

PGE Elektrownia Opole S.A. signs an agreement for the construction of two power generation units with a combined capacity of 1800 MW

Warsaw, 15 February 2012 – Today the Management Board of PGE Elektrownia Opole S.A. and the consortium of Rafako S.A., Polimex-Mostostal S.A. and Mostostal Warszawa S.A. have signed an agreement for the construction of two power generation units with a combined capacity of 1800 MW

Each with a capacity of 900 MW, units no. 5 and 6 are to be erected under a comprehensive EPC contract providing for design, delivery, construction, start-up, commissioning and guarantee services.

According to the provisions of the signed agreement, the Consortium has undertaken to fulfil the order within 54 months from the date of the issue of a notice to proceed with respect to unit no. 5 and within 62 months from the date of the issue of a notice to proceed with respect to unit no. 6. One of the necessary conditions for the issue of a notice to proceed is the PGE Opole Power Plant's acquisition of a relevant building permit. The agreement's net value amounts to PLN 9 397 000 000 (the gross value: PLN 11 558 310 000). Furthermore, the parties have also signed an annex which limits their respective risks related to a complaint filed by the Alstom Consortium with the Regional Court of Law in Łódź and a verdict of the Provincial Administrative Court in Warsaw annulling the decision on the environmental conditions of an approval for the said investment project.

The PGE Opole Power Plant's new power generation units are to meet all national and EU environmental protection standards. Due to their high efficiency, such units may be operated at low CO2 emission levels and at competitive fuel prices.

The new units' basic technological parameters: • Fuel: hard coal • Capacity: 2x900 MW • Net efficiency: min. 45.5% Łukasz Witkowski External Communication Manager PGE Polska Grupa Energetyczna SA GK PGE The PGE Capital Group is the largest power company in Poland and one of the largest such companies in Central and Eastern Europe. Because of its size and position, it is a very important link in Poland's energy security system. PGE CG is the undisputed leader with respect to the installed capacities, volume of generated electricity and the number of end users.

The PGE Capital Group has a 40% share in Poland's power generation market and a 26% share in the electricity distribution market. PGE CG's activities are divided into five segments: Conventional Power Generation, Renewable Power Generation, Nuclear Power Generation, Distribution Retail Sales and Wholesale Trade. The Group employs over 46,000 people and boasts 13.1 GW of installed generation capacities. In 2010 the PGE Capital Group's net electricity production reached a net level of 53 TWh. PGE's largest competitive advantage is its presence in almost all links of the value chain in the power generation industry (with the exception of electricity transmission, which is the domain of PSE Operator S.A.). One of the most important principles followed by the PGE Capital Group is sustainable development.