

**The Report of the Supervisory Board of PGE Polska Grupa Energetyczna S.A.
on the evaluation results of "The Consolidated Financial Statements
of the Capital Group of PGE Polska Grupa Energetyczna S.A. consistent with
IFRS for the financial year ended on 31 December 2010" and "The Report of the
Management Board on the activities of the Capital Group of PGE Polska Grupa
Energetyczna S.A. for the year 2010"**

The Supervisory Board, acting pursuant to § 18 clause 1 item 1) of the Company's Statutes, carried out an evaluation of "The Consolidated Financial Statements of the Capital Group of PGE Polska Grupa Energetyczna S.A. consistent with IFRS for the year ended 31 December 2010" together with the opinion and the report of a certified auditor prepared by KPMG Audyt Sp. z o.o. and "The Report of the Management Board on the Activities of the Capital Group of PGE Polska Grupa Energetyczna S.A. for the year 2010".

As a result of the carried out analysis and on the basis of the opinion and the report of a certified auditor on the audit of "The consolidated financial statements consistent with IFRS of the Capital Group of PGE Polska Grupa Energetyczna S.A. for the year ended 31 December 2010", the Supervisory Board concludes the following:

- The consolidated financial statements of the Capital Group of PGE Polska Grupa Energetyczna S.A. present truly and fairly the economic and financial position of the Capital Group as at 31 December 2010, the financial result and cash flow for the financial year ended on that day, and have been drawn up in all material aspects, in accordance with the requirements of the International Financial Reporting Standards, which have been approved by the European Union and it is in compliance with the legal regulations binding for the Capital Group.
- "The Report of the Management Board on the activities of the Capital Group of PGE Polska Grupa Energetyczna S.A. for the year 2010" takes into account all material aspects specified in the article 49 of the Accounting Act and the Regulation of the Minister of Finance of 19 February 2009 on current and periodical information to be released by issuers of securities and the conditions for recognizing as equivalent information required under the laws of a country which is not a Member State" (Journal of Laws of 2009, no. 33, item 259) and they are consistent with the information included in the consolidated financial statements.

Final conclusions

The Supervisory Board evaluates positively the following:

1. "The consolidated financial statements of the Capital Group of PGE Polska Grupa Energetyczna S.A. consistent with IFRS for the financial year ended on 31 December 2010",
2. "The Report of the Management Board on the activities of the Capital Group of PGE Polska Grupa Energetyczna S.A. for the year 2010".

Therefore, the recommends to the General Meeting an approval of "The consolidated financial statements of the Capital Group of PGE Polska Grupa Energetyczna S.A. consistent with IFRS for the financial year ended on 31 December 2010" and "The Report of the Management Board on the activities of the Capital Group of PGE Polska Grupa Energetyczna S.A. for the year 2010".

Chairperson of the Supervisory Board
PGE Polska Grupa Energetyczna S.A.

Marcin Zieliński

Vice Chairperson of the Supervisory Board

Mr Maciej Bałtowski

Members of the Supervisory Board:

Mr Jacek Barylski
.....

Ms Małgorzata Dec
.....

Mr Czesław Grzesiak
.....

Mr Grzegorz Krystek
.....

Ms Katarzyna Prus
.....

Mr Zbigniew Szmuniowski
.....

Mr Krzysztof Żuk
.....