

**INDEPENDENT AUDITORS' REPORT
ON REVIEW OF THE CONDENSED INTERIM
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD
FROM 1 JANUARY 2013 TO 30 SEPTEMBER 2013**



KPMG Audyt
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ON REVIEW OF THE CONDENSED INTERIM
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD
FROM 1 JANUARY 2013 TO 30 SEPTEMBER 2013**

To the Management of ENERGA SA

Introduction

We have reviewed the accompanying 30 September 2013 condensed interim consolidated financial statements of ENERGA SA Group with its parent company's registered office in Gdańsk, 472 Grunwaldzka Av. ("the condensed interim consolidated financial statements"), which comprise:

- the condensed interim consolidated profit and loss account for the three-month period and nine-month period ended 30 September 2013,
- the condensed interim consolidated statement of comprehensive income for the three-month period and nine-month period ended 30 September 2013,
- the condensed interim consolidated statement of financial position as at 30 September 2013,
- the condensed interim consolidated statement of changes in equity for nine-month period ended 30 September 2013,
- the condensed interim consolidated statement of cash flows for nine-month period ended 30 September 2013, and
- notes to the condensed interim consolidated financial statements.

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

Scope of Review

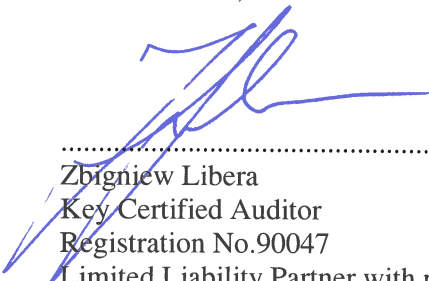
We conducted our review in accordance with the National Standard on Auditing no. 3 *General principles of review of the financial statements/condensed financial statements and conducting of other assurance services* issued by the National Council of Certified Auditors and the International Standard on 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 30 September 2013 condensed interim consolidated financial statements ENERGA SA Group are not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union.

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

Gdansk, 24 October 2013

FINANCIAL STATEMENTS



Energa

ENERGA SA Group

**Condensed Interim Consolidated Financial Statements
prepared in accordance with IAS 34
for the nine-month period ended 30 September 2013**

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CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT

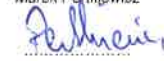
	Three-month period ended 30 September 2013 (unaudited)	Nine-month period ended 30 September 2013 (unaudited)	Three-month period ended 30 September 2012 (unaudited) (restated)	Nine-month period ended 30 September 2012 (unaudited) (restated)
Continuing operations				
Sales of products and goods for resale including excise tax	1 882 403 504,83	5 896 065 003,02	1 849 639 504,96	5 766 556 240,83
Excise tax	(68 652 193,92)	(216 217 565,84)	(80 066 906,17)	(245 717 943,45)
Sales of products and goods for resale	1 813 751 310,91	5 679 847 437,18	1 769 572 598,79	5 520 838 297,38
Sales of services	919 710 885,45	2 815 267 235,22	842 762 962,66	2 680 870 395,20
Rental income	14 480 063,27	42 371 767,34	13 604 364,51	39 460 391,55
Revenue	2 747 942 259,63	8 537 486 439,74	2 625 939 925,96	8 241 169 084,13
Cost of sales	2 330 000 773,50	7 062 093 106,08	2 367 069 684,28	6 936 890 435,69
Gross profit	417 941 486,13	1 475 393 333,66	258 870 241,68	1 304 278 648,44
Other operating income	37 033 394,84	97 717 203,89	31 618 599,76	81 934 445,60
Selling and distribution expenses	75 279 060,96	213 519 108,14	70 811 777,59	206 623 383,43
General and administrative expenses	97 486 171,29	279 975 448,36	90 317 850,08	277 471 504,90
Other operating expenses	99 820 778,10	146 489 326,16	45 645 326,17	103 501 143,38
Financial income	26 459 859,13	129 610 591,30	19 393 217,13	65 043 221,19
Financial costs	95 321 600,53	246 752 832,88	46 047 288,88	185 966 445,02
Share of profit (loss) of associates accounted for under the equity method	(116 129,07)	(512 849,86)	(153 107,15)	(179 621,29)
Profit before tax	113 411 000,15	815 471 563,45	56 906 708,70	677 514 217,21
Income tax	45 178 885,53	212 049 032,38	37 013 422,13	162 525 641,16
Net profit on continuing operations	68 232 114,62	603 422 531,07	19 893 286,57	514 988 576,05
Discontinued operations & non-current assets classified as held for sale				
Net loss on discontinued operations	(3 231 063,47)	(5 806 840,39)	-	-
Net profit on disposal of non-current assets classified as held for sale	-	-	-	15 198 274,34
Net profit for the period	65 001 051,15	597 615 690,68	19 893 286,57	530 186 850,39
Attributable to:				
Equity holders of the Parent Company	65 185 761,79	610 823 045,35	20 099 943,26	529 572 808,51
Non-controlling interests	(184 710,64)	(13 207 354,67)	(206 656,69)	614 041,88
Earnings per share (in PLN)				
- basic	0,01	0,13	0,00	0,11
- diluted	0,01	0,13	0,00	0,11

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three-month period ended 30 September 2013 (unaudited)	Nine-month period ended 30 September 2013 (unaudited)	Three-month period ended 30 September 2012 (unaudited) (restated)	Nine-month period ended 30 September 2012 (unaudited) (restated)
Net profit for the period	65 001 051,15	597 615 690,68	19 893 286,57	530 186 850,39
<i>Items that will never be reclassified to profit or loss</i>	5 886 356,93	31 270 615,13	(43 956 269,17)	(44 248 642,46)
Actuarial gains and (losses) on defined benefit plans	7 267 107,32	38 605 697,69	(54 266 998,97)	(54 627 953,64)
Income tax on items that will never be reclassified to profit or loss	(1 380 750,39)	(7 335 082,56)	10 310 729,80	10 379 311,18
<i>Items that are or may be reclassified subsequently to profit or loss</i>	2 444 825,24	27 569 791,69	(126 383,49)	(226 115,21)
Foreign exchange gains / (losses) arising on translation of foreign operations	(1 355 998,13)	(702 955,31)	(126 383,49)	(226 115,21)
Cash flow hedges	4 692 374,37	34 904 625,92	-	-
Income tax on items that are or may be reclassified subsequently to profit or loss	(891 551,00)	(6 631 878,92)	-	-
Net other comprehensive income	8 331 182,17	58 840 406,82	(44 082 652,66)	(44 474 757,66)
Total comprehensive income	73 332 233,32	656 456 097,50	(24 189 366,09)	485 712 092,73
Attributable to:				
Equity holders of the Parent Company	73 431 078,48	669 516 404,98	(23 384 256,53)	485 696 503,72
Non-controlling interests	(98 845,16)	(13 060 307,48)	(805 109,56)	15 589,01

Director of the Consolidated
Reporting Department

Marek Parkiewicz

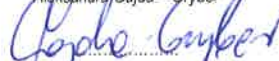


(date and signature)

2 4 PAŹ. 2013

Director of the Finance
Management Center

Aleksandra Gajda - Gryber



(date and signature)

2 4 PAŹ. 2013

President of the Management
Board

Miroslaw Bieliński



(date and signature)

2 4 PAŹ. 2013

Executive Vice-President of the
Management Board
Chief Financial Officer

Roman Szyszko



(date and signature)

2 4 PAŹ. 2013

Executive Vice-President of the
Management Board
Strategy and Investments

Wojciech Topolnicki



(date and signature)

2 4 PAŹ. 2013

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

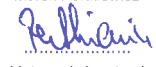
	As at 30 September 2013 (unaudited)	As at 31 December 2012
ASSETS		
Non-current assets		
Property, plant and equipment	11 356 144 255,05	10 000 916 278,54
Investment property	15 336 780,12	17 059 989,82
Intangible assets	376 440 845,86	378 562 656,81
Goodwill	144 972 511,45	28 627 373,91
Investments in associates accounted for under the equity method	1 954 732,22	2 580 465,79
Other investments	1 340 679,81	979 752,87
Deferred tax assets	225 484 930,99	209 870 367,02
Hedging derivatives	50 368 796,18	-
Other non-current assets	55 748 433,07	58 799 100,22
	12 227 791 964,75	10 697 395 984,98
Current assets		
Inventories	291 555 284,78	376 927 918,39
Current tax receivables	40 398 906,37	37 493 479,39
Trade receivables	1 274 650 665,39	1 520 667 537,25
Deposits	20 418 869,09	26 783 927,04
Other financial assets	20 254 430,81	18 762 313,82
Cash and cash equivalents	2 306 821 576,42	2 069 058 235,48
Other current assets	235 838 869,29	155 515 557,95
	4 189 938 602,15	4 205 208 969,32
Assets classified as held for sale	142 816 033,73	10 167 784,37
TOTAL ASSETS	16 560 546 600,63	14 912 772 738,67

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

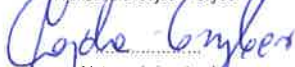
	As at 30 September 2013 (unaudited)	As at 31 December 2012
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Parent		
Share capital	4 521 612 884,88	4 968 805 368,00
Foreign exchange gains / (losses) arising on translation	(655 786,76)	47 168,55
Reserve capital	447 192 483,12	-
Supplementary capital	521 490 425,42	471 235 040,86
Cash flow hedge reserve	28 272 747,00	-
Retained earnings	2 321 091 721,19	2 231 139 472,11
Non-controlling interests	26 565 850,81	47 295 416,25
Total equity	7 865 570 325,66	7 718 522 465,77
Non-current liabilities		
Loans and borrowings	1 812 306 643,67	2 026 137 871,20
Bonds issued	3 155 064 841,71	1 079 219 213,53
Non-current provisions	652 831 868,95	710 785 797,70
Deferred tax liabilities	516 849 548,68	519 686 227,18
Deferred income and non-current government grants	462 669 451,39	456 009 751,82
Finance lease liabilities	2 708 057,75	7 293 035,79
Other financial non-current liabilities	2 597 478,59	1 716 671,65
Other non-current liabilities	10 104 284,39	612 677,83
	6 615 132 175,13	4 801 461 246,70
Current liabilities		
Trade liabilities	717 956 889,10	709 782 931,25
Other financial liabilities	67 321 692,84	170 487 985,34
Current loans and borrowings	283 425 789,58	389 638 937,15
Bonds issued	50 898 740,11	-
Current income tax liability	19 413 919,34	34 661 674,59
Deferred income and government grants	30 181 386,64	28 932 720,91
Accruals	87 386 454,29	117 765 024,23
Provisions	376 130 534,05	555 345 320,17
Other current liabilities	379 768 690,12	386 174 432,56
	2 012 484 096,07	2 392 789 026,20
Liabilities related to assets classified as held for sale	67 360 003,77	-
Total liabilities	8 694 976 274,97	7 194 250 272,90
TOTAL EQUITY AND LIABILITIES	16 560 546 600,63	14 912 772 738,67

Director of the Consolidated
Reporting Department

Marek Pertkiewicz


 (date and signature)
24 PAZ. 2013
Director of the Finance
Management Center

Aleksandra Gajda-Gryber


 (date and signature)
24 PAZ. 2013
President of the Management
Board

Miroslaw Bieliński


 (date and signature)
24 PAZ. 2013
Executive Vice-President of the
Management Board
Chief Financial Officer

Roman Szyzko


 (date and signature)
24 PAZ. 2013
Executive Vice-President of the
Management Board
Strategy and Investments

Wojciech Topolnicki


 (date and signature)
24 PAZ. 2013

*Condensed Interim Consolidated Financial Statements
as at and for the period of 9 months ended 30 September 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	Supplementary capital	Cash flow hedge reserve	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	-	-	-	-	-	-	31 123 567,94	147 047,19	31 270 615,13
Foreign exchange gains / (losses) arising on translation of foreign operations	-	(702 955,31)	-	-	-	-	(702 955,31)	-	(702 955,31)
Cash flow hedges	-	-	-	-	28 272 747,00	-	28 272 747,00	-	28 272 747,00
Profit for the period	-	-	-	-	-	610 823 045,35	610 823 045,35	(13 207 354,67)	597 615 690,68
Total comprehensive income for the period	-	(702 955,31)	-	-	28 272 747,00	641 946 613,29	669 516 404,98	(13 060 307,48)	656 456 097,50
Retained earnings distribution	-	-	-	-	-	(50 255 384,56)	-	-	-
Reduction of share capital	(447 192 483,12)	-	447 192 483,12	50 255 384,56	-	-	-	-	-
Dividends	-	-	-	-	-	(496 880 536,80)	(496 880 536,80)	(1 755 096,60)	(498 635 633,40)
Purchase and disposal of shares in subsidiaries	-	-	-	-	-	(4 858 442,85)	(4 858 442,85)	(5 914 161,36)	(10 772 604,21)
As at 30 September 2013 (unaudited)	4 521 612 884,88	(655 786,76)	447 192 483,12	521 490 425,42	28 272 747,00	2 321 091 721,19	7 839 004 474,85	26 565 850,81	7 865 570 325,66

*Condensed Interim Consolidated Financial Statements
as at and for the period of 9 months ended 30 September 2013 (in PLN)*

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	Cash flow hedge reserve	Retained earnings	Total		
As at 1 January 2012	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	-	-	-	-	(43 650 189,59)	(43 650 189,59)	(598 452,87)	(44 248 642,46)
Foreign exchange gains / (losses) arising on translation of foreign operations	-	(226 115,21)	-	-	-	(226 115,21)	-	(226 115,21)
Profit for the period	-	-	-	-	529 572 808,51	529 572 808,51	614 041,88	530 186 850,39
Total comprehensive income for the period	-	(226 115,21)	-	-	485 922 618,92	485 696 503,71	15 589,01	485 712 092,72
Retained earnings distribution	-	-	108 734 885,97	-	(108 734 885,97)	-	-	-
Dividends	-	-	-	-	(645 944 697,84)	(645 944 697,84)	(8 183 902,21)	(654 128 600,05)
Purchase of shares in subsidiaries	-	-	-	-	(289 681,71)	(289 681,71)	(222 470,92)	(512 152,63)
As at 30 September 2012 (unaudited, restated)	4 968 805 368,00	57 351,99	471 235 040,86	-	2 225 148 708,13	7 665 246 468,98	51 335 281,80	7 716 581 750,78

Director of the Consolidated Reporting Department
Marek Perikiewicz


(date and signature)
24 PAZ. 2013

Director of the Finance Management Center


Aleksandra Gajda - Embler
(date and signature)
24 PAZ. 2013

President of the Management Board


Miroslaw Bieleński
(date and signature)
24 PAZ. 2013

Executive Vice-President of the Management Board
Chief Financial Officer


Roman Szyszko
(date and signature)
24 PAZ. 2013

Executive Vice-President of the Management Board
Strategy and Investments


Wojciech Topolnicki
(date and signature)
24 PAZ. 2013

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Nine-month period ended 30 September 2013 (unaudited)	Nine-month period ended 30 September 2012 (unaudited) (restated)
Cash flows from operating activities		
Profit before tax	815 471 563,45	677 514 217,21
Profit/(loss) before tax on discontinued operations and disposal of non-current assets classified as held for sale	(5 806 840,39)	15 198 274,34
Adjustments for:	913 379 054,56	418 464 414,57
Share of profit (loss) of associates	512 849,86	179 621,29
Foreign currency gains/(losses)	5 069 242,43	(226 115,21)
Amortisation and depreciation	568 246 124,60	533 762 850,01
Net interest and dividends	134 039 332,41	90 452 547,64
Loss on investing activities	136 540 467,85	136 270 274,78
Change in receivables	217 858 532,48	45 510 141,21
Change in inventories	79 966 338,13	32 141 890,37
Change in payables excluding loans and borrowings	62 145 102,80	(205 857 300,34)
Change in prepayments and accruals	(109 575 624,12)	(115 639 888,18)
Change in provisions	(220 029 009,57)	(53 880 964,55)
Other	38 605 697,69	(44 248 642,45)
Income tax paid	(233 471 130,83)	(258 871 956,62)
Net cash from operating activities	1 489 572 646,79	852 304 949,50
Cash flows from investing activities		
Disposal of property, plant and equipment and intangible assets	18 320 638,48	16 560 593,66
Purchase of property, plant and equipment and intangible assets	(1 116 601 595,54)	(1 257 777 871,42)
Disposal of shares in associates	-	8 067 360,00
Disposal of other financial assets	31 048 203,67	11 396 801,34
Acquisition of other investments	(20 418 869,09)	(26 036 837,45)
Disposal of subsidiary	1 450 000,00	-
Acquisition of subsidiary, net of cash acquired	(1 212 330 245,99)	(545 182,94)
Dividends received	67 756,00	78 162,00
Interest received	780 107,34	277 132,19
Net cash used in investing activities	(2 297 684 005,13)	(1 247 979 842,62)
Cash flows from financing activities		
Proceeds from bond issue	2 088 700 000,00	-
Payment of finance lease liabilities	(6 555 588,11)	(1 038 417,71)
Proceeds from loans and borrowings	4 553 392,13	717 921 769,21
Repayment of loans and borrowings	(328 077 660,86)	(19 302 819,71)
Dividends paid	(497 166 222,70)	(653 803 931,39)
Interest paid	(139 536 897,53)	(108 209 464,61)
Other	(1 413 290,87)	(207 674,65)
Net cash from financing activities	1 120 503 732,06	(64 640 538,86)
Net increase /(decrease) in cash and cash equivalents	312 392 373,72	(460 315 431,98)
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	2 341 765 863,20	1 295 225 684,54

Director of the Consolidated
Reporting Department

Marek Pertkiewicz


(date and signature)
2 4 PAŹ. 2013Director of the Finance
Management Center

Aleksandra Gajda - Graber


(date and signature)
2 4 PAŹ. 2013President of the Management
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(date and signature)
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(date and signature)
2 4 PAŹ. 2013Executive Vice-President of the
Management Board
Strategy and Investments

Wojciech Topolnicki


(date and signature)
2 4 PAŹ. 2013

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

1. General information

ENERGA SA Group (the "Group") consists of ENERGA Spółka Akcyjna (the "Parent Company", the "Company"), its subsidiaries and the Group's interests in associates (see Note 2). These condensed interim consolidated financial statements cover the period from 1 January to 30 September 2013 and include comparative information at 31 December 2012 for the condensed interim consolidated statement of financial position and for the period from 1 January to 30 September 2012 for the condensed interim consolidated profit and loss account, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of cash flows and condensed interim consolidated 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 has been given the following statistical number: REGON 220353024.

The primary activities of the Group companies are as follows:

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

As at 30 September 2013, the Polish State Treasury is the Company's parent and ultimate controlling party.

2. Composition of the Group

In the period of 9 months ended 30 September 2013, the Group consisted of ENERGA Spółka Akcyjna and the following consolidated companies:

a) Subsidiaries:

No.	Company name	Registered office	Line of business	Share capital of the entity	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	ENERGA – OPERATOR SA ¹⁾	Gdańsk	energy distribution	1,221,110,400.00	100.00	100.00	100.00
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. ²⁾	Elbląg	energy production	141,976,500.00	78.07	97.67	100.00 ³⁾
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. ⁴⁾	Straszyn	energy production	268,462,500.00	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. ⁵⁾	Kalisz	energy production	7,128,000.00	-	100.00	100.00
12	Energetyka Kaliska – Usługi Techniczne Sp. z o.o.	Kalisz	contracting and designing	1,712,000.00	-	100.00	100.00
13	ENERGA – OPERATOR Produkcja Sp. z o.o.	Kalisz	manufacture of power equipment	813,000.00	-	100.00	100.00
14	Multiserwis Sp. z o.o. in liquidation	Kalisz	transport and real estate management	914,000.00	-	96.28	96.28
15	Zakład Budownictwa Energetycznego Sp. z o.o.	Koszalin	contracting and designing	27,980,000.00	-	100.00	100.00
16	Zakład Transportu Energetyki Sp. z o.o. in liquidation ⁶⁾	Koszalin	renting and servicing of vehicles	-	-	-	-
17	ENERGA – OPERATOR Techniczna Obsługa Odbiorców Sp. z o.o.	Koszalin	technical customer service	4,838,500.00	-	100.00	100.00
18	Zakład Energetyczny Płock - Dystrybucja Zachód Sp. z o.o. in liquidation	Sierpc	network operation and investment projects	757,500.00	-	100.00	100.00
19	ENERGA – OPERATOR Eksploatacja i Inwestycje Płock Sp. z o.o.	Płock	network operation and investment projects	909,500.00	-	100.00	100.00
20	ENERGA Bio Sp. z o.o. ⁴⁾	Pruszcz Gdański	investment project management	-	-	-	-
21	ZEP - Centrum Wykonawstwa Specjalistycznego Sp. z o.o.	Płock	contracting and designing	456,500.00	-	100.00	100.00
22	ZEP - MOT Sp. z o.o.	Płock	sale and repair of motor vehicles	5,292,000.00	100.00	100.00	100.00
23	Zakład Energetyczny Płock - Centrum Handlowe Sp. z o.o.	Płock	procurement	1,075,500.00	-	100.00	100.00

No.	Company name	Registered office	Line of business	Share capital of the entity	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 [%]
24	ENERGA – OPERATOR Projektowanie Sp. z o.o.	Plock	contracting and designing	381,500.00	-	100.00	100.00
25	Przedsiębiorstwo Wielobranżowe Energetyki "ELEKTROINSTAL" Sp. z o.o.	Raciąż	contracting and designing	244,000.00	-	100.00	100.00
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	Plock	contracting and designing	220,000.00	-	100.00	100.00
29	Przedsiębiorstwo Budownictwa Elektroenergetycznego ENBUD Słupsk Sp. z o.o.	Słupsk	contracting and designing	300,000.00	-	100.00	100.00
30	Zakład Transportu Energetyki ENTRANS Słupsk Sp. z o.o. in liquidation ⁷⁾	Słupsk	sale of motor vehicles	-	-	-	-
31	Zakład Energetyczny Toruń - ENERGOHANDEL Sp. z o.o.	Toruń	procurement	8,010,000.00	-	100.00	100.00
32	Elektrownia Wodna we Włocławku Sp. z o.o. in liquidation ⁶⁾	Włocławek	energy production	-	-	-	-
33	ENERGA SLOVAKIA s.r.o. ⁹⁾	Bratislava	electric energy trade	2,839,833.00 €	-	100.00	100.00
34	ENERGA OPEC Sp. z o.o.	Ostrołęka	heat and energy distribution	13,919,000.00	-	99.99	99.99
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. ¹⁰⁾	Gdańsk	organisation and management of innovative power project developments	10,002,000.00	50.01	99.95	100.00 ³⁾
38	ENERGA Serwis Sp. z o.o.	Ostrołęka	repairs and maintenance services	14,200,000.00	14.08	94.64	100.00 ³⁾
39	ENERGA Informatyka i Technologie Sp. z o.o.	Gdańsk	ICT	35,343,500.00	100.00	100.00	100.00
40	ENSPHIRION Sp. z o.o. (previously ENERGA Agregator Sp. z o.o.) ¹¹⁾	Gdańsk	energy consulting and management of demand for electricity	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	-	100.00	100.00
42	ENERGA – OPERATOR Eksploatacja i Inwestycje Kalisz Sp. z o.o.	Kalisz	network operation and investment projects	5,600,000.00	-	100.00	100.00
43	ENERGA – OPERATOR Eksploatacja i Inwestycje Toruń Sp. z o.o.	Toruń	network operation and investment projects	6,100,000.00	-	100.00	100.00
44	ENERGA – OPERATOR Eksploatacja i Inwestycje Elbląg Sp. z o.o. ¹²⁾	Elbląg	network operation and investment projects	7,900,000.00	-	100.00	100.00

No.	Company name	Registered office	Line of business	Share capital of the entity	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]	[%]	[%]	[%]
45	ENERGA – OPERATOR Eksploatacja i Inwestycje Gdańsk Sp. z o.o.	Gdańsk	network operation and investment projects	7,100,000.00	-	100.00	100.00
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
50	AEGIR 5 Sp. z o.o. ¹³⁾	Gdańsk	energy production	7,550,000.00	99.34	100.00	100.00
51	ENERGA Finance AB (publ) ¹⁴⁾	Stockholm	financing activity	20,000,000.00 €	100.00	100.00	100.00
52	RGK Sp. z o.o. ¹⁵⁾	Gdańsk	financing activity	788,000.00	100.00	100.00	100.00
53	Breva Sp. z o.o. ¹⁶⁾	Gdańsk	energy production	15,588,000.00	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 ³⁾
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
57	Ciepło Kaliskie Sp. z o.o.	Kalisz	heat and energy distribution	43,257,000.00	-	87.90	90.00 ³⁾
58	EPW 1 Sp. z o.o. (previously DONG Energy Tuszyny Sp. z o.o.) ¹⁷⁾	Pruszcz Gdański	energy production	2,500,000.00	-	100.00	100.00
59	EPW 2 Sp. z o.o. (previously DONG Energy Gąsiorowo Sp. z o.o.) ¹⁸⁾	Pruszcz Gdański	energy production	1,700,000.00	-	100.00	100.00
60	EPW 3 Sp. z o.o. (previously DONG Energy Pancerzyn Sp. z o.o.) ¹⁹⁾	Pruszcz Gdański	energy production	3,000,000.00	-	100.00	100.00
61	EPW Karcino Sp. z o.o. (previously DONG Energy Karcino Sp. z o.o.) ²⁰⁾	Pruszcz Gdański	energy production	34,550,000.00	-	100.00	100.00
62	EPW Parsówek Sp. z o.o. (previously DONG Energy 3 Sp. z o.o.) ²¹⁾	Pruszcz Gdański	energy production	500,000.00	-	100.00	100.00
63	DGP Provider Sp. z o.o.	Gdańsk	real estate management	50,000.00	-	100.00	100.00
64	EKOTRADE SERWIS FM Sp. z o.o.	Gdańsk	real estate management	50,000.00	-	100.00	100.00
65	EPW Energia Sp. z o.o. (previously Iberdrola Renewables Polska Sp. z o.o.) ²²⁾	Warsaw	energy production	894,376,000.00	-	67.30	67.30
66	EPW Energia Olecko Sp. z o.o. (previously Dong Energy Olecko Sp. z o.o.) ²³⁾	Warsaw	energy production	2,000,000.00	-	19.00	19.00

1) On 10 October 2013 the share capital increase by PLN 617.8 m in return for a cash contribution by ENERGA SA was registered in the National Court Register.

2) On 7 June 2013 the share capital increase by PLN 48.5 m, in return for the in-kind contribution in the form of shares in ENERGA Elektrociepłownia Kalisz S.A and ENERGA OPEC Sp. z o.o. and cash contribution by ENERGA SA and ENERGA Elektrownie Ostrołęka SA was registered in the National Court Register.

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

4) On 3 April 2013 the legal merger of the companies ENERGA Bio Sp. z o.o. and ENERGA Hydro Sp. z o.o. was registered.

5) On 13 September 2013 the Company's share capital decrease by PLN 9.3 m was registered in the National Court Register.

6) On 17 June 2013 the company was deleted from the National Court Register.

7) On 29 July 2013 the company was deleted from the National Court Register.

8) On 27 February 2013 the company was deleted from the National Court Register.

- 9) On 12 July 2013, the share capital increase by EUR 2.5 m covered by a cash contribution from ENERGA-OBRÓT SA was registered.
- 10) On 27 March 2013 the share capital increase by PLN 5 m in return for a cash contribution by ENERGA SA was registered in the National Court Register.
- 11) On 18 July 2013 the company was renamed to ENSPIRION Sp. z o.o.
- 12) On 26 March 2013 the share capital increase by PLN 7.85 m in return for a cash contribution by ENERGA – OPERATOR SA was registered in the National Court Register.
- 13) On 5 March 2013 the share capital increase by PLN 7.5 m in return for a cash contribution by ENERGA SA was registered in the National Court Register.
- 14) On 13 February 2013, 27 March and 2 August 2013, the share capital increases by EUR 235 thousand, EUR .17 m and EUR 18 m respectively in return for cash contributions by ENERGA SA were registered.
- 15) On 3 September 2013, the share capital increase by PLN 783.0 thousand covered by a non-cash contribution from ENERGA SA consisting of minority shares and interest was registered in the National Court Register.
- 16) On 16 April 2013 and 31 May 2013 the share capital increases by PLN 1.3 m and PLN 14.2 m respectively in return for cash contributions by ENERGA SA were registered in the National Court Register. On 1 August 2013, a change of the company's registered offices was registered in the National Court Register.
- 17) A change of the company's name was registered in the National Court Register on 16 October 2013.
- 18) A change of the company's name was registered in the National Court Register on 29 August 2013.
- 19) A change of the company's name was registered in the National Court Register on 30 August 2013.
- 20) A change of the company's name was registered in the National Court Register on 21 August 2013.
- 21) A change of the company's name was registered in the National Court Register on 14 September 2013.
- 22) A change of the company's name was registered in the National Court Register on 9 September 2013. Only part of this entity is consolidated (see description in note 21.3).
- 23) Only part of this entity is consolidated (see description in note 21.2).

b) associated entities accounted for under the equity method

No.	Company name	Registered office	Line of business	Share capital of the entity [PLN]	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 [%]
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. ¹⁾	Słupsk	sports activities	513,500.00	-	-	-
4	Bio - Power Sp. z o.o.	Międzyrzec Podlaski	energy production	2,139,900.00	0.00	25.00	25.00

1) On 17 July 2013 the company's shares held by ENERGA Group companies were sold.

Changes in the structure of the Group

Acquisition of interests

Acquisitions of interests in Group entities are described in Note 21.

Incorporation of the company

on 4 July 2013, ENERGA-OPERATOR SA established two companies: DGP PROVIDER Sp. z o.o. and EKOTRADE SERWIS FM Sp. z o.o. (see description in note 23.5).

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.

On 1 October 2013, ENERGA-OPERATOR SA sold all the shares it held in DGP PROVIDER Sp. z o.o. and EKOTRADE SERWIS FM Sp. z o.o. to industry investors.

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.

On 17 June 2013 Zakład Transportu Energetyki Sp. z o.o. in liquidation was deregistered from the National Court Register which completed the process of its liquidation.

On 29 July 2013 Zakład Transportu Energetyki ENTRANS Słupsk Sp. z o.o. in liquidation was deregistered from the National Court Register which completed the process of its liquidation.

Mergers

Mergers of Group companies are described in Note 21.4.

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 and hedging derivatives.

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 would continue as a going concern in the foreseeable future.

As at the date of these financial statements there is no evidence indicating significant uncertainty as to the ability of the Group to continue its business activities as a going concern.

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. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2012.

3.2. Functional and presentation currency

The functional currency of the parent company and other Polish companies covered by these condensed interim consolidated financial statements and the presentation currency of these condensed interim consolidated financial statements is the Polish zloty except for ENERGA SLOVAKIA s.r.o. and ENERGA Finance AB (publ) where the functional 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 equity - 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 valuation purposes in the statement of financial position:

Exchange rate at the end of each respective reporting period		
Currency	30 September 2013	31 December 2012
EURO	4,2163	4,0882

The weighted average exchange rates for each respective reporting period are as follows:

Currency	Average exchange rate in the period	
	1 January - 30 September 2013	1 January - 30 September 2012
EURO	4,2231	4,1948

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 financial statements in accordance with the International Accounting Standard 34 "Interim financial reporting" as adopted by the European Union ("EU") 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 have been published by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee, but have not yet become effective as at the date of these financial statements (not as yet 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 (effective for annual periods beginning on or after 1 January 2015),
- 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),
- Amendments to IAS 36 "Impairment of assets" – disclosures concerning the recoverable amount of non-financial assets (effective for annual periods beginning on or after 1 January 2014),
- IFRIC 21 "Levies" (effective for annual periods beginning on or after 1 January 2014),
- Amendments to IAS 39 "Novation of Derivatives and Continuation of Hedge Accounting" (effective for annual periods beginning on or after 1 January 2014).

In preparing these condensed interim financial statements the Group did not apply the following standards, amendments to standards and interpretations that were published and adopted by the EU but are not as yet become effective:

- 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 believes that the introduction of the above-mentioned standards and interpretations will not have any substantial impact on the accounting policies applied by the Group, except for the application of the first phase of IFRS 9 will affect the classification and measurement of the Group's financial assets. The Group will assess this impact in combination with other phases, when published, to present a coherent assessment.

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. This is dependent 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 greater extent to small individual customers than to industrial sector clients. Observations from previous years indicate that mainly due to weather conditions, but also market conditions associated with the contracting processes, the ENERGA SA Group usually generates better results in the first half of the year.

7. Significant accounting policies

In preparing these condensed interim consolidated financial statements the same generally accepted accounting principles were applied as those used in preparing the annual consolidated financial statements for the year ended 31 December 2012, with the exception of:

- amendments to standards and interpretations adopted by the EU which are effective for accounting periods beginning on or after 1 January 2013,
- the accounting of cash flow hedges.
- the standards for which the Group has decided to apply the early application option.

Amendments to standards and interpretations adopted by the EU

For annual periods beginning on or after 1 January 2013, the following new standards and interpretations adopted by the EU became effective and the Group took these 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" - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters, endorsed 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.

Standards applied before their effective date

The Group has decided to apply following the standards:

- IFRS 10 "Consolidated Financial Statements", endorsed by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014).

The early application of the above standard obligates the Group to apply also the following standards/amendments to standards:

- 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 IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities" - Transition Guidance, as adopted by the EU on 4 April 2013 (effective for annual periods beginning on or after 1 January 2013).

The Group believes that the early application of the above standards had no significant effect on the Group's financial standing and performance for the comparative period as presented in these condensed interim consolidated financial statements. Accordingly, the Group has not restated its comparative information.

Hedge accounting

Hedging derivatives and hedge accounting

The Group has implemented the cash flow hedge accounting in order to eliminate accounting mismatches resulting from derivative-based hedges against the currency risk arising from intra-group foreign currency loans (see description in Note 19.6).

The Group may decide to designate selected derivatives as hedges under cash flow hedge for identified hedge relationship. The Group allows the use of cash flow hedge accounting only if certain criteria as referred to in IAS 39 are met, i.e.:

- At the inception of the hedge the Group formally designates and documents the hedging relationship and the risk management objective as well as strategy for undertaking the hedge. The documentation includes the identification of the hedge instrument, the hedged position, the nature of risk and the method for a current assessment of the effectiveness of the hedge in offsetting the risk of changes in cash flows associated with the hedged risk;
- The hedge is expected to be highly effective in offsetting changes in cash flows attributable to the hedged risk, consistently with the originally documented risk management strategy for that particular hedging relationship;
- The forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to variations in cash flows that could ultimately affect profit or loss;
- The effectiveness of the hedge can be reliably assessed, i.e. cash flows related to the hedged position resulting from the hedged risk and the fair value of the hedge can be reliably determined;
- The hedge is assessed on an ongoing basis and determined to have been highly effective throughout the reporting periods for which the hedge was designated.

Applicable accounting principles for derivatives designated as hedges under cash flow hedge accounting

Changes in the fair valuation of derivative financial instruments designated as cash flow hedges are recognized in the revaluation reserve in proportion thereof that is an effective hedge, whereas any ineffective portion of the hedge is recognised to the income statement

The amounts of the cumulative fair value revaluations to the hedge, previously recognised in the revaluation reserve, are recognised to the income statement in the period or periods when the hedged position affects the income statement.

The Group ceases to use the cash flow hedge accounting principles in the event of one or more of the following events:

- The hedging instrument expires or is sold, terminated or exercised (for this purpose, the replacement or rollover of a hedging instrument into another hedging instrument is not an expiration or termination if such replacement or rollover is part of the entity's documented hedging strategy). In this case, the cumulative gain or loss on the hedging instrument that remains recognised directly in equity from the period when the hedge was effective remains separately recognised in equity until the forecast transaction occurs;
- The hedge no longer meets the hedge accounting criteria. In this case, the cumulative gain or loss on the hedging instrument that remains recognised directly in equity from the period when the hedge was effective remains separately recognised in equity until the forecast transaction occurs;

- The forecast transaction is no longer expected to occur, in which case any related cumulative gain or loss on the hedging instrument that remains recognised directly in equity from the period when the hedge was effective is recognised in profit or loss. The forecast transaction which ceases to be highly likely, may still be expected;
- The Group cancels any hedging relationship. For hedges of forecast transactions, the cumulative gain or loss on the hedging instrument that remains recognised directly in equity from the period when the hedge was effective remains separately recognised in equity until the forecast transaction occurs or is no longer expected to occur. If the transaction is no longer expected to occur, the cumulative gain or loss that was recognised directly in equity is recognised in profit or loss.

Presentation

In connection with the use of cash flow hedge accounting, the Group applies the following presentation:

- the effective portion of any change in the valuation of CCIRS hedges is recognised in the revaluation reserve,
- interest on CCIRS hedges is presented in the same line of the income statement in which the interest result on the hedged position is presented,
- any revaluation of CCIRS hedges is presented in the same line of the income statement in which the revaluation of the hedged position is presented,
- the ineffective portion of changes in the valuation of hedges is recognised in the result on financial instruments held for trading.

8. Restatement of comparative information

In these condensed consolidated financial statements comparative information for the nine and three months ended 30 September 2012 have been restated as compared to the information previously reported in connection with:

- changes in accounting principles and in the presentation of information disclosed in the Group's consolidated financial statements for the year ended 31 December 2012, mainly resulting from an early adoption of the amendments to IAS 19 "Employee Benefits", relating to the post-employment benefits;
- changes in the presentation of certain operating costs introduced in the current financial year - the changes were intended to increase the transparency and the usefulness of the information presented in the financial statements without affecting the net result presented;
- adjustment of provision calculated using actuarial methods. The Group has recalculated provisions relating to post-employment benefits and jubilee bonuses. The amount of provisions presented in the Group's published condensed interim consolidated financial statements for the period ended 30 September 2012 derived from the projection of provisions prepared by an independent actuary based on the key assumptions used to calculate provisions as at 31 December 2011. Comparative information for these consolidated financial statements includes the values originating from projection of provisions based on the actuarial assumptions updated as at 30 September 2012;
- recognition of the impairment allowance for property, plant and equipment associated with the Ostrołęka C project. The Group did not estimate the recoverable amount of assets associated with the execution of the suspended Ostrołęka C project and therefore an impairment test was not carried out for the purpose of the

30 September 2012 interim financial statements. Comparative information for these consolidated financial statements has been restated to include the results of the impairment test carried out as at 31 December 2012.

The adjustments relating to the prior period presented in the consolidated financial statements are presented in the table below:

Title	Previously reported (unaudited)	Recalculation of actuarial provisions	Impairment of Ostrołęka C project	Other adjustments	Total adjustments	Restated (unaudited)
Revenue	8 260 186 571,88	-	-	(19 017 487,75)	(19 017 487,75)	8 241 169 084,13
Cost of sales	6 875 032 557,88	11 033 206,83	122 582 711,42	(71 758 040,44)	61 857 877,81	6 936 890 435,69
Other operating income	86 987 439,44	-	-	(5 052 993,84)	(5 052 993,84)	81 934 445,60
Selling and distribution expenses	153 639 653,38	-	-	52 983 730,05	52 983 730,05	206 623 383,43
General and administrative expenses	276 899 571,57	815 110,69	-	(243 177,36)	571 933,33	277 471 504,90
Other operating expenses	108 554 137,22	-	-	(5 052 993,84)	(5 052 993,84)	103 501 143,38
Financial income	80 241 495,53	-	-	(15 198 274,34)	(15 198 274,34)	65 043 221,19
Financial costs	185 966 445,02	-	-	-	-	185 966 445,02
Share of loss of associates	(179 621,29)	-	-	-	-	(179 621,29)
Profit before tax	827 143 520,49	(11 848 317,52)	(122 582 711,42)	(15 198 274,34)	(149 629 303,28)	677 514 217,21
Income tax	164 776 821,49	(2 251 180,33)	-	-	(2 251 180,33)	162 525 641,16
Net profit on continuing operations	662 366 699,00	(9 597 137,19)	(122 582 711,42)	(15 198 274,34)	(147 378 122,95)	514 988 576,05
Net profit on disposal of non-current assets classified as held for sale	-	-	-	15 198 274,34	15 198 274,34	15 198 274,34
Net profit for the period	662 366 699,00	(9 597 137,19)	(122 582 711,42)	-	(132 179 848,61)	530 186 850,39
Net other comprehensive income	503 658,33	(44 978 415,99)	-	-	(44 978 415,99)	(44 474 757,66)
Total comprehensive income	662 870 357,33	(54 575 553,18)	(122 582 711,42)	-	(177 158 264,60)	485 712 092,73
Attributable to:						
Equity holders of the parent company	662 148 672,18	(53 869 457,04)	(122 582 711,42)	0,00	(176 452 168,46)	485 696 503,72
Non-controlling interests	721 685,15	(706 096,14)	-	(0,00)	(706 096,14)	15 589,01
Earnings per share (in PLN)	0,13				(0,02)	0,11

9. 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, production, sales, services and others. In the previous reporting periods, the Group presented the segments (baseload power plants, Combined Heat Production and renewable sources of energy) which are currently disclosed as a single segment – generation.

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 off-set. Accordingly, revenues of the distribution segment from the sale of electricity distribution services 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 the result from continuing operations before tax and financial income/expenses, depreciation and amortization.

The tables below show the breakdown of revenues and expenses for the period from 1 January to 30 September 2013 and the assets and liabilities as at 30 September 2013 assigned to individual segments, together with comparative information restated according to the new presentation of segments and new presentation policy, as described above.

*Condensed Interim Consolidated Financial Statements
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	Nine-month period ended 30 September 2013 or as at 30 September 2013 (unaudited)	Distribution of electricity	Sales	Generation	Services	Other	Total	Consolidation eliminations and adjustments	Total activity
Revenue									
Sales to external clients		2 761 400 315,73	4 919 865 814,33	835 570 387,73	3 432 619,40	17 217 302,55	8 537 486 439,74	-	8 537 486 439,74
Inter-segment sales		37 663 055,13	328 938 967,99	280 238 825,66	258 515 791,78	52 654 949,21	958 011 589,77	(958 011 589,77)	-
Total segment revenues		2 799 063 370,86	5 248 804 782,32	1 115 809 213,39	2 691 135 411,18	69 872 251,76	9 495 498 029,51	(958 011 589,77)	8 537 486 439,74
EBITDA		1 136 067 469,92	188 035 301,15	198 575 106,52	26 412 056,28	(54 059 007,06)	1 495 030 926,81	6 341 852,88	1 501 372 779,49
Profit/(loss) on continuing operations before tax and finance income/expense		656 403 670,86	168 422 286,49	123 908 463,24	15 010 728,98	(60 315 064,45)	903 430 075,12	29 696 579,77	933 126 654,89
Net finance income/expense		(74 230 079,62)	27 029 753,79	(20 696 887,36)	(108 984,34)	607 107 908,46	539 041 710,93	(656 183 952,51)	(117 142 241,58)
Share of profit/(loss) of associates		-	-	-	-	-	-	(512 849,86)	(512 849,86)
Profit/(loss) before tax		582 113 591,24	195 452 040,28	103 211 565,88	14 901 744,64	546 792 844,01	1 442 471 786,05	(627 000 222,60)	815 471 563,45
Income tax		131 587 042,88	36 969 816,83	19 794 120,97	3 759 234,75	5 526 784,48	197 636 989,91	14 412 032,47	212 049 022,38
Net loss on discontinued operations and disposal of assets classified as held for sale		-	-	-	-	(5 806 840,39)	(5 806 840,39)	-	(5 806 840,39)
Net profit/(loss) for the period		450 526 548,36	158 482 223,45	83 417 444,91	11 142 509,89	535 459 219,14	1 239 027 945,75	(641 412 255,07)	597 615 690,68
Assets and liabilities									
Cash and cash equivalents		676 422 526,34	321 207 039,88	309 979 578,10	66 491 079,00	932 721 353,10	2 306 821 576,42	-	2 306 821 576,42
Total assets		11 059 446 597,59	2 276 679 733,83	4 221 377 532,12	239 614 526,88	10 794 311 623,57	28 591 430 013,99	(12 030 883 413,36)	16 560 546 600,63
Financial liabilities		2 936 227 125,40	1 910 455,00	1 525 752 088,98	4 051 807,56	5 271 345 306,21	9 739 286 795,15	(4 437 590 780,08)	5 301 696 015,07
Total liabilities		5 155 125 041,09	1 302 536 202,10	1 968 498 192,71	119 544 742,85	5 621 520 171,13	14 167 224 349,88	(5 472 248 074,91)	8 694 976 274,97
Other segment information									
Capital expenditure		842 321 944,01	20 492 296,60	1 218 034 328,59	11 542 347,57	19 778 850,84	2 112 169 767,61	(8 578 220,87)	2 103 591 546,74
Depreciation		479 663 799,06	19 613 014,66	74 666 663,28	11 401 327,30	6 256 057,39	591 600 851,69	(23 354 727,09)	568 246 124,60
Impairment loss on property, plant and equipment and intangible assets		167 859,01	-	123 657 318,97	-	6 986,94	123 832 164,92	(980,90)	123 831 184,02

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	Nine-month period ended 30 September 2012 (unaudited, restated) or as at 31 December 2012				Distribution of electricity	Sales	Generation	Services	Other	Total	Consolidation eliminations and adjustments	Total activity
Revenue												
Sales to external clients	2 670 330 395,07	4 780 157 854,38	754 633 299,11	10 284 350,17		25 763 185,40				8 241 169 084,13		8 241 169 084,13
Intra-segment sales	37 243 889,49	434 119 315,36	403 537 205,36	260 186 816,68		47 681 485,55				1 182 768 712,44	(1 182 768 712,44)	-
Total segment revenues	2 707 574 284,56	5 214 277 169,74	1 158 170 504,47	270 471 166,85		73 444 670,95				9 423 937 796,57	(1 182 768 712,44)	8 241 169 084,13
EBITDA	1 036 872 365,08	201 201 001,38	114 806 318,70	11 473 926,64		(47 438 654,76)				1 316 914 957,03	15 464 955,31	1 332 379 912,34
Profit/(loss) on continuing operations before tax and finance income/expense	588 593 763,04	183 101 969,23	39 624 278,37	3 578 509,87		(54 783 962,39)				760 114 558,12	38 502 504,21	798 617 062,33
Net finance income/expense	(110 583 238,59)	8 446 233,83	(1 829 388,31)	618 014,14		817 055 851,51				713 707 492,58	(834 630 716,41)	(120 923 223,83)
Share of profit/(loss) of associates											(179 621,29)	(179 621,29)
Profit/(loss) before tax	478 010 524,45	191 548 203,06	37 794 910,06	4 196 524,01		762 271 889,12				1 473 822 050,70	(796 307 833,49)	677 514 217,21
Income tax	91 915 845,10	37 593 615,95	33 738 997,76	1 519 958,87		(7 983 158,69)				156 785 258,99	5 740 382,17	162 525 641,16
Net profit 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	386 094 679,35	153 954 587,11	4 055 912,30	2 676 565,14		785 453 322,15				1 332 235 066,05	(802 048 215,66)	530 186 850,39
Assets and liabilities												
Cash and cash equivalents	715 428 864,26	246 149 828,69	396 599 606,77	20 490 914,73		690 389 021,03				2 069 058 235,48	-	2 069 058 235,48
Total assets	11 313 144 590,12	2 385 320 353,81	2 193 746 100,22	227 882 719,59		9 389 415 280,64				25 509 509 044,38	(10 596 736 305,71)	14 912 772 738,67
Financial liabilities	3 058 362 720,58	2 365 356,25	378 167 231,78	1 504 136,21		4 015 479 317,38				7 455 876 762,20	(3 960 882 740,32)	3 494 996 021,88
Total liabilities	5 557 421 177,71	1 360 692 069,19	803 766 234,95	125 934 373,85		4 357 225 049,98				12 205 038 905,68	(5 010 788 632,78)	7 194 250 272,90
Other segment information												
Capital expenditure	891 701 164,81	17 504 926,84	222 328 602,88	36 454 698,90		23 129 864,02				1 191 119 057,45	1 383 673,66	1 192 502 731,10
Depreciation	448 278 602,04	18 099 032,15	75 182 040,33	7 895 416,77		7 345 307,63				556 800 398,91	(23 037 548,90)	533 762 850,01
Impairment/loss on property, plant and equipment and intangible assets	-	(93 678,34)	122 636 515,58	(81 310,05)		-				122 461 527,19	-	122 461 527,19



10. Property, plant and equipment

In the 9 month period ended 30 September 2013, the Group:

- incurred capital expenditures on property, plant and equipment and property, plant and equipment under construction in the amount of PLN 989.8 m,
- acquired through acquisition of businesses (see description in Note 21) property, plant and equipment with a total value of PLN 1,042.5 m,
- sold and scrapped property, plant and equipment with a total net book value of PLN 22.7 m.

11. Impairment tests for property, plant and equipment

In view of evidence found in relation to the property, plant and equipment of Power Plant B at ENERGA Elektrownie Ostrołęka ("CGU B") indicating a possible decrease in the recoverable value of property, plant and equipment of the CGU B, as at 31 March 2013 an impairment test was 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 a 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 test carried out on 31 March 2013, it was determined that an impairment allowance for property, plant and equipment of the CGU B. Therefore, an impairment write-off of property, plant and equipment in the amount of PLN 123.4 m was recognised as cost of sales.

The test for impairment on property, plant and equipment of the CGU Power Plant B in Ostrołęka was re-performed as at 30 September 2013 in which its recoverable value was determined based on the discounted value of estimated cash flows from operating activities. The test was carried out taking into consideration the operational assumptions prepared by the company according to its knowledge as at 30 September 2013 and the price paths updated according to the Polish market report prepared by an independent agency as at 31 July 2013. The calculations were made on the basis of the financial projections prepared for the period X 2013-2018 and the residual value, using the discount rate equal to the weighed average cost of capital (WACC) of 8.21% before tax.

The results of the impairment test do not indicate a need to adjust the impairment allowance recognised at the end of March 2013.

If significant changes in market conditions occur there is a risk that the test results will be different in the future.

12. Cash and cash equivalents

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

Title	As at 30 September 2013 (unaudited)	As at 30 September 2012 (unaudited)
Cash at bank and in hand	360 123 748,56	314 409 407,23
Short term deposits up to 3 months	1 276 615 193,96	342 313 492,50
Participation units in liquidity funds	669 580 894,50	918 362 603,03
Other	501 739,40	336 391,77
Total cash and cash equivalents presented in the statement of financial position	2 306 821 576,42	1 575 421 894,53
Unrealised exchange rate differences and interest	(11 466 923,08)	(7 514 422,04)
Cash and cash equivalents classified as assets held for sale	46 411 209,86	-
Current account overdrafts	-	(272 681 787,95)
Total cash and cash equivalents presented in the statement of cash flow	2 341 765 863,20	1 295 225 684,54

13. Earnings per share

The following data regarding profit and shares were used to calculate the basic and diluted earnings per share ratio:

Title	Nine-month period ended 30 September 2013 (unaudited)	Nine-month period ended 30 September 2012 (unaudited) (restated)
Net profit on continuing operations attributable to the ordinary shareholders of the Parent Company	616 629 885,74	514 374 534,17
Net profit/ (loss) on discontinued operations attributable to the ordinary shareholders of the Parent Company	(5 806 840,39)	15 198 274,34
Net profit attributable to the ordinary shareholders of the parent company	610 823 045,35	529 572 808,51
Number of ordinary shares at the end of the period	414 067 114	4 968 805 368
Number of issued common shares used to calculate basic earnings per share	4 633 763 076	4 968 805 368
Earnings per share from continuing operations (basic and diluted)	0,13	0,10
Earnings per share from discontinued operations (basic and diluted)	(0,00)	0,00

14. Dividend

Title	Nine-month period ended 30 September 2013 (unaudited)	Nine-month period ended 30 September 2012 (unaudited)
Dividends declared in the period		
dividend declared by subsidiaries to non-controlling interests	1 755 096,60	8 183 902,21
dividend declared by the Parent Company	496 880 536,80	645 944 697,84
Total	498 635 633,40	654 128 600,05
Dividends paid in the period		
dividend paid in the period	497 166 222,70	653 803 931,39
dividend per share paid by the Group	0,11	0,13

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15. Provisions

	Post-employment benefits	Jubilee bonuses	Employee matters	Restructuring provision	Total provisions for employee benefit	Legal claims	For reclamation and decommissioning costs of property, plant and equipment *	Provision for liabilities for gas emissions	Provision for redemption of energy certificates of origin	Other provisions	Total other provisions	Total
As at 1 January 2013	458 931 832,56	275 407 080,84	3 505 705,42	56 912 953,27	794 757 682,09	198 081 861,84	9 299 050,00	308 500,00	211 035 656,60	51 640 367,34	471 373 435,78	1 266 131 117,87
Purchase/disposal of subsidiary	-	-	-	-	-	(353 750,00)	14 700 000,00	-	-	(2 500,00)	14 303 750,00	14 303 750,00
Current service cost	2 148 820,11	8 530 796,71	-	-	10 679 616,82	-	-	-	-	-	-	10 679 616,82
Actuarial gains and losses	(38 605 697,69)	(13 614 484,59)	-	-	(52 220 182,28)	-	-	-	-	-	-	(52 220 182,28)
Benefits paid	(7 680 142,18)	(14 077 676,94)	-	-	(21 757 819,12)	-	-	-	-	-	-	(21 757 819,12)
Interest cost	13 867 657,00	8 394 771,00	-	-	22 262 428,00	-	88 341,00	-	-	-	88 341,00	22 350 769,00
Raised during the period	-	-	2 253 567,20	68 330 076,81	70 583 644,01	42 222 756,27	381 276,36	168 437,00	170 383 376,82	41 799 020,02	254 954 866,47	325 538 510,48
Released	-	-	(327 417,14)	(742 363,08)	(1 069 780,22)	(47 562 754,59)	(2 101 059,00)	-	(70 641 828,10)	(1 486 126,61)	(121 791 768,30)	(122 861 548,52)
Used	-	-	(2 848 506,12)	(36 996 869,58)	(39 845 375,70)	(97 082 629,74)	-	(306 500,00)	(208 290 862,74)	(39 351 657,54)	(345 031 670,02)	(384 668 035,72)
Transfer to liabilities related to assets classified as held for sale	(18 666 254,33)	(9 667 521,20)	-	-	(28 333 775,53)	-	-	-	-	-	-	(28 333 775,53)
As at 30 September 2013 (unaudited)	409 996 315,47	254 972 975,82	2 582 349,36	87 513 807,42	755 065 448,07	96 275 483,78	22 367 608,36	168 437,00	102 486 322,58	52 599 103,21	273 896 954,93	1 028 962 403,00
Short-term as at 30 September 2013 (unaudited)	15 465 918,80	19 869 401,59	2 582 349,36	86 663 517,73	124 601 167,48	96 275 483,78	-	168 437,00	102 486 322,58	52 599 103,21	251 529 348,57	376 130 534,05
Long-term as at 30 September 2013 (unaudited)	394 530 396,67	235 103 574,23	-	830 289,69	630 464 280,59	-	22 367 608,36	-	-	-	22 367 606,36	652 831 868,95

* In this provisions category, the Group presents the provision for ash landfills reclamation costs and dismantling costs of the wind turbines acquired as part of the transactions described in note 21.

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 30 September 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, except the discount rate. The discount rate applied for the projections of the provisions as at 30 September 2013 was applied at the level of 4.64% (31 December 2012: 3.80%).

In the current reporting period, the Group raised a provision for compensation to employees of operating and investment companies in connection with the restructuring activities undertaken in this area (see description in note 23.5). The relevant provision of PLN 66.7 m was recognized in restructuring provisions.

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	Post-employment benefits	Jubilee bonuses	Employee matters	Restructuring provision	Total provisions for employee benefit	Legal claims	For reclamation and decommissioning costs of property, plant and equipment	Provision for liabilities for gas emissions	Provision for redemption of energy certificates of origin	Other provisions	Total other provisions	Total
As at 1 January 2012	475 087 202,42	217 784 864,20	3 115 187,49	64 142 658,71	760 129 932,82	76 770 794,37	4 754 360,00	31 014 512,89	268 647 398,17	37 264 442,79	418 451 506,22	1 178 581 439,04
Current service cost	24 646 890,31	14 312 153,32	-	-	38 959 033,63	-	-	-	-	-	-	38 959 033,63
Actuarial gains and losses	54 627 953,64	10 743 115,89	-	-	65 371 069,53	-	-	-	-	-	-	65 371 069,53
Benefits paid	(10 112 152,39)	(11 899 897,46)	-	-	(22 012 149,87)	-	-	-	-	-	-	(22 012 149,87)
Interest cost	18 865 263,07	7 988 875,37	-	-	26 874 158,44	-	-	-	-	-	-	26 874 158,44
Raised during the period	-	-	121 952,00	13 906 303,91	14 028 255,91	29 651 646,88	-	-	511 594 300,70	68 534 094,52	609 890 042,10	624 009 298,01
Released	-	-	(1 034 847,72)	(7 355 090,26)	(8 389 937,98)	(17 669 407,64)	-	(44 658,41)	(2 907 578,74)	(1 013 422,76)	(21 635 267,75)	(30 025 205,73)
Used	-	-	(628 079,31)	(47 598 490,36)	(48 226 569,67)	(1 022 108,28)	-	(30 665 654,48)	(651 677 729,41)	(29 629 865,56)	(712 975 357,73)	(761 201 927,40)
Other	-	-	-	-	-	-	-	-	-	4 145 739,84	4 145 739,84	4 145 739,84
As at 30 September 2012 (unaudited) (restated)	563 135 167,05	238 929 031,30	1 574 212,46	23 095 382,00	826 735 792,81	87 950 925,13	4 754 360,00	304 000,00	125 656 388,72	79 301 007,83	297 966 681,66	1 124 700 474,49
Short-term as at 30 September 2012 (unaudited) (restated)	71 319 927,82	34 767 618,24	1 574 212,46	21 878 121,00	129 539 879,52	87 950 925,13	-	304 000,00	125 656 388,72	79 301 007,83	293 212 321,66	422 752 201,20
Long-term as at 30 September 2012 (unaudited) (restated)	491 815 239,23	204 161 413,06	-	1 217 261,00	697 195 913,29	-	4 754 360,00	-	-	-	4 754 360,00	701 948 273,29

16. Assets classified as held for sale

The Group has taken steps to sell shares in the following subsidiaries operating as supporting services providers for the Distribution System Operator business (ENERGA – OPERATOR SA), i.e. design and specialized power construction and the production of power devices: Przedsiębiorstwo Budownictwa Elektroenergetycznego "ENBUD" Słupsk Sp. z o.o., Zakład Budownictwa Energetycznego Sp. z o.o., ZEP – Centrum Wykonawstwa Specjalistycznego Sp. z o.o., Energetyka Kaliska – Usługi Techniczne Sp. z o.o., ENERGA – OPERATOR Produkcja Sp. z o.o., Przedsiębiorstwo Wielobranżowe Energetyki "ELEKTROINSTAL" Sp. z o.o., ENERGA – OPERATOR Projektowanie Sp. z o.o., ENERGETYK Sp. z o.o. in liquidation.

Currently the Group is in search of prospective buyers for shares in those entities. The Group expects that the sales process will be completed in the next 12 months. Consequently, all the assets and liabilities of these entities were presented in the condensed interim consolidated statement of financial position as held for sale.

Oświetlenie Uliczne i Drogowe Sp. z o.o. (OUIID) submitted a proposal to repurchase its shares held by ENERGA SA for purposes of their redemption. Price negotiations are closed and drafts of resolutions of the Ordinary General Meeting and of the share purchase agreement have been agreed. On 26 June 2013 during the Ordinary General Meeting of Oświetlenie Uliczne i Drogowe Sp. z o.o. resolutions authorizing purchases against payment of its own shares from ENERGA SA for purposes of their further redemption were adopted. Such resolutions pave the way for an effective sale of OUIID shares by ENERGA SA. The a/m shares are expected to be sold in the fourth quarter of 2013.

The Group also presents a part of the assets of Międzynarodowe Centrum Szkolenia Energetyki Sp. z o.o. (hotel and recreation and leisure facilities) as assets held for sale.

Main categories of assets and liabilities making up the activities classified as held for sale as at the reporting date are presented in the following table:

Title	As at 30 September 2013 (unaudited)	As at 31 December 2012
ASSETS		
Property, plant and equipment	35 813 706,51	7 194 926,10
Investment property	729 399,25	2 306 329,20
Intangible assets	501 893,49	666 529,07
Deferred tax assets	5 347 957,70	-
Other non-current assets	1 922 704,11	-
Inventories	19 478 215,58	-
Current tax assets	1 867 779,82	-
Trade receivables and other financial receivables	8 275 970,52	-
Other investments	20 500 111,40	-
Deposits	63 000,00	-
Cash and cash equivalents	46 411 209,86	-
Other current assets	1 904 085,49	-
Assets classified as held for sale	142 816 033,73	10 167 784,37
LIABILITIES		
Non-current provisions	26 960 858,00	-
Deferred tax liabilities	458 967,52	-
Trade and other non-current financial liabilities	76 831,51	-
Finance lease liabilities	586 427,72	-
Trade and other financial liabilities	25 889 297,88	-
Accruals	3 165 152,49	-
Provisions	1 624 848,88	-
Other current liabilities	8 597 619,77	-
Liabilities related to assets classified as held for sale	67 360 003,77	-

17. Investment commitments

Distribution System Operator Commitments

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 amounts of respectively: 2013 – PLN 1,209.8 m, 2014 – PLN 1,135.6 m, 2015 – PLN 1,109.1 m (fixed prices of 2010). By 30 September 2013, realised capital expenditures reached PLN 863.4 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 SA 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).

By 30 September 2013, total expenditures for the development of the distribution network and the production of heat energy in Ostrołęka amounted to PLN 98.5 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. By 30 September 2013, the company incurred expenditures of PLN 19.0 m for the project.

“Intervention work” service contract

The “intervention work” service contract entered into 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 expenditures for modernisation within the scope covered by the agreement and planned as at the contract date were PLN 134.3 m. The currently estimated amount of such expenditures is PLN 149.4 m. By 30 September 2013 the total expenditures incurred in relation to the agreement with PSE S.A. reached PLN 139.5 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 commitment. The aggregate planned capital expenditures amount to PLN 224.5 m of which investments of PLN 186.7 m were already made at 30 September 2013.

Construction of gas - steam power plants in Grudziadz and Gdansk

The process of construction of the gas - steam power plants in Grudziadz and Gdańsk is handled by special purpose vehicles established in December 2012, Elektrownia CCGT Grudziadz Sp. z o.o. and Elektrownia CCGT Gdańsk Sp. z o.o. The total estimated value of commitments under the contracts concluded by the companies in connection with this investment project is approx. PLN 25.1 m, of which PLN 2.6 m was already expended by 30 September 2013.

Development of the heat system in Kalisz

Following the acquisition on 9 April 2013 of 90% of the shares in Ciepło Kaliskie Sp. z o.o. (see Note 21.1), the subsidiary ENERGA Kogeneracja Sp. z o.o. committed to implement an investment programme in the acquired company for an amount of not less than PLN 15 m within 6 years. By 30 September 2013, capital expenditures of PLN 3.8 m were incurred.

Sales support system

On 24 June 2013 ENERGA SA signed an agreement for the development and implementation of the sales support system, including billing and customer relationship management systems (CRM, Customer Relationship Management) in the Group. Under such agreement ENERGA SA undertook to incur expenditures for property, plant and equipment and intangible assets for the total amounts of PLN 5.5 m and PLN 63.2 m respectively.

18. Transactions with related entities

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

18.1. Transactions with members of Managements 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 period of nine months ended 30 September 2013 was approximately PLN 26.1 m (of which PLN 2.9 m was paid by the Parent Company).

18.2. Transactions involving State Treasury companies

The Group's parent entity is the State Treasury. Accordingly, other State Treasury companies are treated by the Group as related parties. The Group has identified transactions with approximately 30 companies related to the State Treasury with which the Group has the highest turnover. The transactions were concluded in regular business dealings and pertained mainly to the purchase and sale of electricity and property rights, sale of electricity distribution services (including transit), settlements with the transmission system operator in the balancing market, for transmission services, system services and intervention work services and the purchase and transportation of fuel (mainly coal).

As at	Receivables	Liabilities
30 September 2013 (unaudited)	65 857 371,60	33 978 682,67
31 December 2012	146 539 832,34	39 188 891,50

Period	Sales	Purchases
Nine-month period ended 30 September 2013 (unaudited)	802 063 529,42	1 931 631 209,55
Nine-month period ended 30 September 2012 (unaudited)	840 800 925,62	916 917 573,81

Moreover, in the current reporting period, the subsidiary ENERGA – OPERATOR SA paid to PSE S.A. the amount of PLN 95.5 m in settlements of the dispute described in note 23.6.

18.3. Transactions with associates

Nine-month period ended 30 September 2013 or as at 30 June 2013 (unaudited)	Sales	Purchases	Receivables	Liabilities
Soen Sp. z o.o.	283 760,27	2 786 619,27	18 311,99	247 508,73
Słupskie Towarzystwo Koszykówki Sportowa Spółka Akcyjna	-	2 240 000,00	-	-
Oświetlenie Uliczne i Drogowe Sp. z o.o.	11 888 932,21	-	6 355 706,97	581 887,03
Total	12 172 692,48	5 026 619,27	6 374 018,96	829 395,76

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

19. Financial instruments

19.1. Carrying value of financial instruments by category and class

Title	As at 30 September 2013 (unaudited)	As at 31 December 2012
Classes of financial instruments		
Deposits	20 418 869,09	26 783 927,04
Bonds, treasury bills and other debt instruments	14 728 307,72	27 107 314,83
(Non-consolidated) shareholdings	1 340 679,81	2 830 952,87
Trade and other receivables	1 274 650 665,39	1 520 667 537,25
Cash and cash equivalents, including:	2 306 821 576,42	2 069 058 235,48
Units of participation in the ENERGA Trading SFIO fund	669 580 894,50	705 911 173,67
Other financial assets	17 216 833,84	954 119,81
Receivables from sale of property, plant & equipment and intangible assets	2 214 879,90	2 515 934,75
Other financial assets	-	3 969 018,10
Hedging derivatives (assets)	50 368 796,18	-
Total assets	3 687 760 608,35	3 653 887 040,13
Preferential loans and borrowings	959 415 279,77	996 129 192,30
Loans and borrowings	1 136 317 153,48	1 393 617 506,73
Current account overdraft	-	26 030 109,32
Bonds issued	3 205 963 581,82	1 079 219 213,53
Trade and other payables	717 956 889,10	709 782 931,25
Other financial liabilities	17 002 240,46	26 615 105,83
Liabilities from purchase of property, plant & equipment and intangible assets	48 039 394,21	139 033 963,05
Total liabilities	6 084 694 538,84	4 370 428 022,01
Categories of financial instruments		
Financial assets measured at fair value through profit or loss	2 308 162 256,23	2 075 858 206,45
Investments held to maturity	35 147 176,81	53 891 241,87
Loans and receivables	1 294 082 379,13	1 524 137 591,81
Hedging derivatives	50 368 796,18	-
Total assets	3 687 760 608,35	3 653 887 040,13
Financial liabilities measured at fair value through profit or loss	-	-
Financial liabilities measured at amortised cost	6 084 694 538,84	4 370 428 022,01
Total liabilities	6 084 694 538,84	4 370 428 022,01

19.2. Fair value of financial instruments

The book value of the following financial assets and liabilities:

- financial assets and liabilities measured at fair value through profit or loss,
- investments held-to-maturity, based on variable interest rates,
- hedge derivatives,
- loans granted, receivables and other financial liabilities,

is a reasonable approximation of their fair value.

For non-listed shares and debt securities there is no active market, nor is it possible to apply to them any other valuation techniques 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 write-offs.

The table below analyses fair value measurements for financial assets and financial liabilities categorised into three level hierarchy:

- level 1 - fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- level 2 – fair value based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly;
- level 3 – fair value based on unobservable inputs for the asset or liability.

Title	As at 30 September 2013 (unaudited)		
	Level 1	Level 2	Level 3
Assets			
Units of participation in the ENERGA Trading SFIO fund	-	669 580 894,50	-
Hedging derivatives (CCIRS)	-	50 368 796,18	-

The value of participation units in the ENERGA Trading SFIO fund is measured as the product of their quantity and the value of a single participation unit. Measurement is made by the fund management company in accordance with the Act on investment funds of 27 May 2004.

Cross Currency Interest Rate Swaps (CCIRSs) are measured at fair value by discounting future cash flows separately for each currency. Interest rates for each currency and basis spread used in discounting are obtained from Bloomberg.

During the reporting period no significant changes in the financial risk management policy were introduced except for hedge accounting, as described in note 19.6.

19.3. Loans and borrowings

	As at 30 September 2013 (unaudited)
Currency	PLN
Reference Rate	WIBOR, Rediscount rate
Value of the loan/ borrowing	2 095 732 433,25
Of which, repayable:	
up to 1 year (short-term)	283 425 789,58
1 to 2 years	265 256 812,99
2 to 3 years	333 126 451,03
3 to 5 years	441 764 530,58
over 5 years	772 158 849,07

Detailed information on contracted external financing is set out in Note 23.2.

19.4. Liabilities under notes issued

Currency Reference Rate Value of the issue	As at 30 September 2013 (unaudited)	
	PLN WBOR	EUR fixed
in currency	1 074 761 452,81	505 467 383,49
in PLN	1 074 761 452,81	2 131 202 129,01
of which, repayable:		
up to 1 year (short-term)	13 834 966,05	37 063 774,06
1 to 2 years	7 355 552,02	-
2 to 3 years	7 432 616,02	-
3 to 5 years	14 735 223,94	-
over 5 years	1 031 403 094,78	2 094 138 354,95

Detailed information on issued notes is set out in Note 23.2.

19.5. 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	30 September 2013 (unaudited)	31 December 2012
Property, plant and equipment	50 853 301,50	78 417 217,14
Receivables	-	300 000,00
Inventories	2 438 738,65	25 302 771,93
Cash	154 948 615,43	130 438 152,99
Total assets securing repayment of financial liabilities	208 240 655,58	234 458 142,06

19.6. Cash flow hedge accounting

The special purpose vehicle ENERGA Finance AB (publ) (the issuer of Eurobonds – see description in Note 23.2) and ENERGA SA signed two loan agreements denominated in EUR for the total amount of EUR 499 m. In order to hedge the currency risk under such loans, the Group concluded CCIRS transactions.

As a hedged position under the above hedging relationship the Group designates, the foreign currency risk arising from intra-group loans denominated in EUR. The foreign currency risk is hedged at the level of 80% of the total nominal amount of loans.

As the hedge the Group designated CCIRS transactions under which the Group receives fixed-rate cash flows in EUR and pays fixed-rate cash flows in PLN. Cash flows received by the Group correspond with the cash flows under the intra-group loans. The Group expects that the hedged cash flows will continue until March 2020.

The fair value of the hedge at 30 September 2013 was PLN 50.4 m.

Under the cash flow hedge accounting the Group recognised PLN 28.3 m during the reporting period in the revaluation reserve (the effective portion of changes in the value of the hedge less deferred tax).

The table below presents changes in the balance of the revaluation reserve resulting from the hedge accounting in the reporting period:

	Nine-month period ended 30 September 2013 (unaudited)
Changes in the cash flow hedge reserve within the reporting period	
Opening balance	-
Amount recognised in the cash flow hedge reserve during the period, equal to the change in the fair value of hedge instruments	50 368 796,18
Accrued interest transferred from the reserve to the interest expense	(4 144 170,26)
Revaluation of hedging instruments transferred from the equity to foreign exchange (gains) / losses	(11 320 000,00)
Income tax on other comprehensive income	(6 631 878,92)
The ineffective portion of changes in the valuation of hedge instruments transferred from equity to profit or loss on financial instruments held for trading	-
Closing balance (unaudited)	28 272 747,00

As at 30 September 2013, there was no ineffectiveness identified resulting from the applied cash flow hedge accounting.

20. Contingent assets and liabilities

20.1. Contingent liabilities and other security granted

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

Title	As at 30 September 2013 (unaudited)	As at 31 December 2012 (restated)
Contingent liabilities		
legal claims	147 378 172,54	144 065 627,81
other	13 454 360,21	13 440 666,74
Other security		
guarantees	5 746 701 686,14	476 787 827,79
sureties	512 586 875,59	8 585 220,00
bills of exchange	80 813 351,52	78 815 097,09
joint and several liability of ENERGA SA for the financial liabilities of Energa Group companies	196 468 433,22	185 867 338,49
Total	6 697 402 879,22	907 561 777,92

As at 30 September 2013, the Group reported mainly the following items as guarantees:

- guarantees issued by the banks acting on behalf of ENERGA – OBRÓT SA to business partners to cover liabilities under contracted trade agreements up to PLN 450 m;
- guarantee granted by ENERGA SA for the liabilities of Energa Finance AB (publ) under the Eurobonds issued for up to EUR 1,250 m.

In the current reporting period ENERGA SA granted to ENERGA – OBRÓT SA a surety for up to PLN 500 m for the obligations arising from the trade agreement.

In addition, other security granted by the Group disclosed as at 30 September 2013 include:

- sureties granted by ENERGA – OBRÓT SA for the obligations of ENERGA Slovakia s.r.o. arising from signed trade agreements;

- joint and several liability obligations of ENERGA SA for the financial liabilities incurred by the Group companies under loan agreements and agreements for the guarantees described in Note 23.2;

which were not disclosed in the financial statements for the comparative period. The comparative information presented in the table above has been restated accordingly.

20.2. Contingent assets

In 2011, the Group recognised a contingent asset in association with the dispute described in note 23.6.

As at 30 September 2013, this asset has a carrying value of PLN 27.9 m.

21. Business combinations and acquisitions

21.1. 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. which manages an integrated heat distribution system in Kalisz and has a natural monopoly position on the market.

Fair value of acquired assets and liabilities as at the date of acquisition

Title	Fair value at the acquisition date (unaudited)
ASSETS	
Property, plant and equipment	38 390 753,40
Intangible assets	1 340,13
Trade receivables and other financial receivables	209 201,43
Cash and cash equivalents	2 355 670,66
Other current assets	54 858,96
TOTAL ASSETS	41 011 824,58
LIABILITIES	
Deferred income and non-current government grants	1 709 594,30
Trade and other financial liabilities	81 147,32
Other current liabilities	202 427,34
TOTAL LIABILITIES	1 993 168,96
Identifiable net assets at fair value	39 018 655,62

Goodwill recognised as a result of acquisition

Title	Value at the acquisition date (unaudited)
Identifiable net assets at fair value	(39 018 655,62)
Non-controlling interests based on their proportionate interest in the recognised amounts of the net assets of the acquired entity	4 721 257,33
Purchase price	45 743 925,00
Goodwill	11 446 526,71

The recognised goodwill results from the synergies and benefits expected from the combination of assets and operations of Ciepło Kaliskie Sp. z o.o. with the operations of the Group.

Cash outflows in relation to the acquisition

Title	Nine-month period ended 30 September 2013 (unaudited)
Expenses related to the acquisition of shares	(46 210 836,00)
Cash and cash equivalents acquired	2 355 670,66
Acquisition, net of cash acquired	(43 855 165,34)

Impact of acquisitions on the Group results

In the period from the acquisition date, the contribution of Ciepło Kaliskie Sp. z o.o. to the Group's revenues and pre-tax profit was PLN 1,052 thousand and PLN (442) thousand, respectively. If the combination had occurred as at the beginning of the year, the revenues from the continued operations would have amounted to PLN 8,538 m and the profit on continued operations would have amounted to PLN 603.0 m.

Acquisition-related costs

Acquisition-related transaction costs incurred by the Group amounted to PLN 467 thousand and were recognised to the income statement as financial costs.

21.2. Acquisition of Dong Energy Wind Power A/S wind assets

On 19 February 2013 ENERGA Hydro Sp. z o.o. signed a preliminary purchase agreement for up to 100% of the shares in the companies making up the on-shore wind assets of Dong Energy Wind Power A/S in Poland as part of a consortium with the partner, Polska Grupa Energetyczna SA ("PGE"). The condition precedent to the transaction was obtaining, by way of a decision of the President of the Competition and Consumer Protection Office ("CCPO"), of consent for the concentration. CCPO's favourable decision was issued on 4 June 2013.

On 28 June 2013 the final sale agreement was entered into as a result of which the subsidiary ENERGA Hydro Sp. z o.o. acquired:

- 100% of the shares in Dong Energy Karcino Sp. z o.o. (currently EPW Karcino Sp. z o.o.),
- 100% of the shares in Dong Energy Tuszyny Sp. z o.o. (currently EPW 1 Sp. z o.o.),
- 100% of the shares in Dong Energy Pancierzyn Sp. z o.o. (currently EPW 3 Sp. z o.o.),
- 100% of the shares in Dong Energy Gąsiorowo Sp. z o.o. (currently EPW 2 Sp. z o.o.),
- 100% of the shares in Dong Energy 3 Sp. z o.o. (currently EPW Parsówek Sp. z o.o.),
- 19% of the shares in Dong Energy Olecko Sp. z o.o. (currently EPW Energia Olecko Sp. z o.o.).

After the acquisition of the foregoing entities ENERGA Group holds one active 51 MW wind farm and a portfolio of wind projects at different stages of development with an aggregate capacity of approximately 220 MW.

In the case of EPW Energia Olecko Sp. z o.o., a process has begun aimed at dividing assets of this company between ENERGA Hydro Sp. z o.o. and PGE, as a result of which ENERGA Hydro Sp. z o.o. would acquire a wind farm project in Kętrzyn. The assets will be divided by splitting EPW Energia Olecko Sp. z o.o. and spinning off the part of its assets to be transferred to ENERGA Hydro Sp. z o.o., which is planned for the turn of 2013 and 2014. In these financial statements part of the entity where the investment was made (called a "silo") is consolidated. Based on the approach described above, the company branch established for the wind farm project taken over by ENERGA Hydro Sp. z o.o., i.e. EPW Energia Olecko Sp. z o.o. "Kętrzyn" Branch Pruszcz Gdański

was identified as the part of EPW Energia Olecko Sp. z o.o. controlled by the Group. On 25 September 2013, the spin-off plan was concluded according to which EPW 1 Sp. z o.o. will take over the above mentioned branch of EPW Energia Olecko Sp. z o.o.

Fair value of acquired assets and liabilities as at the date of acquisition

As a result of the analyses and valuations of acquired assets and liabilities carried out in Q3 2013, the fair value of identifiable assets, liabilities and contingent liabilities of the acquired entities was determined.

Title	DONG Energy Karcino Sp. z o.o. (unaudited)	Other acquired companies (unaudited)	Total
ASSETS			
Property, plant and equipment	277 467 140,00	65 640 000,00	343 107 140,00
Intangible assets	2 700 800,00	1 100,00	2 701 900,00
Deferred tax assets	3 245 240,46	-	3 245 240,46
Other non-current assets	400 637,41	472 327,85	872 965,26
Inventories	3 863 647,75	-	3 863 647,75
Trade receivables and other financial receivables	1 988 180,90	-	1 988 180,90
Cash and cash equivalents	3 513 591,28	7 915 788,01	11 429 379,29
Other current assets	2 695 530,55	1 970 511,54	4 666 042,09
TOTAL ASSETS	295 874 768,35	75 999 727,40	371 874 495,75
LIABILITIES			
Non-current provisions	3 300 000,00	-	3 300 000,00
Deferred tax liabilities	2 255 172,87	-	2 255 172,87
Trade and other financial liabilities	1 253 060,93	721 205,59	1 974 266,52
Current loans and borrowings	196 003 220,07	868 259,37	196 871 479,44
Other current liabilities	34 015,44	1 684,00	35 699,44
TOTAL LIABILITIES	202 845 469,31	1 591 148,96	204 436 618,27
Identifiable net assets	93 029 299,04	74 408 578,44	167 437 877,48

Bargain purchase gains arising from the acquisition

In order to settle the wind assets acquisition transaction from Dong Energy Wind Power A/S, an analysis was conducted to determine which of the transactions should be classified as an acquisition of a business. It has been determined that the definition of a business is satisfied by the operational wind farm in Karcino, while the acquisition of the wind farm project portfolio should be classified as an acquisition of assets and liabilities. For the purposes of settling the asset acquisition transaction, the purchase price was allocated to the individual identifiable assets and liabilities at the amount of their fair value on the date of the acquisition. The remaining part of the purchase price was allocated to the operational wind farm in Karcino.

The transaction was settled on 9 September 2013 with the total purchase price of PLN 149,531 thousand.

Title	DONG Energy Karcino Sp. z o.o. (unaudited)	Other acquired companies (unaudited)	Total
Identifiable net assets	(93 029 299,04)	(74 408 578,44)	(167 437 877,48)
Purchase price	-	-	149 531 189,69
Gain on bargain purchase	-	-	17 906 687,79

The bargain purchase gain recognized resulted from the recognition of the higher value of the purchased wind projects. Some of the acquired wind projects had higher capacity and higher wind parameters of the area than those assumed when the transaction was priced.

The bargain purchase gains were recognised in the profit and loss account as other operating income.

Cash outflows in relation to the acquisition

Title	DONG Energy Karcino Sp. z o.o. (unaudited)	Other acquired companies (unaudited)	Total
Expenses related to the acquisition of shares	(158 253 786,41)		(158 253 786,41)
Cash and cash equivalents acquired	3 513 591,28	7 915 788,01	11 429 379,29
Acquisition, net of cash acquired			(146 824 407,12)

Impact of acquisitions on the Group results

In the period from the acquisition date, the contribution of acquired entities to the Group's revenues and pre-tax profit was PLN 6,423 thousand and PLN (3,026) thousand, respectively. If the combination had occurred as at the beginning of the year, the revenues from the continued operations would have amounted to PLN 8,550 m and the profit on the Group's continued operations would have amounted to PLN 596.8 m.

Acquisition-related costs

Acquisition-related transaction costs incurred by the Group by 30 September 2013 amounted to approximately PLN 8.72 m and were recognised in the profit and loss account as financial costs.

Items that are not part of the consideration paid for the acquired entity

Under the contractual arrangements relating to the acquisition of the shares, ENERGA Hydro Sp. z o.o. committed to pay the obligations of the acquired entities to Dong Energy Wind Power A/S (the seller). The final aggregated payments of PLN 196.9 m in the above transaction were made on 28 June and 9 September 2013.

21.3. Acquisition of shares in Iberdrola Renewables Polska Sp. z o.o. (currently EPW Energia Sp. z o.o.)

On 26 February 2013, the subsidiary ENERGA Hydro Sp. z o.o. signed the preliminary purchase agreement for a 75% stake in Iberdrola Renewables Polska Sp. z o.o. ("Iberdrola") acting in a consortium with the partner, PGE, while it announced its intention to purchase the remaining 25% stake held by a minority shareholder, EBRD. On 21 June 2013 ENERGA Hydro Sp. z o.o. together with PGE signed a preliminary agreement for the acquisition from EBRD of the 25% stake in Iberdrola.

The condition precedent to the transaction was obtaining, by way of a decision of the Competition and Consumer Protection Office ("CCPO"), of consent for the concentration. CCPO's favourable decision was issued on 4 June 2013.

On 31 July 2013, the subsidiary ENERGA Hydro Sp. z o.o. together with PGE signed the final agreements for the acquisition of shares in Iberdrola. In this transaction, ENERGA Hydro Sp. z o.o. and PGE S.A. became owners of respectively: 67.3% and 32.7% of shares in the acquired company. On 9 September 2013, the name Iberdrola was changed to EPW Energia Sp. z o.o. ("EPW Energia").

According to the arrangements between the parties, a process aimed at dividing EPW Energia's assets between ENERGA Hydro Sp. z o.o. and PGE has begun, as a result of which ENERGA Hydro Sp. z o.o. will become the owner of two operational wind farms with the capacity of 114 MW and a portfolio of wind projects with different progress levels and the aggregated capacity of 1,186 MW. The assets will be divided by splitting Iberdrola by spinning off the parts of its assets to be transferred to PGE, which is planned for 2014.

In these financial statements part of the entity where the investment was made (called a "silo") is consolidated. Based on the approach described above, the company branches established for the wind farm projects taken over by ENERGA Hydro Sp. z o.o., i.e. EPW Energia Sp. z o.o. Karścino Branch, EPW Energia Sp. z o.o. Bystra Branch and EPW Energia Sp. z o.o. Pruszcz Gdański "Pipeline" Branch were identified as the parts of EPW Energia that are controlled by the Group.

Fair value of acquired assets and liabilities as at the date of acquisition

As a result of the analyses and valuations of acquired assets and liabilities carried out, the fair value of identifiable assets, liabilities and contingent liabilities of the acquired entities was determined.

Title	Fair value at the acquisition date (unaudited)
ASSETS	
Property, plant and equipment	661 056 858,06
Intangible assets	6 429 700,00
Deferred tax assets	36 749 813,94
Other non-current assets	2 372 381,60
Inventories	13 391 058,48
Trade receivables	581 090,08
Cash and cash equivalents	20 373 600,69
Other current assets	5 655 854,63
TOTAL ASSETS	746 610 357,48
LIABILITIES	
Non-current provisions	11 400 000,00
Deferred tax liabilities	3 701 603,64
Trade liabilities	4 111 147,56
Accruals	25 309 627,68
Other current liabilities	1 369 316,51
TOTAL LIABILITIES	45 891 695,39
Identifiable net assets	700 718 662,09

Goodwill recognised as a result of acquisition

In order to settle the wind assets acquisition transaction from EPW Energia, an analysis was conducted to determine which of the transactions should be classified as acquisition of a business. It has been determined that the definition of a business is satisfied by the operational wind farms in Karścino and Bystra, while the acquisition of the wind farm project portfolio should be classified as an acquisition of assets and liabilities. In order to settle the transaction as an acquisition of assets, the purchase price was allocated to the individual identifiable assets and liabilities at the amount of their fair value on the date of the acquisition. The remaining part of the purchase price was allocated to the operational wind farms in Karścino and Bystra.

On 17 October 2013, the final purchase price was determined based on the actual level of net debt and net working capital of the acquired branches as at the date of the acquisition, i.e. 31 July 2013. The final purchase price was PLN 805,980 thousand.

The calculation of goodwill recognised as a result of the acquisition is presented in the table below.

Title	Value at the acquisition date (unaudited)
Identifiable net assets at fair value	(700 718 662,09)
Purchase price	805 980 429,36
Goodwill	105 261 767,27

The resulting goodwill is derived from the fact that the Group expects the acquired parts of the entity (branches) to generate cash flows greater than those that could be achieved by selling their component net assets.

Cash outflows in relation to the acquisition

Title	Nine-month period ended 30 September 2013 (unaudited)
Expenses related to the acquisition of shares	(819 415 209,56)
Cash and cash equivalents acquired	20 373 600,69
Acquisition, net of cash acquired	(799 041 608,87)

Impact of acquisitions on the Group results

In the period from the acquisition date, the contribution of acquired entities to the Group's revenues and pre-tax profit was PLN 6,165 thousand and PLN (3,407) thousand, respectively. If the combination had occurred as at the beginning of the year, the revenues from the continued operations would have amounted to PLN 8,578 m and the profit on the Group's continued operations would have amounted to PLN 610.4 m.

Acquisition-related costs

Acquisition-related transaction costs incurred by the Group by 30 September 2013 amounted to approximately PLN 15.53 m and were recognised in the profit and loss account as financial costs.

21.4. Consolidation of the production segment operations

In connection with the consolidation of the Group's activities in the production sector, the legal 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 a decision on registration of the merger on 3 April 2013.

As the above mentioned mergers related to the subsidiaries of ENERGA SA, they did not affect the Group's assets, liabilities, revenues, expenses and cash flows presented in these consolidated financial statements.

22. Information on subsequent events

22.1. Merger plan for ENERGA Hydro Sp. z o.o. and EPW Karcino Sp. z o.o.

On 3 October 2013, an application to merge the subsidiaries ENERGA Hydro Sp. z o.o. (acquiring company) and Energa Karcino Sp. z o.o. (acquired company) was filed with the District Court Gdańsk-Północ.

22.2. Employment optimization plan in the sales segment

The principles for awarding additional retirement awards were introduced in sales segment companies. i.e. ENERGA – OBRÓT SA and ENERGA Obsługa i Sprzedaż Sp. z o.o., in order to optimize employment and also to facilitate voluntary terminations of employment agreements by mutual consent accompanied by payment of

additional benefits. As at the date of these financial statements, the Group estimates that the cost of the above employment optimization plan will reach approx. PLN 4 m. The above principles were announced on 11 October 2013 and therefore the Group did not recognize a provision on this account as at the reporting date.

22.3. Proceedings initiated by FORTA Sp. z o.o.

On 3 September 2013 the Extraordinary General Meeting of ENERGA SA adopted, inter alia, the resolution on share capital decrease (the "Resolution on the Share Capital Decrease") and resolution on determining the series of the company's shares and amending the Articles of Association (the "Resolution on Preferred Shares") (see note 23.1). Pursuant to the Resolution on Preferred Shares preference in respect of voting rights of series BB shares was introduced to the Articles of Association. On 16 October 2013, ENERGA SA was served with a statement of claim filed by a shareholder, i.e. FORTA Sp. z o.o. for repealing the Resolution on the Share Capital Decrease and annulment or, alternatively, repealing of the Resolution on Preferred Shares. In response ENERGA SA filed a submission challenging the lawsuit as a whole, pointing out that there are no grounds to repeal the challenged resolutions of the Extraordinary General Meeting of the company or annul them. As at the date of these interim financial statements no date of court hearing has been set.

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

23.1. Reverse split of ENERGA SA shares and reduction of share capital

On 3 September 2013, the Extraordinary Shareholder Meeting of ENERGA SA adopted a resolution on reverse split of ENERGA SA shares and reduction of the company's share capital. In the reverse split, the overall number of the company's shares, of all the series: A, B and C, was reduced pro rata from 4,968,805,368 shares to 414,067,114 shares. The share capital reduction was achieved by reducing the nominal value of all the existing shares in the company from PLN 12 (the new nominal value of shares resulting from the reverse share split) to PLN 10.92 each. The company's share capital was reduced without any distributions to shareholders, including the State Treasury and resulted in a transfer of equity from share capital to reserve capital.

As a result of the resolutions adopted, as at 30 September 2013, the share capital of ENERGA SA amounts to PLN 4,521,612,884.88 and is divided into shares as specified below:

Title	As at 30 September 2013
Registered shares of AA series with a nominal value of PLN 10,92 each	269 139 114
Registered shares of BB series with a nominal value of PLN 10,92 each	144 928 000
Total number of shares	414 067 114

The amendments to the company's articles of association required due to the above resolutions were registered by the Court of Registration on 9 September 2013.

23.2. Obtaining external funding

Eurobond issue process

As part of the EMTN medium-term Eurobond issue program for up to EUR1,000 m, on 19 March 2013, the subsidiary Energa Finance AB (publ) proceeded with the first issue of Eurobonds with a nominal 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 programme at ENERGA – OPERATOR SA for the years 2009 - 2012

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 for the period 2009 -2012 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 of which the following amounts are still outstanding and remain to be repaid: to EIB – PLN 998.6 m with the final maturity of 15 December 2025, to EBRD – PLN 712.5 m with the final maturity of 18 December 2021, to NIB – PLN 189.2 m with the final maturity of 15 June 2022.

Loans to finance the investment programme at ENERGA – OPERATOR SA for the years 2012 - 2015

On 26 June ENERGA SA and its subsidiary ENERGA – OPERATOR SA signed the loan agreement with EBRD for the amount of PLN 800 m under which the EBRD will provide PLN 400 m and the remainder will be covered by a consortium of two commercial banks: PKO Bank Polski SA and ING Bank Śląski SA.

Funds received under the agreement will be used to finance the investment programme of ENERGA – OPERATOR SA for the years 2012-2015 which includes development of the distribution network and improvement of its effectiveness, including the implementation of advanced meters, as part of a new "smart grid" solution.

The final repayment date of the loan is 18 December 2024. The loan is unsecured and based on the customary contractual clauses. As at 30 September 2013, the loan was not used.

On 10 July 2013 ENERGA SA and its subsidiary ENERGA – OPERATOR SA signed a financing agreement for PLN 1 bn with the EIB. Funds received under the agreement will be used to finance the investment programme of ENERGA – OPERATOR SA for the years 2012-2015 which assumes, among others, the development of the distribution network and improvement of its effectiveness, including the implementation of advanced meters, as part of a new "smart grid" solution.

The repayment period is 15 years from the date of drawing each tranche. The loan is unsecured and based on the customary contractual clauses. The borrower has the right to choose fixed or variable interest rates and PLN or EUR for individual tranches of the loan on terms and conditions laid down in the agreement.

Domestic bond issue

In 2012 a domestic bond issue program for up to PLN 4,000 m was established. By 30 September 2013, as part of the program ENERGA SA issued 7-year bonds for the total amount of PLN 1,000 m. The issued bonds were introduced into trading on one of Catalyst markets – Alternatywny System Obrotu (ASO) platform operated by BondSpot SA.

On 28 June 2013 the Financial Supervision Authority received a prospectus filed in connection with the intention to apply for admission and introduction of the bonds issued by ENERGA SA to trading on a regulated Catalyst market operated by Giełda Papierów Wartościowych w Warszawie S.A. or BondSpot S.A. Due to the IPO process pending in the company (see description in note 23.3), proceedings in this matter before KNF were suspended.

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. By 30 September 2013, the full amount of PLN 100 m was committed under the loan, of which PLN 85 m remains to be repaid by 7 September 2015.
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 on the modernisation of the boiler including the implementation of the biomass joint combustion option, on the construction of a straw-based pellet production unit and on the construction of a new power unit. By 30 September 2013 the amount of PLN 134.7 m was committed under the loan, of which PLN 112.2 m remains to be repaid by 16 December 2015.
3. agreement for arranging loans for ENERGA Group's companies with a total limit of PLN 75 m. As at 30 September 2013 financing for PLN 53.8 m was committed of which PLN 14.3 m was actually used. The facilities expire on 29 June 2015.
4. master agreement for bank guarantees for ENERGA Group's companies with a total limit of PLN 10 m. As at 30 September 2013 the limit was used in the amount of PLN 5.8 m. The facilities expire on 15 October 2016.
5. agreement for arranging loans for ENERGA SA with a total limit of PLN 300 m. As at 30 September 2013 the funding limit committed was not used. The facilities expire on 11 October 2016.

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 30 September 2013, the loan was not used. The loan is to be repaid by 12 October 2016;
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 17). The aggregate use of the loan as at 30 September 2013 reached PLN 33.0 m. The loan is to be repaid by 29 May 2022.

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 30 September 2013 the financing limit for PLN 117.4 m was committed of which PLN 4.4 m was actually used. The facilities expire on 30 August 2016;
2. master agreement to extend an overdraft limit to ENERGA SA and its subsidiaries with a total limit of PLN 200 m. As at 30 September 2013 the financing limit for PLN 8.6 m was committed of which PLN 5.5 m was actually used. The facilities expire on 19 September 2017.

Bonds issue through PKO Bank Polski SA

In 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 bonds are issued as short-term securities, which, in quarterly cycles will be exchanged (rolled over) to bonds of a new issue, with the commitment of the Bank to

cover them under the terms of the issue agreement throughout the entire period of its duration. The value of the issues under such financing is PLN 66 m.

23.3. Privatisation process

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

In July 2013, following the proceedings to select financial advisors, MST selected a syndicate of banks to run the IPO process of ENERGA SA. JP Morgan and UBS act as global coordinators and the consortium also comprises: Citi Handlowy, UniCredit CAIB, Bank PKO BP, Banco Espirito Santo, Bank of America Merrill Lynch, IPOPEMA Securities, Dom Inwestycyjny BRE Banku and BNP Paribas.

On 11 September 2013, the first draft of the prospectus was submitted to the Financial Supervision Commission.

The final decision of the MST regarding the date of the transaction will be subject to, inter alia, current market conditions.

23.4. Ostrołęka C Project

In 2012 the Group decided to suspend preparations for the construction of a coal unit in Ostrołęka. The reasons for suspending the project were, among others, difficulties in obtaining funding under the Project Finance formula and adverse conditions on the market of construction companies. In 2013 the Group was actively seeking a partner interested in a joint implementation of the project or in a purchase thereof. Despite initial interest in participation in the project from a few prospective investors, the Group actually did not receive any satisfactory proposals. Currently the Group is considering alternative scenarios of further actions, including a reduction of the capacity of the unit in Ostrołęka, a switch to a gas fuel or suspension of the project.

23.5. Restructuring of the Group

As part of the efforts aimed at optimizing the Group structure in the current reporting period the following activities were undertaken:

- On 3 April 2013 the legal merger of the companies ENERGA Bio Sp. z o.o. and ENERGA Hydro Sp. z o.o. was registered (see description in note 21.4).
- On 3 September 2013, the increase of PLN 783.0 thousand in the share capital of RGK Sp. z o.o. covered by a contribution in kind in the form of minority shares and holdings by ENERGA SA was registered in the National Court Register;
- On 7 June 2013 the increase in share capital of ENERGA Kogeneracja Sp. z o.o. by PLN 48.5 million, in return for a contribution in kind in the form of shares in ENERGA Elektrociepłownia Kalisz S.A and ENERGA OPEC Sp. z o.o. and cash contribution by ENERGA SA and ENERGA Elektrownie Ostrołęka SA was registered in the National Court Register;
- ENERGA – OPERATOR SA initiated activities aimed at selling the shares in the subsidiaries providing supporting services for the Distribution System Operator's business, i.e. designing and specialized power construction and production of power devices (see description in Note 16);
- Following the implementation of the plan for integrated services related to maintenance and use of non-power real estates (the so called Facility Management) of ENERGA – OPERATOR SA on 4 July 2013 the following two companies were established: DGP PROVIDER Sp. z o.o. and EKOTRADE SERWIS

FM Sp. z o.o. Separate processes associated with the provision of these services along with their supporting employees (64 people) have been assigned to the newly created entities. On 1 October 2013 these companies were sold to industry investors;

- Following the completion of the compulsory purchase procedures for the shares in ENERGA – OPERATOR SA from minority shareholders, in July 2013 ENERGA SA became the sole shareholder of the company;
- On 24 September 2013 the Management Board of ENERGA - OPERATOR SA adopted a resolution to terminate part of the contracts for the performance of investment work signed with operation and investment companies (i.e. ENERGA – OPERATOR Eksploatacja i Inwestycje Plock Sp. z o.o. , ENERGA – OPERATOR Eksploatacja i Inwestycje Slupsk Sp. z o.o., ENERGA – OPERATOR Eksploatacja i Inwestycje Kalisz Sp. z o.o., ENERGA – OPERATOR Eksploatacja i Inwestycje Torun Sp. z o.o., ENERGA – OPERATOR Eksploatacja i Inwestycje Elblag Sp. z o.o., ENERGA – OPERATOR Eksploatacja i Inwestycje Gdansk Sp. z o.o.). These companies will cease their investment activity at the end of March 2014. Accordingly, actions have been taken to prepare and implement additional protection programs for employees affected by the discontinuation of investment activities by the operating and investment companies. As at 30 September 2013, the Group has raised a provision of PLN 66.7 m for the above (see note 15).

23.6. Dispute with PSE S.A. and PKN ORLEN S.A.

In July 2003 PSE S.A. (previously PSE – Operator S.A.) filed a court action against ENERGA – OPERATOR SA (previously Zakład Energetyczny Plock 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 sued PKN ORLEN S.A. (“PKN”). On 30 June 2004 EOP filed in the Regional Court in Warsaw an action against PKN for the payment of PLN 46.2 m as a system fee pursuant to § 36 of the Tariff Ordinance.

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 paid the entire awarded amount including interest, i.e. PLN 75.6 m and reimbursed the costs of proceedings. However, PKN filed a cassation appeal to the Supreme Court against that judgement. 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. As a result, the basis for the consideration paid by PKN to EOP ceased to exist. In view of the above, EOP returned the awarded amount together with the costs of the proceedings to PKN. At present, taking into account the procedural status of the case it can be assumed that EOP action against PKN is justified, and only the amount thereof is in dispute. In connection with the current status of the case, the Group recognized a contingent asset of PLN 27.9 m. As at the date of these financial statements, no final decisions were issued in that case.

In the action filed by PSE S.A. the Regional Court in Warsaw by the judgment of 25 March 2008 awarded from EOP to PSE the amount of PLN 62.5 m together with due interest. EOP appealed against the judgment but the appeal was dismissed by the Court of Appeal in the judgment of 19 March 2009. On 30 July 2009 EOP filed a cassation appeal to the Supreme Court against that judgment, 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 S.A. 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.

The judgment was appealed against by cassation appeals filed by both parties. On 11 January 2013 there was a hearing before the Supreme Court when 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.

Considering the hitherto existing developments of the case, their duration and distant perspective of reaching final verdict, the Parties decided to start negotiations in order to amicably settle the dispute. On 16 May 2013 the "Agreement on starting negotiations to reach a settlement of the court dispute" was signed. Following their accession to the negotiations PSE S.A. together with EOP applied to the Court for a suspension of the proceedings until the conclusion of the negotiations with a possible settlement. On 14 and 20 May 2013 two negotiating meetings were held which were aimed at agreeing the terms of such settlement. On 1 August 2013 the "Agreement on the terms of the settlement with PSE S.A." was signed, in terms of which EOP paid to PSE an amount of PLN 95.5 m (with the principal amount of PLN 62.5 m and statutory interest of PLN 33.0 m) on 9 August 2013. In connection with the agreement, EOP and PSE applied to the Court to recommence the suspended proceedings. In its decision of 17 September 2013, the Court decided to recommence the suspended proceedings in this case. At the date of these financial statements, no hearing date has been set.

23.7. Rating

On 10 October 2013, Fitch Ratings ("Agency") affirmed the Company's long-term ratings at the previous level of BBB (foreign rating) and A(pol) (local rating). The outlook for the ratings is stable. The Agency stated that the affirmation of the Company's ratings reflected the high share of the regulated distribution business in Energa's EBITDA, which contributed to cash flow predictability. The Agency also recognized the Company's progress in arranging external funding for its capital expenditures and ample liquidity, noting also the additional factors in the form of a relatively stable regulatory framework and the Company's accelerated development of its renewables capacity.

Director of the Consolidated
Reporting Department

Marek Pełtkiewicz


(date and signature)
24 PAŹ. 2013

President of the Management Board

Mirosław Bieliński



(date and signature)
24 PAŹ. 2013

Executive Vice-President of the
Management Board
Chief Financial Officer

Roman Szyszko


(date and signature)
24 PAŹ. 2013

Director of the Finance
Management Center

Aleksandra Gajda – Gryber


(date and signature)
24 PAŹ. 2013

Executive Vice-President of the
Management Board
Strategy and Investments

Wojciech Topolnicki


(date and signature)
24 PAŹ. 2013