 097 748,42	2 214 476,89		133 234 601,03		123 270 170,83	86 176 384,49	1 516 900,66	5 442 595 834,39	8 803 106 116,71		(3 427 625 511,75)	5 375 480 604,96
Total liabilities	5 494 332 502,95	1 333 205 310,30		220 923 543,35		394 194 463,43	432 908 031,22	170 024 521,79	5 762 079 575,39	13 527 857 968,43		(4 348 837 717,57)	9 178 820 250,86
Other segment information													
Capital expenditure	234 388 479,48	1 673 190,68		21 990 127,42		15 641 282,36	14 875 951,17	3 613 683,73	5 659 814,04	297 902 538,88		(6 015 860,12)	291 886 678,76
Depreciation	160 954 705,96	6 559 756,23		2 327 414,64		14 153 066,59	6 938 334,56	3 979 899,53	2 637 351,53	197 550 645,04		(8 000 260,37)	189 550 384,67
Impairment loss of property, plant and equipment and intangible assets	167 859,01	-		40 946,58		123 432 000,00	-	-	(1 427,68)	123 639 377,91		-	123 639 377,91

**Condensed Interim Consolidated Financial Statements
as at and for the period ended 31 March 2013 (in PLN)**

Three-month period ended 31 March 2012 (unaudited, restated) or as at 31 December 2012	Distribution of electricity	Sales	CHP	System power plants	Renewable energy sources	Services	Other	Total	Consolidation eliminations and adjustments	Total activity
Revenue										
Sales to external clients	921 190 781,82	1 717 045 643,25	46 039 346,22	135 699 475,29	61 126 372,09	14 637 311,48	9 762 762,87	2 905 696 693,02	-	2 905 696 693,02
Inter-assignment sales	18 659 390,93	167 695 524,63	9 599 336,30	119 103 922,78	42 987 330,98	124 065 325,61	17 359 772,90	499 061 595,73	-	499 061 595,73
Total segment revenues	939 830 182,75	1 884 741 167,88	55 637 684,52	253 803 398,07	104 112 702,77	139 323 637,09	27 122 535,67	3 404 861 288,75	(499 061 595,73)	2 905 489 693,02
EBITDA										
Profit/(loss) on continuing operations before tax and finance income/expense	365 661 037,15	77 302 339,03	9 624 476,66	9 695 652,48	83 153 359,71	(122 151,89)	(13 065 265,24)	532 459 487,81	(1 224 023,15)	531 235 464,66
Net finance income/expense	218 475 394,40	71 305 964,69	7 618 110,38	(4 373 431,31)	74 346 293,44	(2 298 135,31)	(15 246 356,83)	346 028 839,36	6 893 357,26	353 720 196,62
Share of profit/(loss) of associates	(28 696 389,88)	8 949 914,26	169 871,63	(627 069,91)	4 880 540,00	563 669,46	(910 619,85)	(15 631 064,29)	(3 657 235,44)	(19 288 299,73)
Profit/(loss) before tax	189 809 004,52	80 254 878,85	7 787 982,01	(5 000 501,22)	79 235 833,44	(1 734 445,85)	(18 158 976,88)	334 185 775,07	3 227 322,09	337 423 097,16
Income tax	28 405 792,69	15 796 068,79	943 714,66	4 168 232,83	15 189 767,98	961 454,83	330 849,26	65 795 881,14	2 276 966,92	68 072 248,06
Net loss on discontinued operations and disposal of assets classified as held for sale	-	-	-	-	-	-	15 198 274,34	15 198 274,34	-	15 198 274,34
Net profit/(loss) for the period	161 403 211,83	64 458 810,06	6 844 267,35	(9 168 734,05)	64 046 065,46	(2 695 900,78)	(1 289 551,60)	283 588 188,27	950 955,17	284 549 123,44
Assets and liabilities										
Cash and cash equivalents	702 427 041,75	247 757 029,93	89 104 242,23	61 195 290,40	246 300 074,14	31 891 536,00	690 389 021,03	2 069 068 235,48	-	2 069 068 235,48
Total assets	11 245 093 616,59	2 387 365 718,19	446 716 921,87	1 016 330 218,03	738 446 674,87	335 057 535,74	9 389 415 260,64	25 556 425 956,03	(10 643 853 227,36)	14 812 772 738,67
Financial liabilities	3 058 362 720,58	2 365 356,25	143 036 967,09	144 629 869,24	90 600 406,45	1 504 138,21	4 015 478 317,38	7 455 878 762,20	(3 950 882 740,32)	3 404 986 021,88
Total liabilities	9 524 907 399,53	1 358 496 874,32	210 940 295,32	439 244 590,30	188 555 761,18	192 131 325,45	4 357 223 049,88	12 241 301 295,08	(5 047 251 022,19)	7 194 250 272,90
Other segment information										
Capital expenditure	311 555 855,44	2 481 806,68	23 429 257,74	53 549 874,74	11 709 802,59	18 553 533,35	6 655 159,46	427 435 290,00	1 570 048,45	429 005 338,45
Depreciation	147 185 642,75	5 996 374,44	2 006 366,18	14 269 083,80	8 608 106,27	2 175 983,42	2 191 081,59	182 632 646,45	(9 117 380,41)	174 515 266,04
Impairment/loss of property, plant and equipment and intangible assets	-	-	32 832,59	(92 469,67)	-	(3 331,30)	-	(62 958,38)	-	(62 958,38)

9. Property, plant and equipment

In the current reporting period, the Group:

- incurred capital expenditures on property, plant and equipment and property, plant and equipment under construction in the amount of PLN 278.7 m,
- sold and liquidated property, plant and equipment with a total value of PLN 7 m,
- recognised an impairment write-off on property, plant and equipment in the amount of PLN 123.6 m.

10. Impairment tests for property, plant and equipment

In view of the evidence found in relation to the CGU Power Plant B (system power plants segment) indicating a possible decrease in the recoverable value of property, plant and equipment of the CGU as at 31 March 2013 impairment tests were carried out using projections for the period IV 2013-2017.

The test for impairment was performed taking into account, among others, the following assumptions:

- paths for electricity prices for the period 2013-2020, taking into account, among others, fuel costs, costs of CO2 allowances and the impact of the balance of demand and supply of electricity in the market, paths for prices of certificates of origin, on the basis of latest available report prepared by an independent agency for the Polish market as at 31 December 2012,
- CO2 emission limits for the period 2013-2020 as reported in the Polish government's derogation statement sent to the European Commission,
- volumes of production from renewable energy sources and combined heat and power sources resulting from production capacities,
- maintaining the production capacities of the existing fixed assets following replacement investments.

The test was performed using the income method, determining the recoverable value based on the discounted value of estimated cash flows from operating activities. The calculations were carried out based on the summarised financial projections for the period IV 2013-2017 and the residual value.

For the purpose of the calculations, the discount rate equal to the weighted average cost of capital (WACC) – at 8.45% before tax, taking into account the risk-free rate (based on the yield on 10-year Treasury bonds - at 3.9%) and the risk premium for the relevant activities of the energy sector (5.5 %) were applied. The growth rate used to extrapolate cash flow projections beyond the period covered by detailed planning was adopted at the level of 2.0%, which does not exceed the average long-term inflation growth rates in Poland.

Macroeconomic and sectoral assumptions adopted for the projections are updated as often as indications requiring their change are observed on the market.

The performed sensitivity analyses show that the most important factors affecting the estimate of the value in use of cash generating units are projected wholesale electricity prices and fuel prices.

As a result of the tests carried out on 31 March 2013, it was determined that an impairment allowance for property, plant and equipment of the CGU Power Plant B in ENERGA Elektrownie Ostrołęka was required. Therefore, the impairment write-off of property, plant and equipment of the Power Plant B in Ostrołęka in the amount of PLN 123.4 m was recognised as cost of sales.

11. Cash and cash equivalents

The balance of cash and cash equivalents presented in the statement of cash flow comprises the following items:

Title	As at	As at
	31 March 2013 (unaudited)	31 March 2012 (unaudited)
Cash at bank and in hand	383 161 876,30	216 895 325,91
Short term deposits up to 3 months	2 908 740 589,48	294 155 665,94
Participation units in liquidity funds	956 265 603,18	1 052 699 648,67
Other	6 576,49	1 787 843,78
Total cash and cash equivalents presented in the statement of financial position	4 248 174 645,45	1 565 538 484,30
Unrealised exchange rate differences and interest	(7 678 618,78)	(3 249 717,80)
Current account overdrafts	(201 788,90)	(50 675 430,55)
Total cash and cash equivalents presented in the statement of cash flow	4 240 294 237,77	1 511 613 335,95

12. Earnings per share

The earnings and share information presented below were used to calculate basic earnings per share:

Title	Three-month period ended	Three-month period ended
	31 March 2013 (unaudited)	31 March 2012 (unaudited) (restated)
Net profit on continuing operations attributable to the ordinary shareholders of the parent company	193 975 482,87	284 273 901,42
Net profit on discontinued operations attributable to the ordinary shareholders of the parent company	(1 613 234,62)	-
Net profit attributable to the ordinary shareholders of the parent company	192 362 248,25	284 273 901,42
Number of ordinary shares at the end of the period	4 968 805 368,00	4 968 805 368,00
Number of issued common shares used to calculate basic earnings per share	4 968 805 368,00	4 968 805 368,00
Earnings per share from continuing operations (ordinary and diluted)	0,04	0,06
Earnings per share from discontinued operations (ordinary and diluted)	(0,00)	0,00

13. Dividend

On 23 April 2013, the General Meeting of ENERGA SA has decided on the distribution of profit for the year ended 31 December 2012. PLN 496.9 m (PLN 0,10 per share) was distributed as a dividend.

Condensed Interim Consolidated Financial Statements
as at and for the period ended 31 March 2013 (in PLN)

14. Provisions

	Post-employment benefits	Jubilee bonuses	Legal claims	Employee matters	For reclamation of ash landfills	Provision for liabilities for gas emissions	Provision for redemption of energy certificates of origin	Restructuring provision	Other provisions	Total
As at 1 January 2013	458 931 932,56	275 407 090,84	199 091 861,84	3 505 705,42	9 299 050,00	306 500,00	211 035 656,60	56 912 953,27	51 640 367,34	1 266 131 117,87
Current service cost	2 834 150,91	3 963 802,93	-	-	-	-	-	-	-	6 797 953,84
Actuarial gains and losses	396 192,91	840 972,82	-	-	-	-	-	-	-	1 237 165,73
Benefits paid	(1 067 202,29)	(2 587 626,50)	-	-	-	-	-	-	-	(3 634 828,79)
Interest cost	4 578 708,00	2 772 238,00	-	-	88 341,00	-	-	-	-	7 439 287,00
Disposal of subsidiary	-	-	(393 750,00)	-	-	-	-	-	(2 500,00)	(396 250,00)
Raised during the period	-	-	8 866 908,36	750 346,56	-	-	141 250 574,20	-	56 988 985,74	207 856 814,90
Released	-	-	(3 345 512,09)	(327 417,14)	-	-	(139,96)	(188 785,61)	(32 352,29)	(3 894 207,09)
Used	-	-	(375 848,83)	(1 804 834,04)	-	(16 500,00)	(188 647 179,97)	(7 665 299,08)	(38 868 312,71)	(237 377 974,63)
As at 31 March 2013 (unaudited)	465 673 762,09	280 416 478,09	203 843 659,31	2 123 800,82	9 387 391,00	290 000,00	163 638 910,87	49 058 668,58	69 726 188,08	1 244 159 078,84
Short-term as at 31 March 2013 (unaudited)	14 830 493,20	18 650 539,66	203 843 659,31	2 095 892,57	-	290 000,00	163 638 910,87	48 228 578,89	69 709 516,08	521 287 590,59
Long-term as at 31 March 2013 (unaudited)	450 843 268,89	261 765 938,43	-	27 908,25	9 387 391,00	-	-	830 289,69	15 972,00	722 871 468,26

The Group establishes provisions for post-employment benefits and jubilee bonuses in amounts calculated using actuarial methods. The amount of provisions recognised in these financial statements derives from the projection of provisions as at 31 March 2013, carried out by an independent actuary. The projection was based on the previously calculated amounts of provisions as at 31 December 2012 and based on the main assumptions used as at that date.

15. Investment commitments

Distribution System Operator Liabilities

The development plan for the subsidiary ENERGA OPERATOR SA, as agreed with the President of the Energy Regulatory Office, provides for capital expenditures for the years 2013 - 2015 in the amount of respectively: 2013 - PLN 1,209.8 m, 2014 - PLN 1,135.6 m, 2015 - PLN 1,109.1 m (2010 constant prices). In the first quarter of 2013 realised capital expenditures reached PLN 237.5 m.

The development of the heat & power system in Ostrołęka

Following the 2009 acquisition of shares in ENERGA OPEC Sp. z o.o. (formerly Ostrołęckie Przedsiębiorstwo Energetyki Ciepłej Sp. z o.o.), ENERGA SA and ENERGA Elektrownie Ostrołęka S.A. agreed to proceed with an investment program for the development of the heat and power system in the area of the city of Ostrołęka (at least PLN 320 m within 10 years).

At 31 March 2013, the total expenditure for the development of the distribution network and the production of heat energy in Ostrołęka equalled PLN 51.4 m.

Redevelopment of the heating network of ENERGA OPEC Sp. z o.o.

In 2011 the subsidiary ENERGA OPEC Sp. z o.o. entered into an agreement with the National Environment Protection and Water Management Fund in Warsaw for subsidising a project aimed at reducing transmission losses. The project is scheduled for the years 2011 - 2013 and its budgeted total cost is PLN 33.8 m. At 31 March 2013, the company incurred expenditures of PLN 9.6 m for the project.

„Intervention work” service contract

The „intervention work” service contract carried out by the subsidiary ENERGA Hydro Sp. z o.o. for PSE S.A. requires modernisation expenditures for Energa Hydro Sp. z o.o. generating units (power plant in Żydowo) in order to assure appropriate parameters of the services. The total planned expenditures for modernisation in the scope covered by the agreement will amount to PLN 134.3 m. At 31 March 2013 the total expenditures incurred in relation to the agreement with PSE S.A. reached PLN 128.3 m.

Investment program of ENERGA Kogeneracja Sp. z o.o.

The bond issue program for funding the investments of the subsidiary ENERGA Kogeneracja Sp. z o.o. covering the construction of a new power unit and the modernisation of the boiler through implementing a biomass joint combustion option is also classified as an investment obligation. The aggregate planned capital expenditures amount to PLN 224.5 m of which investments of PLN 166.8 m were already made, at 31 March 2013.

Construction of a gas - steam power plant in Grudziadz

The process of construction of the gas - steam power plant in Grudziadz is handled by a special purpose vehicle established in December 2012, Elektrownia CCGT Grudziadz Sp. z o.o. The total value of future obligations under agreements entered into by the company in connection with the investment, is ca. PLN 8.2 m as at the date of these financial statements.

The development of the heat system in Kalisz

On 4 April 2013 ENERGA Kogeneracja Sp. z o.o. purchased 90% of the shares in the Ciepło Kaliskie Sp. z o.o. (see note 19). In the agreement ENERGA Kogeneracja Sp. z o.o. undertook to proceed with an investment program for at least PLN 15 m within 6 years.

ENERGA SA Group

Condensed Interim Consolidated Financial Statements
as at and for the period ended March 31, 2013 (in PLN)

16. Related party transactions

Transactions with related entities are made based on market prices of goods, products or services delivered resulting from their manufacturing costs.

16.1. Transactions with members of Management Board and Supervisory Boards

During the reporting period, there were no loans or other transactions with members of the Management Board and of the Supervisory Board of ENERGA SA.

The amount of remuneration paid to members of the Management Boards and Supervisory Boards of ENERGA SA Group companies in the first quarter of 2013 was approximately PLN 8.9 m (of which PLN 0.8 m was paid by the parent company).

16.2. Transactions involving State Treasury companies

As at	Receivables	Liabilities
31 March 2013 (unaudited)	154 002 893,03	106 845 065,59
31 December 2012	146 539 832,34	39 188 891,50

Period	Sales	Purchases
Three-month period ended 31 March 2013 (unaudited)	306 308 855,05	506 863 253,86
Three-month period ended 31 March 2012 (unaudited)	322 144 313,72	370 442 126,16

16.3. Transactions with associates

Three-month period ended 31 March 2013 or as at 31 March 2013 (unaudited)	Sales	Purchases	Receivables	Liabilities
Soen Sp. z o.o.	120 289,39	960 196,12	116 610,82	451 011,28
Stupskie Towarzystwo Koszykówki Sportowa Spółka Akcyjna	-	1 370 000,00	-	556 342,79
Oświetlenie Uliczne i Drogowe Sp. z o.o.	6 538 929,49	-	3 857 617,16	74 654,25
Total	6 659 218,88	2 330 196,12	3 974 227,98	1 082 008,32

As at the end of the reporting period there were no overdue receivables or liabilities under transactions with associates.

17. Financial instruments

17.1. Carrying value of financial instruments by category and class

Title	As at 31 March 2013 (unaudited)	As at 31 December 2012
Classes of financial instruments		
Deposits	5 131 382,15	26 783 927,04
Bonds, treasury bills and other debt instruments	27 107 314,83	27 107 314,83
(Non-consolidated) shareholdings	2 830 952,87	2 830 952,87
Trade and other receivables	1 523 513 318,45	1 521 621 657,06
Cash and cash equivalents, including:	4 248 174 645,45	2 069 058 235,48
Units of participation in the ENERGA Trading SFIO fund	956 265 603,18	705 911 173,67
Receivables from sale of property, plant & equipment and intangible assets	2 874 734,15	2 515 934,75
Other financial assets	-	3 969 018,10
Derivative instruments (assets)	-	-
Total assets	5 809 632 347,90	3 653 887 040,13
Preferential loans and borrowings	985 764 905,81	996 129 192,30
Loans and borrowings	1 230 023 498,67	1 393 617 506,73
Current account overdraft	201 788,90	26 030 109,32
Bonds issued	3 159 490 411,58	1 079 219 213,53
Trade and other payables	774 860 571,25	717 100 810,70
Other financial liabilities	8 506 667,84	19 297 226,38
Liabilities from purchase of property, plant & equipment and intangible assets	78 028 068,48	139 033 963,05
Derivative instruments (liabilities)	-	-
Total liabilities	6 236 875 912,53	4 370 428 022,01
Categories of financial instruments		
Financial assets measured at fair value through profit or loss	4 251 005 598,32	2 075 858 206,45
Investments held to maturity	32 238 696,98	53 891 241,87
Loans and receivables	1 526 388 052,60	1 524 137 591,81
Total assets	5 809 632 347,90	3 653 887 040,13
Financial liabilities measured at fair value through profit or loss	-	-
Financial liabilities measured at amortised cost	6 236 875 912,53	4 370 428 022,01
Total liabilities	6 236 875 912,53	4 370 428 022,01

17.2. Fair value of financial instruments

The book value of the following financial assets and liabilities:

- loans granted, receivables and other financial liabilities,
- financial assets and liabilities measured at fair value through profit or loss,

is a reasonable approximation of their fair value.

For non-listed units there is no active market, nor is it possible to apply to them any other valuation technique providing reasonable output values, therefore the Group is not able to determine the range of their possible fair values. These assets are measured at cost less impairment losses.

ENERGA SA Group

*Condensed Interim Consolidated Financial Statements
as at and for the period ended March 31, 2013 (in PLN)*

17.3. Loans and borrowings

	As at 31 March 2013 (unaudited)
Currency	PLN
Reference Rate	WBOR, Rediscount rate
Value of the loan/ borrowing	2 215 990 193,38
Of which, repayable:	
up to 1 year (short-term)	257 056 255,91
1 to 2 years	271 328 605,17
2 to 3 years	362 349 128,42
3 to 5 years	440 866 229,57
over 5 years	884 389 974,31

Detailed information on contracted external financing is set out in Note 20.1.

17.4. Liabilities under notes issued

	As at 31 March 2013 (unaudited)	
	PLN	EUR
Currency	PLN	EUR
Reference Rate	WBOR	fixed
Value of the issue		
in currency	1 077 440 059,39	498 408 185,04
in PLN	1 077 440 059,39	2 082 050 352,19
of which, repayable:		
up to 1 year (short-term)	12 809 129,39	4 871 682,21
1 to 2 years	7 371 324,51	-
2 to 3 years	7 375 336,87	-
3 to 5 years	14 940 827,25	-
over 5 years	1 034 943 441,37	2 077 178 669,98

Detailed information on issued notes is set out in Note 20.1.

ENERGA SA Group

Condensed Interim Consolidated Financial Statements
as at and for the period ended March 31, 2013 (in PLN)

17.5. Liability repayment collateral

As at the reporting date assets with the following carrying amounts constituted collateral for the repayment of actual or contingent liabilities:

Group of assets on which collateral was established	31 March 2013 (unaudited)	31 December 2012
Property, plant and equipment	54 549 330,14	78 417 217,14
Receivables	525 000,00	300 000,00
Inventories	2 888 278,86	25 302 771,93
Cash resources	100 625 384,16	130 438 152,99
Total assets securing repayment of financial liabilities	158 587 993,16	234 458 142,06

18. Contingent assets and liabilities

18.1. Contingent liabilities and other securities

Contingent liabilities and other securities granted as at the balance sheet date are presented in the table below:

Liabilities arising from	As at 31 March 2013 (unaudited)	As at 31 December 2012
Guarantees	477 542 773,16	476 787 827,79
Bills of exchange	77 024 230,19	78 815 097,09
Legal claims	138 841 434,16	144 065 627,81
Other	13 365 099,25	13 440 666,74
Total	706 773 536,76	713 109 219,43

18.2. Contingent assets

In 2011, the Group recognised a contingent asset on amount of statutory interest due from PSE S.A. in relation to the matter of dispute described in Note 20.4.

As at 31 March 2013 and as at 31 December 2012, the carrying value of such asset is PLN 27.9 m.

19. Information on significant events having taken place after the balance sheet date

19.1. Consolidation of the operations in the segment of energy generation from renewable sources

In connection with the consolidation of the Group's activities in the sector of energy production from renewable sources, the merger of the subsidiaries ENERGA Hydro Sp. z o.o. (acquiring company) and Energa Bio Sp. z o.o. (acquired company) was completed. The District Court Gdańsk – Północ in Gdańsk issued the decision on registration of the merger on 3 April 2013.

19.2. Acquisition of shares in Ciepło Kaliskie Sp. z o.o.

On 9 April 2013 the subsidiary Energa Kogeneracja Sp. z o.o. signed an agreement with the City of Kalisz to acquire a 90% stake in Ciepło Kaliskie Sp. z o.o. Ciepło Kaliskie Sp. z o.o. manages an integrated heat distribution system in Kalisz and has a natural monopoly position on the market. The company does not carry out any heat production and distribution activities, but only leases heat production and distribution assets to

ENERGA SA Group

Condensed Interim Consolidated Financial Statements
as at and for the period ended March 31, 2013 (in PLN)

Przedsiębiorstwo Energetyki Ciepłej S.A. in Kalisz which currently conducts operating activities on the basis of the company's assets.

20. Other information significantly affecting the assessment of assets, financial position and the financial result of the Group

20.1. Obtaining external funding

Eurobond issue process

As part of the EMTN medium-term Eurobond issue program for up to EUR 1,000 m, on 19 March 2013, the subsidiary Energa Finance AB (publ) proceeded with the first issue of Eurobonds with the value of EUR 500 m. The first issue includes Eurobonds maturing in 7 years and paying an annual coupon of 3.250%.

Loans to finance the investment program at ENERGA – OPERATOR SA

In the years 2009 – 2010 ENERGA SA together with its subsidiary ENERGA – OPERATOR SA entered into loan agreements aimed at financing the investment program of ENERGA – OPERATOR SA associated with the redevelopment and modernisation of the distribution grid:

1. agreement with the European Investment Bank ("EIB") with the limit of up to PLN 1,050 m;
2. agreement with the European Bank for Reconstruction and Development ("EBRD") with the limit of up to PLN 800 m;
3. agreement with the Nordic Investment Bank ("NIB") with the limit of up to PLN 200 m.

The above funding has been fully utilised.

Currently, the Group is negotiating with the EBRD and the EIB to obtain additional long-term financing for further investments in the expansion and modernisation of distribution networks, including Smart Grid, carried out by ENERGA – OPERATOR SA. The Company's investment plan amounts to EUR 5.2 bn. It is assumed that following agreements with the banks, PLN 800 m would be contracted from the EBRD and PLN 1,000 m from the EIB.

On 26 February 2013 the Management Committee of the EIB approved a draft loan for ENERGA SA based on the following assumptions:

- Borrower: ENERGA SA,
- Final beneficiary / Co-borrower: ENERGA – OPERATOR SA,
- Amount: up to PLN 1,000 m,
- Financing period: up to 15 years.

On 14 March 2013 the Management Board of the EIB took a positive decision on the approval of funding on the terms and conditions proposed above.

The Group expects that the agreements with these institutions will be entered into in the first half of 2013.

Domestic bond issue

In 2012 a domestic bond issue program for up to PLN 4,000 m was set up. Until 31 March 2013, as part of the program bonds were issued for the total amount of PLN 1,000 m.

ENERGA SA Group

Condensed Interim Consolidated Financial Statements
as at and for the period ended March 31, 2013 (in PLN)

Loans from NORDEA Bank Polska SA

In the years 2010-2011 ENERGA SA entered into the following loan agreements with NORDEA Bank Polska SA:

1. investment loan agreement for PLN 100 m for the purchase of bonds issued by ENERGA Hydro Sp. z o.o. in connection with the investments carried out in the modernisation of the pumped-storage power plant in Żydowo. Until 31 March 2013, the full amount of PLN 100 m was committed under the loan.
2. investment loan agreement for PLN 160 m for the purchase of bonds issued by ENERGA Kogeneracja Sp. z o.o. in connection with the investments carried out in the modernisation of the boiler including the implementation of the biomass joint combustion option, in the construction of a straw-based pellet production unit and in the construction of a new power unit. Until 31 March 2013, the full amount of PLN 134.7 m was committed under the loan.
3. agreement for arranging loans for ENERGA Group's companies with a total limit of PLN 75 m. As at 31 March 2013 financing for PLN 46.4 m was committed of which PLN 8.6 m was actually used.
4. master agreement for bank guarantees for ENERGA Group's companies with a total limit of PLN 5 m. As at 31 March 2013 the limit was used in the amount of PLN 4.5 m.
5. agreement for arranging loans for ENERGA SA with a total limit of PLN 300 m. As at 31 March 2013 the funding limit committed was not used.

Loans from Pekao SA

In the years 2011-2012 ENERGA SA entered into the following loan agreements with Pekao SA.

1. loan agreement with a total limit of PLN 200 m. As at 31 March 2013 the loan was not used;
2. loan agreement in the amount of PLN 85 m to be used to acquire bonds issued by ENERGA Elektrownie Ostrołęka SA in connection with the implementation of the investment program of the company (see Note 15). The aggregate use of the loan as at 31 March 2013 reached PLN 33 m.

Loans from PKO Bank Polski SA

In the years 2011-2012 ENERGA SA entered into the following loan agreements with PKO Bank Polski SA:

1. master agreement to extend an overdraft limit to ENERGA SA and its subsidiaries with a total limit of PLN 150 m. As at 31 March 2013 the financing limit for PLN 149.2 m was committed, of which PLN 5.3 m was actually used.
2. master agreement to extend an overdraft limit to ENERGA SA and its subsidiaries with a total limit of PLN 200 m. As at 31 March 2013 the financing limit for PLN 10 m was committed, of which PLN 0.2 m was actually used.

Bonds issue through PKO Bank Polski SA

On 30 May 2012 ENERGA SA entered into a bonds issue agreement with PKO Bank Polski SA. Proceeds under the agreement are to be used to acquire bonds issued by ENERGA Elektrownie Ostrołęka SA in connection with the implementation of the company's investment program. The final maturity date of the bonds is 31 December 2022. The bonds are to be issued as short-term securities with the underwriting obligation of the bank to subscribe for them on the terms and conditions of the issue throughout the entire period of its duration. The agreement is subject to financial covenants. The first issue of bonds as part of this funding in the amount of PLN 66 m was made on 9 July 2012. At 31 March 2013, the amount of bonds to be redeemed was converted

ENERGA SA Group

*Condensed Interim Consolidated Financial Statements
as at and for the period ended March 31, 2013 (in PLN)*

(rolled over) into bonds of the new issue. As at 31 March 2013, ENERGA SA issued bonds with a total nominal value of PLN 66 m under this program.

20.2. Acquisitions

On 19 February 2013 ENERGA Hydro Sp. z o.o. signed the purchase agreement for up to 100% of the shares in the companies constituting the on-shore wind assets of Dong Energy Wind Power A/S in Poland as part of a consortium with the partner: PGE Polska Grupa Energetyczna SA headquartered in Warsaw. Subject to the approval of the concentration by way of a decision of the President of the Office for Competition and Consumer Protection („OCCP”), ENERGA Hydro Sp. z o.o. will become the owner of:

- 100% of shares of Dong Energy Karcino Sp. z o.o. headquartered in Warsaw,
- 100% of shares of Dong Energy Tuszyń Sp. z o.o. headquartered in Warsaw,
- 100% of shares of Dong Energy Pancierzyn Sp. z o.o. headquartered in Warsaw,
- 100% of shares of Dong Energy Gańsiorowo Sp. z o.o. headquartered in Warsaw,
- 100% of shares of Dong Energy 3 Sp. z o.o. headquartered in Warsaw,
- up to 100% of shares of Dong Energy Olecko Sp. z o.o. headquartered in Warsaw,

After the acquisition of the aforementioned entities ENERGA Group will hold one active 51 MW wind farm and a portfolio of wind projects at different stages of progress with the aggregate capacity of over 200 MW.

In addition, on 26 February 2013, Energa Hydro Sp. z o.o. signed an agreement to acquire shares in Iberdrola Renewables Polska Sp. z o.o. ("Iberdrola"), in consortium with the partner PGE Polska Grupa Energetyczna headquartered in Warsaw. As a result of the transaction, subject to the approval of the concentration by OCCP ENERGA Hydro Sp. z o.o. will hold 67.3% of shares in the acquired company. As part of the transaction ENERGA Group will take over two active 114 MW wind farms and the portfolio of wind projects at different stages of progress with the aggregate capacity of over 1,186 MW.

The concentration statements concerning the acquisition of Iberdrola and Dong group companies were submitted to the Office for Competition and Consumer Protection by Energa Hydro Sp. z o.o. on 19 March and 12 March 2013, respectively (OCCP initiated proceedings on 9 April and 3 April 2013, respectively).

20.3. Privatisation process

In January 2013, the Minister of the State Treasury ("MST") decided to restart the process of privatisation of ENERGA SA. The intention of the MST is to sell a minority stake in ENERGA SA on the Warsaw Stock Exchange („WSE") under an IPO-type transaction (Initial Public Offering).

20.4. Dispute with PSE SA and PKN ORLEN SA

In July 2003 PSE SA (previously PSE – Operator SA) filed a court action against ENERGA – OPERATOR SA (previously Zakład Energetyczny Płock S.A. hereinafter referred to as „EOP”) for the payment of PLN 62.5 m as charges for transmission services. When responding to the action EOP garnished PKN ORLEN SA. Notwithstandingly, in the letter dated 26 September 2003, EOP called on PKN ORLEN SA to attempt to reach an amicable agreement in front of the District Court in Płock.

As PKN ORLEN SA refused to take part in such mediation proceedings, on 30 June 2004 EOP filed in the Regional Court in Warsaw an action against PKN ORLEN SA for the payment of PLN 46.2 m as a system fee pursuant to § 36 of the Tariff Ordinance. The basis for the calculation of the claimed damages were the data on the plan of electricity production previously received from PKN ORLEN SA. At the hearing on 2 June 2005 the Court withheld the proceedings ex officio until the settlement of the action instituted by PSE SA, acknowledging that the settlement in the case depended on the outcome of the dispute with PSE. In both cases there is the issue of consistency of provisions of the aforementioned Tariff Ordinance with the Constitution of the Republic of Poland which is expressed in motions filed by EOP and PKN ORLEN SA requesting the Court to apply with a respective legal question to the Constitutional Tribunal. In the judgment of 25 June 2006 the Constitutional Tribunal decided that Art. 46 of the Act - Energy Law, referred to in the decision of the Court, was consistent with the Constitution, while to the extent concerning § 36 of the foregoing Tariff Ordinance discontinued the proceeds due to inadmissibility of adjudication.

Because of that judgment the Court of Appeal in Warsaw in its decision of 19 December 2007, after examining the complaint of PKN ORLEN SA, decided to resume the suspended proceedings based on the action of EOP against PKN ORLEN SA. On 25 June 2008 the judgment dismissing the action of EOP was pronounced. On 2 September 2008 EOP appealed against the judgment to the Court of Appeal in Warsaw. On 10 September 2009 the Court of Appeal in its judgment modified the appealed judgment so that the amount of PLN 46.2 m was awarded from PKN ORLEN SA to EOP together with statutory interest and awarded the reimbursement of the costs of proceedings. On 30 September 2009 PKN ORLEN SA paid the entire awarded amount including interest, i.e. PLN 75.6 m and reimbursed the costs of proceedings. However, against that judgment PKN ORLEN SA filed a cassation appeal to the Supreme Court. On 28 January 2011 the Supreme Court repealed the judgment of the Court of Appeal and returned the case to that court for re-examination. After re-examining the case the Court of Appeal in the judgment of 4 August 2011 repealed the judgment of the Regional Court dismissing the action of EOP and returned the case to that court for re-examination. Following the call for payment sent by PKN ORLEN SA to EOP on 25 August 2011 EOP paid to PKN ORLEN SA PLN 45.5 m and reimbursed the costs of proceedings.

At the same time, in the action filed by PSE SA after the judgment of the Constitutional Tribunal, the Regional Court in Warsaw resumed the proceedings withheld and by the judgment of 25 March 2008 awarded from EOP to PSE the amount of PLN 62.5 m together with due interest. The judgment was appealed against by EOP on 19 March 2009 but the appeal was dismissed by the Court of Appeal in the judgment of 19 March 2009. Against that judgment on 30 July 2009 EOP filed a cassation appeal to the Supreme Court which in the judgment of 26 March 2010 repealed the appealed judgment of the Court of Appeal and returned the case for re-examination. On 21 September 2011 the Court of Appeal, after re-examining the case and considering guidelines of the Supreme Court, changed the judgment of the Regional Court of 25 March 2008 and dismissed the action of PSE SE in its entirety awarding to EOP the amount of PLN 123 m as a reimbursement of the payment made by EOP pursuant to the judgment of 25 March 2008.

ENERGA SA Group

*Condensed Interim Consolidated Financial Statements
as at and for the period ended March 31, 2013 (in PLN)*

The judgment was appealed against by cassation appeals filed by both parties. The appeal of EOP (filed on 27 March 2012) refers only to the lack of resolution in the judgment of the Court of Appeal of interest from when EOP satisfied the liability awarded by the preceding judgment of the Court of Appeal until the date of the current judgment of the Court of Appeal. On the same date its cassation appeal against the judgment of the Court of Appeal was filed by PSE SA too. Charges raised in the appeal refer to breaches of process rules. By the decision of 22 November 2012 the Supreme Court accepted both the appeals for examination.

On 11 January 2013 there was a hearing before the Supreme Court, during which the Court examined the appeals. As a result of the hearing the Supreme Court:

- dismissed the appeal by EOP and
- admitted the appeal by PSE and repealed the judgment of the Court of Appeal of 21 September 2011 and returned the case to that court for re-examination.

The judgment of the Supreme Court of 11 January 2013 returned the case to its status after the judgment in the first instance of 25 March 2008 and the appeal filed by EOP against that judgment. Following the re-examination the Court of Appeal may:

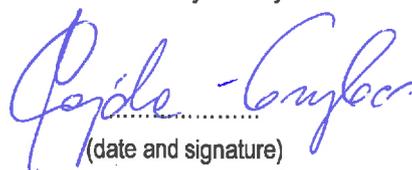
- dismiss the appeal by EOP which will lead to the judgment of the Regional Court in Warsaw of 25 March 2008 becoming final and the need to comply again with the judgment or
- admit the appeal by EOP and dismiss the action by PSE Operator as it was the case in the judgment of 21 September 2011 or
- change the appealed judgment as to its essence and award to PSE SA any amount other than the one covered by the action.

The hearing before the Court of Appeals in Warsaw is scheduled for 11 June 2013.

Director of the Consolidated
Reporting Department
Marek Pertkiewicz


.....
(date and signature)

Director of the Finance
Management Center
Aleksandra Gajda – Gryber


.....
(date and signature)

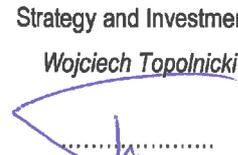
President of the Management
Board
Miroslaw Bieliński


.....
(date and signature)

Vice-President of the
Management Board
Chief Financial Officer
Roman Szyszko


.....
(date and signature)

Vice-President of the
Management Board
Strategy and Investments
Wojciech Topolnicki


.....
(date and signature)