



A justification for the draft resolutions of the Ordinary General Meeting ("OGM") of "PGE Polska Grupa Energetyczna Spółka Akcyjna" ("Company") convened for 29 June 2011 concerning amendments to the Company Statutes.

I. The draft of the resolution concerning the amendment of § 3 of the Statutes

A proposed amendment to the Company Statutes consisting in the addition of another item to § 3 concerning the broadening of the scope of the Company's business activities results from the obligation of PGE Polska Grupa Energetyczna S.A. to fulfil formal and legal requirements allowing the Company to conduct, on its own behalf, an activity consisting in entering into transactions on commodities exchanges, in particular the requirements related to the Company's holding a permit for the maintenance of exchange commodities accounts and registers issued by the Financial Supervision Authority.

II. The draft of the resolution concerning the amendment of §§ 11, 20, 21 clause 1 and adding a new § 46 of the Statutes

Pursuant to article 401 § 1 of the Commercial Companies Code, proposed amendments to the Company Statutes related to §§ 11, 20, 21 clause 1 and the addition of new § 46 have been submitted by the Minister of the State Treasury, acting in the capacity of the representative of the shareholder, i.e. the State Treasury, together with a request to include the proposed amendments to the Statutes of PGE Polska Grupa Energetyczna Spółka Akcyjna in the agenda of the General Meeting. The said request was accompanied by a draft resolution of the General Meeting and a justification for the introduction of the proposed amendments to the Company Statutes.

Below, we present a justification for the proposed amendments to the Company Statutes submitted by the Minister of the State Treasury.

"The proposed amendments to the Company Statutes concern the following issues:

1. Limitations in the voting rights of shareholders and the adoption of principles concerning the cumulation and reduction of votes.
2. The manner of appointing the Supervisory Board.
3. The identification of an entity whose rights attached to shares are not limited and an entity entitled to nominate candidates for members of the Supervisory Board.

The proposed amendments result from the necessity to ensure the stabilisation of the Company's position on the regulated market. The limitations in the voting rights concern only those shareholders that would intend to acquire a block of shares exceeding 10% of the Company's share capital or to exercise the voting rights attached to such block of shares. The proposed amendment will stabilise the exercise of the voting rights attached to shares and will prevent activities leading to a speculative trade in the Company's shares, especially a trade causing temporary investment decisions. This amendment does not prevent the Company from acquiring a strategic investor.

The proposed amendments concerning the principles of appointing members of the Supervisory Board are to ensure a long-term stabilisation in the management of the Company through the consistent pursuit of adopted objectives.

The proposed solution attaches the particular rights to the largest block of shares held by one investor. This right may transfer from one shareholder to another after the fulfilment of the particular conditions which continue to safeguard the stability of the Company's operations."