



PGE is admitted to the next stage of the tendering procedure for Energa SA

PGE Polska Grupa Energetyczna SA has found itself among the group of firms admitted to an audit of the books of the company Energa SA in connection with its planned sale by the State's Treasury Ministry.

Considering PGE's present financial position also its experience in the power industry, PGE is well prepared to conduct transactions and fulfil the role of Energa's strategic investor. A merger of PGE and Energa will bring about a solution of the essential problem, which is increasingly real from the perspective of customers, namely the insufficient supply of electricity in a situation of growing demand. In large measure, this problem concerns the area of north-east Poland, where electricity consumption considerably exceeds Energa's production capacity. Such a merger, should it come about, will not have any effect on the price of electricity provided to customers. Ensuring end customers stable deliveries of electricity at competitive prices will be possible thanks to both the use of that electricity produced in the existing PGE power stations and the investments in new production facilities and a new distribution network. PGE's own assets guarantee that these investments will be carried out and the costs of acquiring the necessary capital will be lower than in the case of other investors. Moreover a merger of PGE and Energa potentials into a single group creates conditions ensuring execution of the building project for a nuclear power station. One of the planned locations for the nuclear power station is on terrain presently served by Energa, which naturally ensures customers access to electricity coming from a closely located source. Following a possible merger with PGE, Energa will function under its existing name, and its principal place of business shall remain in Gdańsk.